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Tēnā koe,

**Waikato Regional Council Submission to the New Zealand's second emissions reduction plan:
Discussion document**

Thank you for the opportunity to submit on the proposed discussion document: New Zealand's second emissions reduction plan: Discussion document. Please find attached the Waikato Regional Council's (the Council's) submission. The submission was formally endorsed by the Council's Submissions Subcommittee on **14 August 2024**.

Should you have any queries regarding the content of this document please contact Sydney Green, Policy Advisor, Policy Implementation directly on (07) 8586074 or by email Sydney.Green@waikatoregion.govt.nz.

Ngā mihi,

Tracey May
Director Science, Policy and Information

Submission from Waikato Regional Council on the New Zealand's second emissions reduction plan: Discussion document

Introduction

1. We appreciate the opportunity to make a submission on the discussion document for New Zealand's second emissions reduction plan.
2. This submission draws heavily on the stance that the council advocated in our previous submission to the first Emission Reduction Plan.
3. The council recognises the importance of climate action in the current global and national setting and highlights that as a local government authority, many of our activities are impacted by climate change. This is particularly important given our role managing activities that contribute to the emission of greenhouse gases.
4. In regions like Waikato where primary industries dominate the economy, potential flow-on effects from reducing emissions include land use change particularly from livestock farming to forestry and horticulture. This could impact on employment opportunities and the social fabric of rural communities.
5. The council also shares the view that well-informed policies and strategies are necessary to ensure that the country will meet the national targets set under the Climate Change Response Act 2002.
6. We look forward to future consultation processes to incorporate the proposed amendments into relevant statutes and would welcome the opportunity to comment on any issues explored during their development.
7. We support an emission reductions plan that enables us to serve our communities while protecting the environment for our future generations. Our submission intends to provide support with understanding key issues in connection with the discussion document, and help implement an efficient emissions reduction plan for New Zealand.
8. The council considers that the vitality of our rural communities, and the small rural towns that support these communities, must be considered in any measures implemented, including any unintended consequences that could lead to loss of employment and loss of GDP. We recommend that the government works to understand what would benefit rural communities and landowners, and what strategies would help to address the potential impacts from afforestation in these communities.
9. The council stresses the need for central government to provide analysis for their reasoning of decisions, both within this document and for future consultation. There are competing scientific views on data interpretation and necessary actions to address climate change, and the council considers the central government analyses should demonstrate with transparency the evidence selected, used and interpreted to support their decisions.

The submission

10. The council's submission responds to the discussion document's questions, focusing on the topics or questions most closely aligned with our statutory role. We have not responded to all the questions. Our overall position can be summarised as follows:

a. *General overview and system plans*

The council understands that a significant reduction in greenhouse gas emissions will be required to meet the nation's 2050 net zero target. We maintain that the utilisation of policy levers to influence behavioural change in this space is integral to meeting our net zero target. The

government Investment in Decarbonising Industry (GIDI) fund was an example of a policy lever that was successful in inducing behaviour change.

The council generally supports the net-based approach the government is taking as a way of minimising the costs of transition but only as a short-term measure. We reiterate our previous submissions on this topic, noting the importance of not solely relying on the New Zealand Emission Trading Scheme (NZ ETS) as a long-term strategy for emissions and considering the impacts the creation of NZ ETS units afforestation will have on undermining the system.

b. *Chapter 1: Our approach to New Zealand's climate change response*

The council endorses the use of the NZ ETS in a way that maintains the integrity of the system. As per previous submissions we have made on the NZ ETS, we advocate for the government to follow the Climate Change Commission's advice on price control settings and unit limits.

We see a need for a biodiversity credit scheme which has co-benefits of achieving ecological goals and complements other funding mechanisms.

c. *Chapter 2: Tracking our progress towards meeting emissions budgets*

The council does not support the current path of the government for reducing emissions in New Zealand, due to the high risks associated with a focus on afforestation and undeveloped agricultural emissions technology. This fundamentally reduces the incentives faced by emitters. In addition, the inclusion of forestry in the ETS is expected to ultimately result in the generation of increased supply of units, which will, other things equal, reduce unit prices and the incentives to reduce emissions.

This is of high relevance to the Waikato region due to our high concentration of primary industries. We believe the current trajectory will be unsuccessful in meeting the net-zero goal for 2050 given the heavy reliance on the NZ ETS. We recommend a multipronged approach to reducing emissions.

d. *Chapter 3: Strengthening the New Zealand Emissions Trading Scheme*

We recognise the NZ ETS is a key tool for addressing climate change in Aotearoa, however, it has not been allowed to act as an effective pricing mechanism. As per the council's previous submissions on the matter, we maintain that the government should follow the advice of the Climate Change Commission to provide certainty for the future system and price settings.

Our submission does not support the government's reliance on afforestation and considers that this approach of promoting exotic forestry into the NZ ETS will prevent the market from working correctly.

The council supports solutions with co-benefits, such as using nature-based solutions that would restore indigenous biodiversity while reducing carbon emissions.

e. *Chapter 4: How we fund finance climate mitigation*

The council considers that there is a lack of awareness and understanding in how investment and climate mitigation can work well together. We believe that the Government Investment in Decarbonising Industry (GIDI) should not be discontinued. The GIDI fund is incentivising decarbonisation in the private sector.

f. *Chapter 5: Energy*

The council does not support the discontinuation of a number of energy related policies as the latest reporting shows these policies to be supporting emission reductions.

g. *Chapter 6: Transport*

The council supports the proposed actions to enable EV charging infrastructure with amendments. We also support reducing red tape and regulation, but not at the expense of safety or inclusivity.

We have concerns with the over-reliance on transitioning to EVs and consider that there are faster and cheaper ways of achieving emissions reduction from transport sources, with wider co-benefits, such as public transport, walking and cycling initiatives and compact urban form.

h. **Chapter 7: Agriculture**

The council has concerns about the emissions reductions of the agriculture sector, and the reliance on technology that is not yet fully understood and developed. Key barriers include a lack of education, awareness, evidence and incentives.

i. **Chapter 8: Forestry and wood processing**

We do not support the streamlining of consents for wood processing at this stage.

The council supports the role of wood in the built environment as potentially beneficial, especially if there was a requirement for construction using engineered timber, as a carbon capture nature-based solution. However, the council again cautions against the unintended negative consequences of widespread exotic afforestation.

j. **Chapter 9: Non-Forestry removals**

We strongly support the recognition of non-forestry forms of carbon sequestration to support emissions reduction, including wetland and native forest restoration. We also consider that on-farm vegetation and coastal vegetation management should be explored.

We recommend exploring opportunities for non-forestry removals to support emissions reduction that have co-benefits in terms of restoring biodiversity and helping cope with climate resilience.

k. **Chapter 10: Waste**

The council is neutral on the government further investigating improvements to organic waste disposal and landfill gas capture.

