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Assessing New Zealand's climate change response with ClimateScanner



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Assessing New Zealand's climate change response with ClimateScanner

Presented to the House of Representatives under section 20 of the Public Audit Act 2001.

November 2024

Contents

Auditor-General's overview	3
Country profile	8
Part 1 – Introduction	9
About ClimateScanner	9
How we did the assessment	10
New Zealand's ClimateScanner results	14
Part 2 – Overview of results	15
Governance	15
Public policies	16
Climate finance	17
Part 3 – Climate change arrangements in New Zealand	19
New Zealand is committed to emissions reduction targets under the Paris Agreement	19
The Climate Change Response Act 2002 provides a framework for setting and meeting climate change commitments	19
The Government must prepare plans and strategies to meet its climate change commitments	20
Several entities monitor government progress on the plans and strategies	21
Part 4 – Governance	23
Institutionalisation	23
Strategy	26
Co-ordination	30
Accountability	33
Part 5 – Public policies	39
International commitments	39
General strategies	40
Sectoral components – Mitigation	44
Sectoral components – Adaptation	48
Part 6 – Finance	53
Public climate finance	53
Domestic and international private climate finance mechanisms	57
Appendix – Detailed results	59
Governance	60
Public policies	86
Finance	110
Figures	
1 – Categories under each axis	10
2 – The component and criteria under each category	11
3 – The four-tier rating system for level of implementation	11
4 – New Zealand's international and domestic emissions reduction commitments	27
5 – The top 10 risks from climate change in 2020-26	43

Auditor-General's overview

E ngā mana, e ngā reo, e ngā karangarangatanga maha o te motu, tēnā koutou.

The need for governments to take action to respond to climate change and its impacts is urgent. The international consensus is that, to manage global temperature rise, action is needed in the next decade.

Many New Zealanders have been severely affected by extreme weather events in recent years, and some people have lost their lives. Storms and droughts are occurring with increased frequency.

These extreme weather events affect our livelihoods and our way of life. In 2022/23, almost \$4 billion in insurance claims were made because of these events.¹ It is estimated that the 2023 Auckland Anniversary weekend floods and Cyclone Gabrielle caused up to \$14.5 billion in damage to physical assets.²

As well as responding to the domestic challenges of climate change, New Zealand has international commitments under the Paris Agreement to reduce its greenhouse gas emissions. To meet these commitments, all sectors of the economy will need to undergo significant transformation and change.

ClimateScanner

My Office is one of more than 100 audit institutions participating in the International Organisation of Supreme Audit Institutions' ClimateScanner initiative.

ClimateScanner requires supreme audit institutions (SAIs) to assess how governments are responding to climate change. The assessment identifies the strengths of that response and the challenges that each country faces.

ClimateScanner is made up of a rapid assessment methodology and an online tool that compiles global data about government action to address climate change.

An executive group of representatives from 18 SAIs from around the world (including New Zealand) developed ClimateScanner.

The United Nations Department of Economic and Social Affairs, the United Nations Development Program, the Inter-American Development Bank, and the World Bank also provided technical support in developing the ClimateScanner methodology.

1 Climate Change Commission (2024), *Progress report: National Adaptation Plan – Assessing progress on the implementation and effectiveness of the Government's first national adaptation plan*, page 27, at climatecommission.govt.nz.

2 Climate Change Commission (2024), *Progress report: National Adaptation Plan – Assessing progress on the implementation and effectiveness of the Government's first national adaptation plan*, page 4, at climatecommission.govt.nz.

Participating SAIs are carrying out rapid assessments of their government's actions to address climate change.

The ClimateScanner methodology looks at whether each participating country has public sector frameworks, structures, policies, and plans in place to respond to climate change. The methodology does not evaluate policy choices (which are outside SAIs' mandates) or priorities for how emissions will be reduced. It also does not evaluate the effectiveness or appropriateness of policies.

The Brazilian Federal Court of Accounts will lead work to consolidate the results from all participating SAIs to create a global overview of efforts to address climate change. Some preliminary findings will be presented at the 2024 United Nations Climate Change Conference (COP29) in November 2024.

The ClimateScanner methodology looks at three broad areas (referred to as axes): governance, public policies, and finance. We assessed New Zealand's response against prescribed criteria for each item in the three axes. We then assigned a rating for each item using a four-tier scale based on the level of implementation we observed.

What the ClimateScanner assessment told us

The results of our ClimateScanner assessment show that, in many ways, New Zealand's legislative, public accountability, and management structures are a strength of our response to climate change.

In particular, New Zealand has a comprehensive legislative framework and institutional arrangements that provide a structure to develop policies and plans for setting and meeting emissions reduction targets and for identifying and responding to climate change risks.