While we support investigation of improvements around land fill gas capture, the council stresses the importance of the government following the waste hierarchy.

Emissions should first be reduced at source and policies should be put in place first to prevent waste going to landfill. Our submission provides examples of how the Waikato is already tackling this issue by driving waste minimisation, via MfE funded research and an organics disposal centre in Hamilton city.

l. **Chapter 11: Helping sectors to adapt to climate change impacts**

The council supports policies with environmental and wellbeing co-benefits, and diversification of land use as emission reduction policies within the ERP. We recognise that the Waikato region is already managing some climate risks. However, sectors require further support from the government with coordination and guidance.

m. **Chapter 12: Addressing distributional impacts across our economy and society**

We believe that a climate change lens should be applied to every service, policy, support, training and programme now as climate change effects are already a reality. This is of particular importance to the Waikato region due to the nature of our primary industry dominated economy: the potential flow-on effects caused by land use change would impact employment and the social fabric of our rural communities.

Submission on New Zealand’s second emissions reduction plan – table with questions and answers from the discussion document

Note: Not all questions have been responded to. The responses below relate only to those questions that are relevant to the council.

Questions	WRC response
General Consultation Questions: “Share your views”	
<p>0.1 What do you think is working well in New Zealand to reduce our emissions and achieve the 2050 net zero target?</p>	<p>We consider that the He Pou a Rangi – Climate Change Commission’s monitoring emissions report 2024 ¹ is relevant to this question. The summary report highlights that gross emissions in Aotearoa New Zealand have declined each year since 2019, as a result of government policies combined with the impact of external factors – such as economic conditions, weather conditions, and international fossil fuel prices. Therefore, we consider that policies introduced by the previous government have had a positive impact in reducing our emissions.</p> <p>Reduction of greenhouse gas emissions to meet the nation’s 2050 net zero target will require transition and some economic sectors (e.g. industrial process heat, and transport) will be able to make change faster than others as the technology is already available. For those sectors where the technology exists incentives, e.g. the Government Investment in Decarbonising Industry (GIDI) fund, has worked well to advance transition ahead of financial drivers to amortise previous investments.</p> <p>The GIDI fund was working well to encourage large emitters to accelerate their decarbonization programmes, thus enabling decreasing emissions at a much higher rate. While it may have been effective in getting some urgently needed action, GIDI did also involve large transfers from taxpayers to polluting corporates – the implication being that the property rights sit with the polluter, and they are to be compensated to reduce this (i.e. the opposite of ‘polluter pays’).</p> <p>Currently there are 85 active projects under the GIDI fund ² in Aotearoa with eight projects in the Waikato region, including:</p> <ul style="list-style-type: none"> • AFFCO New Zealand Limited in Hamilton to install a biomass pellet boiler to completely replace fossil fuel demands from natural gas (Approved co-funding of \$3,500,000). • Donelly Sawmillers Ltd in Reporoa, to install a high-temperature specialised thermal-oil biomass boiler, to replace four 1MW diesel broilers (Approved co-funding of \$2,600,000) • Fonterra Limited in Hautapu, to convert two coal broilers to burn wood pallets (Approved co-funding of \$2,500,000)

¹ [At a glance: Monitoring emissions reduction \(2024\) » Climate Change Commission \(climatecommission.govt.nz\)](#)

² [Approved GIDI projects | EECA](#)

Questions	WRC response
	<ul style="list-style-type: none"> • Open Country Dairy Limited in Waharoa, two projects to convert to boilers from coal burning to wood pallets (Approved co-funding for both projects of \$5,000,000). <p><u>We support the use of incentives to advance the transition of industries ahead of financial drivers and to encourage co-investment</u></p> <p>In addition, <u>we support data sharing and cross-agency collaborations</u> on climate emissions and opportunities for implementing reductions. We consider that transparency and accessibility to emissions data is useful for accounting for and understanding our emissions. This is the first step to reducing emissions.</p> <p>We consider that improvements in how organisations and agencies collect, manage, communicate and visualise data on emissions over the last 4-5 years, which allows better planning for emissions reductions. Includes annual stocktakes, inventories, dashboards etc. categorized by source and location/area.</p>
<p>0.2 The Government is taking a ‘net-based approach’ that uses both emissions reductions and removals to reduce overall emissions in the atmosphere (rather than an approach that focuses only on reducing emissions at the source). A net-based approach is helpful for managing emissions in a cost-effective way that helps grow the economy and increase productivity in New Zealand.</p> <p>a. What do you see as the key advantages of taking a net-based approach?</p> <p>b. What do you see as the key challenges to taking a net-based approach?</p>	<p>We consider that a net based approach is appropriate as a way of minimising the costs of transition. However, this is not a long-term strategy. For example, the creation of units under the New Zealand Emissions Trading Schemes (NZ ETS) through afforestation will eventually undermine the NZ ETS by increasing supply, reducing prices and incentives for any actual (gross) emission reductions.</p> <p>There are opportunities for the net-based approach to address the current biodiversity crisis by using nature-based solutions as carbon sinks. The government could incentivise and subsidise the reinstatement and use of significant natural areas (SNAs) and native forests, including corridors of indigenous fauna and other land cover such as wetlands that contribute to peatland sequestration of carbon and blue carbon initiatives. We consider that both native planting and the reinstatement of indigenous ecosystems create habitat that will be required for indigenous biodiversity to adapt to a changing climate and to secure mobile hillsides from erosion and land slips/slides all projected to increase with the changing climate.</p> <p><u>We consider that net emission targets provide a short-term advantage, as they are currently combined with biological offsets that are limited in efficiency over time and by limited land available for planting.</u></p> <p><u>We consider that the reliance on technologies that have not been developed yet provides risks to the country not achieving long term targets. We consider the uptake and efficacy of emerging technologies is unknown, and testing</u></p>

Questions	WRC response
	<p>will delay emissions reductions. The ERP2 acknowledges there is a high level of uncertainty using new technology, but also suggests there is high uncertainty with baseline projections of agricultural emissions.</p> <p>We acknowledge there will be elements of uncertainty, however, there is less uncertainty in projected emissions as these are based on calculations from multiple historical datasets. On the other hand, we have no (or limited) previous data on the effectiveness and efficiency of emerging technology and therefore nothing to base models off. We support use of a pragmatic, science-based approach.</p>
<p>0.4 What Māori- and iwi-led action to reduce emissions could benefit from government support? There are additional questions about Māori- and iwi-led action to reduce emissions and impacts of proposed ERP2 policies on Māori and iwi in chapters 1 and 12.</p>	<p>We consider that if the NZ ETS operates well, it may create more opportunities for iwi-owned farms to enter carbon sequestration projects into the NZ ETS to gain carbon credits or offset farm emissions e.g., credits from forestry on hill country, blue carbon credits through coastal wetlands, and ‘teal’ carbon credits through Organic Soils. We understand that iwi-owned farms are often on marginal lands (hill country, low-lying coastal areas, floodplains). However, there would need to be confidence in the NZ ETS in order for this to be effective.</p>
Questions	WRC response
Chapter 1: Our approach to New Zealand’s climate change response	
<p>1.2 What additional opportunities do you think the Government should consider?</p>	<p><u>Land use change</u> We recommend that land use change be a focus, and that the government be more active in developing transition pathways in consultation with sectors. The Parliamentary Commissioner of Environment has recent investigated land use change³ which provides a useful starting point.</p> <p><u>Biodiversity credit system</u> We consider that there is an opportunity to investigate a biodiversity credit scheme. The council supports⁴ the need for a biodiversity credit system in New Zealand as a way of attracting capital for crucial biodiversity restoration and protection actions.</p> <p>Biodiversity credits should complement, not replace, other funding mechanisms such as rates. We recommend that biodiversity credits and offsets should be separate, with credits aimed at private sector investment in biodiversity protection and restoration, not offsetting development-related biodiversity loss.</p>
Questions	WRC response

³ [Going with the grain: Changing land uses to fit a changing landscape | Parliamentary Commissioner of Environment \(pce.parliament.nz\).](#)

⁴ [WRC Submission - Exploring a Biodiversity Credit System for Aotearoa NZ](#)

Questions	WRC response
Chapter 2: Tracking our progress towards meeting emissions budgets	
2.1 What, if any, other impacts or consequences of the Government's approach to meeting the first emissions budget should the Government be aware of?	We consider that there is a risk of New Zealand being forced to buying emissions credits from overseas if the ERP2 remains unchanged.
2.2 What, if any, are the long-term impacts from the changes to the first emissions reduction plan on meeting future emissions budgets that should be considered through the development of the second emissions reduction plan?	<p><u>We are concerned that the current path for reducing emissions in New Zealand is currently inefficient</u> to meet the net-zero goal for 2050⁵. Following the current path will continue to keep New Zealand off track in terms of reducing its emissions to meet the 2050 net-zero goal. The 2030 timeframe budget is the most important to prioritise due to the time value of carbon.</p> <p>Based on the numbers in Table 0.1 and 0.2, there is a reliance on the third emissions budget to make up for lack of emissions reduction in the second emissions budget. We consider that it is risky to postpone actions now and increase the pressure in the near future. We consider that there should be consistent reduction over time, regardless of changes in the political environment.</p> <p>Globally there are reputational risks of not doing enough and, consequently, we lose may market access and/or our exports are discounted.</p> <p><u>We recommend having a more efficient and consistent approach to reducing emissions in New Zealand.</u></p>
Chapter 3: Strengthening the New Zealand Emissions Trading Scheme	
3.1 What else can the Government do to support NZ ETS market credibility and ensure the NZ ETS continues to help us to meet our targets and stay within budgets?	<p>We consider that the government should allow the NZ ETS to achieve its objective by maintaining the integrity of the system (see our previous submissions on the review of the NZ ETS dated 9 August 2023 ⁶and 6 June 2024 ⁷)</p> <p><u>We continue to advocate for the government to follow the Climate Change Commission's advice on price control settings.</u></p>

⁵ [Climate Commission issues a yellow card on emissions progress \(msn.com\)](https://www.msn.com)

⁶ [Policy Advisor \(waikatoregion.govt.nz\)](https://www.waikatoregion.govt.nz)

⁷ [Submission - NZ Emissions Trading Scheme limits \(waikatoregion.govt.nz\)](https://www.waikatoregion.govt.nz)

Questions	WRC response
	<p>We consider the NZ ETS is a key tool for addressing climate change in Aotearoa, but it needs to be allowed to act as intended, to operate as an effective pricing mechanism, and to provide appropriate incentives for change. The unit limits and price control settings should incentivise emissions reductions. We consider that changing the price settings to reduce the cost impact on households should not be the key consideration. Such matters can be addressed directly through non-ETS policies, without undermining the price incentives and policy objectives of the ETS.</p> <p>In particular, the price for the cost containment reserve has been kept lower than the commission recommended. This has limited the effectiveness of the mechanism to send a clear price signal. We strongly advocate for the government to follow the advice of the commission and provide certainty for the future system and price settings. Market participants need certainty to plan tree life cycles and a stable market will provide greater incentive for GHG emitters to invest in emission reduction technology.</p> <p><u>We encourage the government to reduce the surplus supply</u> of New Zealand Units to better accord with emissions budgets and support the proper functioning of the NZ ETS. We recognise the NZ ETS is a key tool for addressing climate change in Aotearoa, however, it has not been allowed to act as an effective pricing mechanism.</p>
<p>3.2 What are the potential risks of using the NZ ETS as a key tool to reduce emissions</p>	<p>The council considers that it is risky having only one tool as a key path for reducing emissions. We agree that the NZ ETS will drive short-term reductions, but we do not consider the NZ ETS (in its current form) will drive reductions in the medium and long term.</p> <p><u>We support additional options that will create separate incentives for gross emissions reductions and emissions removals.</u></p> <p>We consider that there is a risk of oversupply of units – through:</p> <ol style="list-style-type: none"> a) the way removals (forestry) is freely included in the NZ ETS means it is unable to function act as a cap and trade system as new units are available through planting thus removing the cap. b) political risk of free allocation or setting supply too high c) the way it links to international markets. <p>In addition, the Climate Change Commission’s monitoring emissions report 2024 highlights that the NZ ETS is an essential part of an effective policy package for reducing emissions, but it cannot itself ensure the emissions budgets are met. The way the scheme operates does not provide certainty about the units available to emitters over the</p>

Questions	WRC response
	<p>period to 2035. It therefore does not provide certainty about the quantity of emissions from the sectors and sources it covers.</p>
<p>3.3 How can the Government manage these risks of using the NZ ETS as the key lever to reduce emissions?</p>	<p><u>We recommend that the NZ ETS managed independently</u>, e.g. by the Climate Change Commission, or perhaps a similar system to the Reserve Bank of New Zealand.</p> <p><u>We support a review of the NZ ETS</u> to reduce risk of oversupply as recommended by the Climate Change Commission as stated in our previous submission on the review of the NZ ETS and redesigned NZ ETS Permanent Forest Category⁸.</p> <p><u>We recommend the creation of two separate NZ ETS markets with separate prices.</u> We consider this option would drive emission reductions as emitters would not be able to use forestry NZUs to pay for their emissions. We also prefer this option because it also allows the government to incentivise reductions and removals.</p> <p>We note that the NZ ETS has a direct impact on land use in the Waikato Region and caution against the unintended negative consequences associated with widespread exotic afforestation. The council does not advocate for one land use activity over another, such as the wholesale replacement of agricultural activities with forestry. Rather it is supportive of both farming and forestry continuing in a sustainable manner where land is used appropriately to adjust to climate change impact⁹.</p>
<p>3.4 Do you support or not support the Government’s approach of looking at other ways to create incentives for carbon dioxide removals from forestry, in addition to using the NZ ETS?</p>	<p><u>We support investigating other ways to create incentives.</u> It is recognized that the current approach to integrating forestry into the NZ ETS will prevent the market from working effectively. We consider essential to investigate alternative options.</p> <p><u>We recommend that the government to investigate solutions with co-benefits</u>, such as using nature-based solutions that would restore biodiversity while reducing carbon emissions. Please refer to our answer to 0.2 for further context.</p>
<p>3.5 Apart from the NZ ETS, what three other main incentives could the Government use to encourage removals through forestry?</p>	<p><u>We support having better incentives for planting native trees</u> (having the right tree in the right place) as well as incentives for wetland restoration, coastal vegetation management and SNAs. We also support having incentives for enhancing other significant ecological areas that are not SNAs, including corridors of mobile fauna that provide for biodiversity connectivity.</p>

⁸ [WRC Submission on the review of the NZ ETS and redesigned NZ ETS Permanent Forest Category.](#)

⁹ [WRC Submission on the review of the NZ ETS and redesigned NZ ETS Permanent Forest Category.](#)

Questions	WRC response
	<p><u>We support the government providing financial support for farmers and landowners transitioning to native forestry, strengthening the confidence in the ETS and a focus on other carbon removal options where the land use is not suitable for forestry.</u></p>
<p>3.6 Please provide any additional feedback on the Government’s thinking about how to use the NZ ETS to reduce emissions.</p>	<p><u>We support including coastal vegetation management and wetland restoration as tools for carbon sequestration.</u> We advocate for having more indigenous forest and trees. This will help prevent having a lot of exotic forestry and oversupply of NZ Units.</p> <p><u>We recommend investigating peat soils as another opportunity to reduce emissions.</u> We know that drained peat soils are a source of carbon emissions. It is also noted that the government is consulting on the use of Carbon Capture, Use and Storage (CCUS) options for part achievement of emission reduction targets. Peat soils are the outcome of natural CCUS processes. Peat shrinkage is a particular challenge for farming (and urban development). The flat and fertile peatlands of the Hamilton basin, the lower Waikato and Hauraki flood plains, are natural carbon sinks, and after drainage emit approximately 1.5 million tonnes of carbon dioxide per year. This adds over 10% extra to the present 12 million tonnes gross regional greenhouse gas emissions per annum.</p> <p>The drainage of peat and the oxidation of carbon also lowers the land levels by 20 to 25 millimetres per year so that over 220 square kilometres of the Hauraki plains and 43 square kilometres of the Waikato River delta are now below sea level. Continuation of the current land use will require further investment in structures and pumping services to reduce increasing exposure to climate exacerbated flood risk will be needed.</p> <p>As per our afore mentioned submission¹⁰ on the review of the NZ ETS and redesigned NZ ETS Permanent Forest Category, WRC supports approach that prioritises removals with environmental co-benefits such as indigenous afforestation. We support the government’s recent announcement signalling a reform to the NZ ETS so it recognises all forms of carbon sinks, including recognition for wetlands, peatlands, mangroves and other non-forest land uses. <u>We encourage research into quantifying carbon sinks for the purpose of the NZ ETS.</u></p>
Questions	WRC response
<p>Chapter 5: Energy</p>	

¹⁰ [WRC Submission on the review of the NZ ETS and redesigned NZ ETS Permanent Forest Category.](#)

Questions	WRC response
<p>5.8 Please provide any additional feedback on the Government’s proposals to reduce emissions in the energy sector and the industrial processes and product use sector.</p>	<p>As per in our response to question 0.1, The He Pou a Rangi – Climate Change Commission Monitoring Emissions Report 2024 ¹¹ highlights that gross emissions in Aotearoa New Zealand have declined each year since 2019 as a result of government policies combined with the impact of external factors. The report also mentions that there is opportunity to increase momentum by focusing on areas where there have been positive signs of change, such as uptake of low and zero emissions vehicles, noting that there has been limited time in the first emissions budget period for new policies to have much impact. We consider that there is an urgent need to act fast in reducing the time curve of policies to deliver their effects to reduce our emissions as quickly as possible.</p> <p>The council also recommends the government investigates the viability of residential solar electricity, generated by individual dwellings. We encourage the government to ensure the energy market is fit-for-purpose and able to ensure an equitable transition.</p> <p>We highlight a slow uptake of residential and small scale solar, despite a favourable regulatory framework at the local government level, and question if the central level is doing enough to ensure the current electricity market is set up to decarbonise electricity generation.</p> <p>We consider that a range of polices contained in Appendix 3 would support the trend of lowering our emissions while further reducing emissions to help meeting the 2050 goals if not discontinued.</p> <p>We recommend not discontinuing a range of polices, including:</p> <ul style="list-style-type: none"> • 3.2.1 Develop an equitable transition strategy. • 3.2.2b Support regions and industries to manage the transition. • 5.2.3 Assess how the NZ ETS can support indigenous biodiversity • 6.10 Establish the Climate Emergency Response Fund (CERF) to ensure the climate is prioritised in the Budget process. • 9.4 Support businesses moving to circular economy models. • 10.2.1 Continue to incentivise the uptake of low- and zero-emissions vehicles through the Clean Vehicle Discount scheme and consider the future of the Road User Charge exemption for light vehicles beyond 2024. • 11.1.1 Provide rebates for energy-efficient equipment.

Questions	WRC response
	<ul style="list-style-type: none"> • 11.3.1 Manage the phase-out of fossil gas. Develop a gas transition plan. • 11.4.1.a Develop a mandatory energy and emissions reporting scheme • 11.4.1 Set an action plan for decarbonising the industrial sector. • 11.4.1 Continue the rollout of the Government Investment in Decarbonising Industry (GIDI) fund. • 11.4.1 Fund further decarbonisation of industry and heat through expansion of the GIDI fund. • 14.1.1a Ensure regulatory settings deliver the right type and scale of forests, in the right place. • 14.4.1 Develop forestry and wood-processing industry transformation plan. • 10.2.2 Support social leasing schemes to make access to cleaner vehicles affordable for low-income households. • 10.2.2 Implement an equity-oriented vehicle scrap-and-replace scheme to make cleaner vehicles and low-emissions alternatives affordable for low-income households • 10.2.2 Investigate whether further targeted support is required to make low-emissions vehicles more accessible and affordable for other disadvantaged groups and communities.
Questions	WRC response
Chapter 6: Transport	
<p>6.1 Do you support the proposed actions to enable EV charging infrastructure?</p>	<p><u>We support the plan to enable EV infrastructure to assist in achieving net zero from transport sources by 2050.</u> The Waikato region has been working with stakeholders to implement a regionally consistent and enabling approach to EV charging infrastructure and the region is well placed to benefit from enhanced EV charging infrastructure.</p> <p><u>We have concerns that the over-reliance on transitioning to EVs is flawed and that there are faster and cheaper ways of achieving emissions reduction from transport sources, with wider co-benefits.</u> This is addressed in this feedback under 6.8 Additional feedback.</p> <p>We agree with facilitating private investment to increase EV charging infrastructure, however, it should not be left entirely to the market to provide the infrastructure. Many communities in the Waikato region would likely be left out due to not being in a “commercially viable location”. Our collaborative regional work identifies an opportunity to obtain EV charging installations in locations that might otherwise be overlooked, but that would provide an important facility for a wider rural area, or economic rejuvenation, when considering proposals from EV charging suppliers. <u>We recommend a combined approach of public and private investment in EV infrastructure to ensure equitable distribution.</u></p>

Questions	WRC response
	<p>The discussion document notes that the business case for public EV charging facilities remains challenging while there are limited numbers of EVs on the road. The technical annex notes the main barrier to EV uptake is the high upfront cost. Increasing EV infrastructure improves the driving experience for existing EV owners but does not incentivise to any great degree the purchase of EVs, especially because of the high upfront costs. However, there are no policies to incentivise the uptake of EVs due to previous policies such as the Clean Car Discount no longer being available.</p> <p>The current light vehicle fleet in the Waikato region is around 400,000 vehicles. With about two percent of the fleet being EV, this leaves a significant number of vehicles to transition to EV. This is financially out of reach of many in our communities and would likely take many decades to achieve. <u>We recommend the use of incentives to assist with the uptake of EVs.</u></p> <p>Even if the upfront cost was not a barrier, low- or zero-emission vehicles cost about half as much to operate as comparable fossil fuel vehicle. They therefore induce additional vehicle travel (typically 10-30%) and so increase traffic problems including traffic and parking congestion, crashes and sprawl related cost. EVs are an energy solution but not a transport solution.</p> <p><u>WRC supports reducing red tape and regulation, but notes that this needs to be done in an inclusive way.</u> EV charging infrastructure needs to be accessible to disabled drivers and charging stations should be designed with features such as accessible parking spaces, user-friendly interfaces, and appropriate signage to accommodate the needs of disabled individuals. This will ensure that the transition to electric vehicles is inclusive and benefits all members of the community.</p>
<p>6.2 What are the three main actions the Government can do to reduce barriers to and enable the development of a more extensive public EV charging infrastructure in New Zealand (without adding too much cost for households and businesses)?</p>	<p>We consider the main actions the government can do to reduce barriers to and enable the development of a more extensive public EV charging infrastructure in New Zealand are:</p> <ol style="list-style-type: none"> 1) Implement a consistent, practical planning and approval process for new EV chargers (including consideration of equity and access and distribution across areas and between communities as per <i>Charging Our Future: National electric vehicle charging strategy for Aotearoa New Zealand 2023-2035</i>). 2) Promote convenient and consistent user experience, including requiring accessible features such as those specified in <i>Accessible EV charging standards: PAS1899</i> introduced by the British Standards Institution. 3) Prohibit non-EVs from parking in EV charging zones – consider introducing parking infringements and other regulations to achieve this.

Questions	WRC response
<p>6.3 Do you support the Government’s proposals to reduce emissions from heavy vehicles?</p>	<p><u>We support the proposals with amendments.</u></p> <p>While EV freight offers a promising alternative to traditional diesel trucks it may not be the best solution for reducing transport emissions in all scenarios.</p> <p>It is essential to consider a combination of solutions, including improving fuel efficiency, adopting alternative fuels, and enhancing logistics efficiency, to effectively reduce transport emissions.</p> <p><u>We recommend policies to make greater use of rail as an effective mode of freight.</u> Rail is safer, has lower emissions, and is sustainable and scalable and the network already exists.</p> <p>Another consideration is that EV trucks tend to be heavier than their diesel counterparts due to the weight of the batteries. This increased weight can lead to more wear and tear on roads and bridges, potentially increasing maintenance costs and infrastructure strain. Heavier vehicles also have implications for safety and efficiency.</p> <p>Balancing the benefits of reduced emissions with these practical challenges is crucial. Exploring a mix of solutions, such as improving battery technology, investing in road infrastructure, and considering alternative transport modes like rail, can help create a more sustainable and efficient, and economically productive transport system.</p> <p>The council recommends the government consider a life cycle analysis of EVs, and in particular their batteries. We need to be aware of unintended GHG consequences that increasing our EV fleet may have in this regard. Furthermore, consideration from government is needed on where the energy supply for these EVs will be sourced from.</p>
<p>6.4 What are the three main actions the Government can do to make it easier to switch to low- and zero-emissions heavy vehicles (without adding too much cost for households and businesses)?</p>	<p>We consider the following three points as main actions the Government can do to make it easier to switch to low- and zero-emissions heavy vehicles:</p> <ol style="list-style-type: none"> 1) Invest in completion of the electrification of the rail network in the North Island. 2) Provide more funding and better promotion of rail as a viable low emissions freight option. 3) Work with the freight sector to improve logistics optimisation through better route planning, load optimisation and reducing empty runs (similar to airline alliances).
<p>6.8 Please provide any additional feedback on the Government’s thinking about how to reduce emissions in the transport sector.</p>	<p><u>We are very concerned that ERP2 does not consider other opportunities to reduce transport emissions such as vehicle travel reduction, and other modes of transport that could achieve emissions reduction more quickly and at a much lower cost – both to the community and individually.</u></p>

Questions	WRC response
	<p>The approach to reducing transport emissions needs to be multi-faceted. Relying on one pillar won't achieve the outcomes sought and is therefore flawed. The ERP2 ignores the other positive outcomes that could be achieved by reducing the number of vehicles and the distance they travel.</p> <p>The internationally recognised model of avoid-shift-improve is a key way to reduce transport emissions.. Vehicle travel reduction strategies usually provide co-benefits in addition to emission reductions, providing larger total benefits than clean vehicle strategies. Many experts recommend that vehicle travel reduction strategies receive at least as much consideration as clean vehicle programmes.</p> <p>If ERP2 cannot achieve the reduction in transport emissions needed to reduce the impacts of climate change, the resilience of our communities will be tested time and time again. Greater investment in the land transport network to maintain and rebuild will be required on an ongoing basis. This is economically unproductive.</p> <p><u>We recommend the following actions:</u></p> <ul style="list-style-type: none"> • <u>Promote public transport:</u> Enhancing the reach, frequency, and quality of public transport can significantly reduce reliance on private vehicles, and therefore make a significant contribution to reducing transport emissions. Public Transport Authorities have been mandated to have zero emission fleets, but other government policy is going in the opposite direction. The recent Government Policy Statement on Land Transport does not provide sufficient funding for public transport outside of the main centres, yet the Waikato region could make a significant contribution to transport emissions reduction if even just a small portion of its sizeable metro area population made a shift to public transport. ERP2 and other government policy should be enabling this. As New Zealand's fastest growing city, Hamilton needs a decent public transport investment. • <u>Encourage Active Transport:</u> Investing in infrastructure for walking and cycling, including safe bike lanes and pedestrian pathways, can promote healthier, low-emissions travel options. The benefits to individuals and communities are broader than just reducing emissions. They include reducing congestion, supporting access to affordable housing and improved urban liveability, and better health. These have wider implications for government and provide the necessary 'value for money' outcomes sought in other government policy areas such as health. • <u>Improve Urban Planning:</u> Designing cities and towns to reduce the need for long commutes can lower transport emissions. Planning that supports low-emissions urban form (the location, shape, size, density, and

Questions	WRC response
	<p>configuration of settlements) through more mixed-use, medium- and high-density development close to high activity centres creates more accessible, healthy, resilient and vibrant towns and cities. Higher densities result in lower operational emissions per dwelling and allow infrastructure, including the road network, to be used more efficiently, avoiding or delaying the need for more infrastructure and further emissions. We support the NPS-UD through the Regional Policy Statement and consider that land use and transport need to be better integrated to achieve transport emissions reduction.</p> <ul style="list-style-type: none"> • Clean Car standard: the reduction in limits in the Clean Car Standard will result in no progressive improvement of emissions efficiency of light vehicles imported in NZ. The average age of the light vehicle fleet in NZ is about 14 years, so weaker clean car standards lock people into higher petrol and diesel bills (and emissions) for decades.
Questions	WRC response
Chapter 7: Agriculture	
<p>7.1 What are the three main barriers or challenges to farmer uptake of emissions reduction technology?</p>	<p>We consider that a lack of education and awareness is a key barrier, as well as lack of incentives e.g., financial incentives and lack of data-sharing. There are also barriers in terms of lack of research, e.g. methane vaccines are still being tested, including residue on the produce. Misinformation and a lack of clarity is also a key barrier for our farmers.</p>
<p>7.2 How can the Government better support farm- and/or industry-led action to reduce emissions?</p>	<p><u>We consider that offsetting carbon at a farm scale could be easily written into a freshwater farm plan.</u> The government could support farmers to use a tool such Overseer to manage reductions (used as a regulatory tool).</p>
<p>7.3 How should Government prioritise support for the development of different mitigation tools and technologies across different parts of the agriculture sector?</p>	<p><u>We recommend prioritising supporting farmers on marginal land to make sustainable land use choices.</u></p>
<p>7.5 What are the key factors to consider when developing a fair and equitable pricing system?</p>	<p>We note that a key factor would be to consider all farming systems based on environmental impacts and economic benefit, and the costs for addressing these environmental impacts. A question to ask would be if it is sustainable to continue this land use or are the environmental impacts outweighing the economic benefits.</p>
<p>7.6 Please provide any additional feedback on the Government’s thinking about how to reduce emissions in the agriculture sector.</p>	<p>We consider that methane inhibition in large animals like cows only addresses the emissions aspect and does not address other damages to the environment e.g., pugging, soil impacts, leaching, more space needed for grazing, imported feed carbon addition. It is also uncertain if the residues could cause any effects in humans through consumption and effects of the inhibitor in the soil and soil microbes. <u>We recommend not relying on technology that is not fully understood and developed.</u></p>

Questions	WRC response
Questions	WRC response
Chapter 8: Forestry and wood processing	
8.2 What are the three main actions the Government could do to streamline consents for wood processing?	<u>We do not support</u> the streamlining of consenting for wood processing at this stage. Please refer 8.5 for reasoning.
8.3 How large should the role of wood in the built environment play in New Zealand's climate response?	<p>We consider that the role of wood in the built environment could be beneficial, especially if there was a requirement for construction using engineered timber, as a carbon capture / nature-based solution. However, this would need to be considered alongside the risks of harvesting i.e. erosion problems and hydrology issues.</p> <p>We again stress the importance of indigenous planting, with the intention not being all forests planted being <i>pine radiata</i>. The issue here (and amongst many chapters throughout the discussion document) is that there is a lack of consideration of whether the land is best suited for an activity.</p> <p><u>WRC has significant concerns around</u> the unintended negative consequences associated with widespread exotic afforestation¹². The Council does not advocate for one land use activity over another, such as the wholesale replacement of agricultural activities with forestry. Rather it is supportive of both farming and forestry continuing in a sustainable manner where land is used appropriately to adjust to climate change impact.</p>
8.4 What other opportunities are there to reduce net emissions from the forestry and wood-processing sector?	<u>We consider</u> that electrified rail is the most efficient approach for freight moving forward. We consider that a direct rail (preferably electric) line for logging transportation purposes that travels through Waiuru, Tauranga and Taupo would help reducing emissions from the forestry and wood-processing sector
8.5 Please provide any additional feedback on the Government's thinking about how to reduce emissions in the forestry and wood-processing sector.	We consider that limiting the timeframe for consent renewals could actually be a bigger risk for a site covered under Section 124 of the Resource Management Act 1991 (RMA), i.e. if they are able to operate under expiring consents under the RMA while undertaken renewals, than any achieving any perceived benefit.

¹² [WRC Submission on the review of the NZ ETS and redesigned NZ ETS Permanent Forest Category.](#)

Questions	WRC response
	<p>There are discussions in this document around mandating a maximum timeframe for establishing new wood-processing facilities only and providing “advice on streamlining re-consenting.” <u>We do not support including re-consenting in any 1-year consent timeframe restrictions.</u> This is because:</p> <ul style="list-style-type: none"> • It is unclear what might be meant by providing “advice on streamlining re-consenting” e.g. whether that would be policy advice, or technical advice, and how it is intended to streamline the re-consenting process. • This policy appears superfluous as current council processing times for most applications should already progress to a decision in less than one year as is. This is dependent on the quality of the application and completeness of information at the time of lodgement (including both technical, policy and consultation information). Longer waiting times are predominantly due to insufficient information being provided and/or the applicant requests more time to: <ul style="list-style-type: none"> ○ further consult with iwi or affected communities, ○ seek written approvals and/or ○ reconsider aspects of their proposal regarding concerns raised by Council and other parties. <p>Wood-processing facilities can have complex discharges and use many chemicals when treating timber, which require careful management to protect the environment. Therefore, clarification is needed around the proposal of sites that may be included in the term “wood processing”.</p> <p>In the Waikato region, we have a range of consented sites including Kinleith pulp and paper mill, timber mills, timber treatment sites, and wood panel processing manufacturers. The consents required depend on a range of activities at the site, and these can include:</p> <ul style="list-style-type: none"> • discharges to air (odour and/or particulate) • stormwater discharges • management of a range of contaminants and chemicals used on site • complex storage and treatment systems • other contaminant related discharges to land or water for disposal of treated waste • kilns or other driers/boilers that have air discharges related to those and now also have to be assessed under the NPS/NES for Industrial Process Heat (dependant on their size). • Processes which require water and have associated takes (often groundwater). <p>Our experience of RMA timeframes has been that are already too short to adequately provide for engagement with mana whenua within the consent process without timeframe extensions, particularly for complex activities.</p>
Questions	WRC response

Questions	WRC response
Chapter 9: Non- Forestry Removals	
<p>9.1 What are the three main opportunities for non-forestry removals to support emissions reduction?</p>	<p>We consider that there are great opportunities for non-forestry removals to support emissions reduction, such as exploring the co-benefits of biodiversity and water quality enhancement while providing for emission reductions. There is also the potential to help with climate resilience e.g. promoting the planting of native trees when dealing with erosion.</p> <p><u>We strongly support the recognition of non-forestry forms of carbon sequestration to support emissions reduction especially wetland, peatland, as well as forest and wetland restoration. We also consider that on-farm vegetation and coastal vegetation management should be explored. We recommend prioritising these systems</u> (please see our response for question 9.2 below).</p> <p>Carbon credits should take into account any potential emissions as well as reductions such as where vegetation is located on peat.</p> <p>In terms of peatland, the priority should be to examine options to:</p> <ol style="list-style-type: none"> 1. manage further drainage and development 2. consider rewetting and restoring uneconomic areas of drained peatland 1. restoring forested and woody wetlands. <p><u>We recommend exploring opportunities for non-forestry removals to support emissions reduction that have co-benefits in terms of restoring biodiversity and helping cope with climate resilience.</u></p> <p>In addition, <u>we recommend better management of peatland and associated carbon emissions.</u></p>
<p>9.2 What are three main barriers to developing more non-forestry removals?</p>	<p>We highlight the following points in terms of barriers to developing more non-forestry removals:</p> <p>1) A lack of scientific information on all options. Although information on peatlands has more advanced research than some of the other options, the science/numbers behind emissions removals/sequestration rates after rewetting are unclear¹³. In fact, international data suggests methane emissions increase after initial peatland re-wetting. The council does have some local data for intact (not rewetted) peat ¹⁴.</p>

¹³ 2013 WS (<https://www.ipcc-nggip.iges.or.jp/public/wetlands/>)

¹⁴ (Goodrich, 2017)

Questions	WRC response
	<p>2) Action prioritization based on system conditions. We believe a barrier of observable non forestry removals for peat restoration is that the scale of action required is dependent on the condition of the peat system. It is easier and less cost to restore large systems that are not heavily altered from their natural state (for example, Torehape) as a "low-hanging fruit" scenario. However, the trade-off of restoring these low hanging fruit systems is that there is less of an observable gain in this context (i.e. environmental changes, gross emissions reductions, carbon credits, etc.).</p> <p>At the other end of the scale is restoring highly degraded systems like drained catchments like Hauraki, Moanatuatua with large scale systems, heavily altered from natural state, and need expensive, large-scale intervention involving many landowners. The costs are larger but there is potential for the most gain in terms of environmental improvement. However, more local data is needed to quantify this improvement.</p> <p>3) Engaging landowners to transition economically productive farms into non-forest carbon removing systems. Peatlands drainage is an important contributor to the regional economy. However, peatlands are subsiding at 2 cm per year and peat in the Waikato region is emitting 1.5 MtCO₂e per year, which impacts infrastructure and brings in to question the sustainability of farming on these systems. The potential economic losses versus the environmental gains of restoring drained systems, is a question that landowners and stakeholders must weigh up.</p>
<p>9.3 It is important to balance landowners ability to use their land flexibly with the recognition of the role of non-forestry removals. How can this balance be achieved?</p>	<p>We consider that a balance can be achieved by utilising existing decision support frameworks and tools like Farm plans, Overseer, Farmax, Takahuri whenua with support/engagement from industry consultants and advisors within local government.</p>
<p>9.4 What three main benefits beyond emissions reductions could be created by developing more non-forestry removals?</p>	<p>The Council considers the following three main benefits beyond emissions reductions could be created by developing more non-forestry removals:</p> <ul style="list-style-type: none"> • Education - including policy implementation support from subject matter experts who know both the science and practice of local land management. • Co-benefits (such as environmental improvements) • Cross-organization (or sector) collaboration and data-sharing.
<p>9.5 What risks and trade-offs from incentivising land-use and management change to reduce net emissions need to be considered?</p>	<p><u>We support and encourage action in this space</u>, however, adequate research is required as we currently do not have sufficient emissions estimates, models, or system changes for most of the given examples.</p>

Questions	WRC response
	<p>For some of those bigger restoration projects there are many aspects to consider, including:</p> <ul style="list-style-type: none"> • catchment scale hydrology (not just at farm scale), • economic losses/gains, • CH4 emissions increase after rewetting/ restoring peatlands (little data around this), • whether natural plants will take to such an altered system.
<p>9.6 Please provide any additional feedback on the Government’s thinking about how to reduce emissions through non-forestry removals.</p>	<p>We consider that if non-forest removals are added to the NZ ETS as ‘reward’ in the form of carbon credits for offsets, then the emissions these systems produce should be accounted for.</p> <p>We need to be cognisant of sediment loss and the effect this can have during extreme weather events. An example of the effects of sediment loss can have on flooding, silt and slash distribution can be seen in the destruction of Esk Valley in Hawkes Bay after Cyclone Gabrielle¹⁵.</p>
Questions	WRC response
Chapter 10: Waste	
<p>10.1 Do you agree or disagree that the Government should further investigate improvements to organic waste disposal and landfill gas capture?</p>	<p><u>We are neutral on the idea that the government should further investigate improvements to organic waste disposal and landfill gas capture.</u></p> <p>We caution that the government should follow the waste hierarchy. Emissions should first be reduced at source and policies should be put in place first to prevent waste going to landfill – the driver should be waste minimisation.</p> <p>Although further investigation is a viable option for the interim, organic material should not be disposed of as there are viable alternatives which can contribute to:</p> <ul style="list-style-type: none"> • emissions and waste reductions to landfill • Reducing transport emissions (if processing sites are located close to source) • community resilience (if part of a local employment/engagement operation). <p>The government should mandate the separate collection of organics and ban organic material from landfill to halve food waste at source by 2030. In tandem, the government should support the development of a network of organic material processing facilities close to source generation which reduce transport emissions.</p>

¹⁵ <https://www.rnz.co.nz/news/national/523170/hawke-s-bay-resident-fears-cyclone-gabrielle-repeat-as-river-mouth-problems-go-unfixed>

Questions	WRC response
	<p>A region-specific example of an alternative to this organic disposal is included in the report “Circularising Organics”,¹⁶ which was coordinated by the Waikato Regional Council, funded by MfE and carried out by a team of researchers. The project aims to assist decision makers to develop a robust organic material system. In addition to this, Hamilton City Council already has an organic waste centre up and running. These are examples of organics being managed at source in the Waikato.</p> <p><u>We recommend that the NZ ETS be used to incentivize improved efficiency of landfill gas capture.</u></p>
<p>10.2 What is the main barrier to reducing emissions from waste (in households and businesses or across the waste sector)?</p>	<p>We consider that the current linear economy locks in waste streams and a lack of regulation causes divertible waste going to landfill.</p>
<p>10.3 What is the main action the Government could take to support emissions reductions from waste (in households and businesses or across the waste sector)?</p>	<p>We consider that the main action is to work at the top of the waste hierarchy to prevent waste and climate emission generation in the first instance. This should be prioritised rather than landfill or solutions with perverse outcomes (e.g. pyrolysis and chemical recycling).</p> <p><u>We recommend that the government should support the development of reuse infrastructure and a network that reduces transport emissions from waste services.</u> Household education for waste is ineffective if the policy and infrastructure systems are not in place first.</p> <p><u>We recommend that single use products that have viable reusable alternatives should be banned -- as long as the life cycle analysis of suggested alternatives can be shown to avoid unintended consequences and have a lesser impact overall.</u></p>
<p>10.4 Please provide any additional feedback on the Government’s thinking about how to reduce emissions in the waste sector.</p>	<p>We consider that there is a need to assess the holistic impact of waste, the value of prevention and the associated emissions in the first instance. Something that is not as often considered is that emissions are also generated from extraction, production, transport and consumption of goods and packaging, (including those designed for single use).</p> <p>This includes carbon emissions from the act of recycling itself, e.g. transportation of items and that some recycling plants are fossil fuel powered. Therefore, <u>we recommend that the Government should invest waste levy revenue in systems and infrastructure that target waste prevention and grow the reuse economy.</u></p>

¹⁶ <https://www.waikatoregion.govt.nz/assets/WRC/CircularisingOrganics.pdf>

Questions	WRC response
Chapter 11: Helping sectors to adapt to climate change impacts	
<p>11.1 What are the three main barriers to managing climate risks through emissions reduction policies in this discussion document?</p>	<p>We consider that key issues for managing climate risks through emissions reduction policies are:</p> <ul style="list-style-type: none"> • Upfront costs to managing climate risks and lack of incentives; • Short timeframes to deal with climate risks; • Inequity across different communities e.g. urban vs. rural; Māori versus non-Māori. <p><u>We recommend a having a multipronged approach to reducing emissions.</u></p>
<p>11.2 What are the three main benefits of managing climate risks that can come from the emissions reductions policies in this discussion document?</p>	<p>We consider that the key benefits are:</p> <ul style="list-style-type: none"> • Co-benefits e.g. biodiversity, soil health, water quality from planting and protecting more native habitat while reducing emissions; • Diversification of land use, on-farm efficiencies leading to improved economic resilience; • Wellbeing benefits – intergenerational security, physical health etc.
<p>11.3 What are some examples of how businesses and industries are already managing climate risks?</p>	<p>In terms of the Waikato region, we note areas already managing climate risks as:</p> <ul style="list-style-type: none"> • Businesses reporting climate-related disclosures;¹⁷ • Waikato farms adopting new land management practices such as trialling multi-species pasture, retiring erosion-prone areas; • Partnering with community groups to fund native habitat restoration and deliver carbon offsets.
<p>11.4 How can these kinds of activities be further supported?</p>	<p>We consider that there are ways to provide further support by:</p> <ul style="list-style-type: none"> • Clarifying the role of forests in emissions reduction and quantifying the co-benefits; • Providing for greater coordination and guidance for public and private reporting entities; • Training and upskilling of farm advisors in relation to climate risks and emissions reduction.
<p>11.5 Please provide any additional feedback on the pathway the Government has set out for managing climate risks from emissions reduction activities</p>	<p>The emissions reduction plan is a key policy tool for managing emissions. However, a number of other policy decisions being made by government have the potential to undermine emissions reductions. Recent announcements on housing growth which suggest opening up satellite suburbs is going to cause amore car dependency, undermine public transport, and consequently increase emissions. Other examples are highlights in our responses to the transport section.</p> <p><u>We recommend that all the government policies are considered holistically from an emissions reduction lens.</u></p>

Questions	WRC response
Chapter 12: Addressing distributional impacts across our economy and society	
<p>12.1 What are the main impacts of reducing emissions on employees, employers, regions, iwi and Māori, and/or wider communities that you believe should be addressed through Government support?</p>	<p>We consider that reducing emissions will improve air quality and reduce pollution which will have a positive health impact on everyone.</p> <p>In regions like the Waikato where primary industries dominate the economy, potential flow-on effects from reducing emissions include land use change, particularly from livestock farming to forestry and horticulture. This could impact on employment opportunities and the social fabric of rural communities. Rural Māori will find this challenging especially as they are less likely to leave their land and will therefore need support to develop new skills.</p>
<p>12.2 The Government can use a lot of existing tools to support people affected by reducing emissions (welfare and income support systems, employment and training services). Do you think additional climate-specific services, supports or programmes should be considered by the Government over the coming years? Please describe what additional climate-specific services, supports or programmes could be useful.</p>	<p>We consider that priority should be given to efforts such as enhanced rural and community support programmes, skills training programmes and encouraging diversity in land uses.</p> <p>Businesses and incomes can increase the resilience of rural communities, including iwi Māori to the impacts of reducing emissions and changing land uses. Therefore, we recommend providing sufficient resources to communities, including iwi Māori so that they can design effective, enduring and locally relevant climate change solutions together with Government will be critical.</p> <p><u>We recommend that a climate change lens should be integrated to every service, policy and programme now, as climate change effects are already a reality.</u></p>

¹⁷ [Mandatory climate-related disclosures | Ministry of Business, Innovation & Employment \(mbie.govt.nz\)](https://www.mbie.govt.nz/mandatory-climate-related-disclosures)

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