There are clear roles and responsibilities for public organisations to lead, co-ordinate, contribute to, and monitor the Government's actions in response to climate change. There is also comprehensive and transparent reporting at a high level about the effectiveness of those actions and the progress being made.

However, New Zealand did not rate as highly in other areas.

Some parts of local government actively engage with central government on climate change mitigation and adaptation through membership institutions Local Government New Zealand and Taituarā – Local Government Professionals Aotearoa. However, we did not find any formal mechanisms that would enable local and central government organisations to jointly create and implement policies related to climate change.

The tracking of funding for climate change-related initiatives needs to improve. Our assessment shows that although Budget 2024 assigned some funds for specific initiatives and programmes, it is difficult to determine how this funding aligns with the Government's overall climate goals and commitments.

The Climate Emergency Response Fund previously provided some information about how government investment aligned to domestic climate goals, but this fund has recently been disestablished.

It is important that Parliament and the public have a clear understanding of the outcomes that public spending achieves. As I have noted elsewhere, and on many occasions, the current structure of financial reporting in the public sector rarely provides information in a way that allows Parliament and the public to connect the goals the Government is trying to achieve with public spending and reporting on progress. Climate change is no exception.

The Parliamentary Commissioner for the Environment recommended that the public finance system be reformed to make public organisations' spending on environment outcomes more accessible and explicit. He has called for better access to data to support this.

As the Climate Change Response Act 2002 requires, the Government has recently consulted on its proposed policies for the second Emissions Reduction Plan, which is due to be published in December 2024. Some actions and policies in the first Emissions Reduction Plan have been discontinued, and new policies are being introduced.

In addition, work to implement actions and policies for reducing emissions is more developed in some sectors than in others.

New Zealand also has a high-level plan for adapting to the effects of climate change, called the National Adaptation Plan. However, the planning for and progress of actions for specific sectors were mixed. This is consistent with the Climate Change Commission's findings that future plans could have more precise and outcomes-focused goals and objectives, as well as specific measurable outcome targets and milestones.³

³ Climate Change Commission (2024), *Progress report: National Adaptation Plan – Assessing progress on the implementation and effectiveness of the Government's first national adaptation plan*, at climatecommission.govt.nz.

What next

The results of our assessment will be consolidated with the results of the assessments of SAI in other participating countries. This will create a display of global data that will summarise the strengths of, and challenges in, government efforts to take action on climate change around the world.

ClimateScanner assesses whether countries have institutional arrangements and policies to respond to climate change. However, high ratings in some aspects of our ClimateScanner assessment do not mean that New Zealand's climate response is on track or that we are doing enough.

In September 2024, the Government published its first quarterly reporting on progress towards nine government targets.⁴ Target 9 is to reduce greenhouse gas emissions.

The reporting assessed that New Zealand is "on track" to meet the first part of the target, which is to keep net emissions below 290 Mt CO₂-e from 2022 to 2025.⁵ The reporting assessed that it is "probable" that New Zealand will meet the second part of the target, which is to keep net emissions below 305 Mt CO₂-e from 2026 to 2030.

The Climate Change Commission recently stated that, although we have made some good progress in reducing emissions, our goals for meeting emissions reduction targets are at risk. The Commission also stated that adaptation is not happening on the scale or at the pace that is needed.

The Parliamentary Commissioner for the Environment also commented that New Zealand faces broader vulnerabilities from climate change than the National Adaptation Plan addresses. For example, there are risks associated with:

- relying heavily on forestry to reduce net emissions;
- the financial contingent liability from needing to achieve the Nationally Determined Contribution by using offshore carbon credits;⁶ and
- not meeting emissions budgets because Emissions Reduction Plans do not have enough margins for error.

Responding to climate change is complex and challenging. There is much more to do. My Office will maintain an active programme of work to assess the public sector's performance in responding to climate change. We will use the results

4 See Department of the Prime Minister and Cabinet (2024), *Target 9: Reduced net greenhouse gas emissions*, at dpmc.govt.nz.

5 The Government expresses its emissions reduction targets in megatonnes of carbon dioxide equivalent, written as Mt CO₂-e.

6 A Nationally Determined Contribution outlines the contributions a country will make to meet the goals of the Paris Agreement.

produced from ClimateScanner to help us identify where we might consider carrying out future work.

I encourage public organisations to consider the strengths and weaknesses that this report and other reports produced by my Office, the Climate Change Commission, and the Parliamentary Commissioner for the Environment identify. I encourage them to act with urgency to attend to those areas that need improvement.

I thank the staff from the public organisations who provided information to help my staff complete the ClimateScanner assessment.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'John Ryan', with a stylized flourish at the end.

John Ryan
Controller and Auditor-General | Tumuaki o te Mana Arotake

1 November 2024

Country profile



Emissions targets

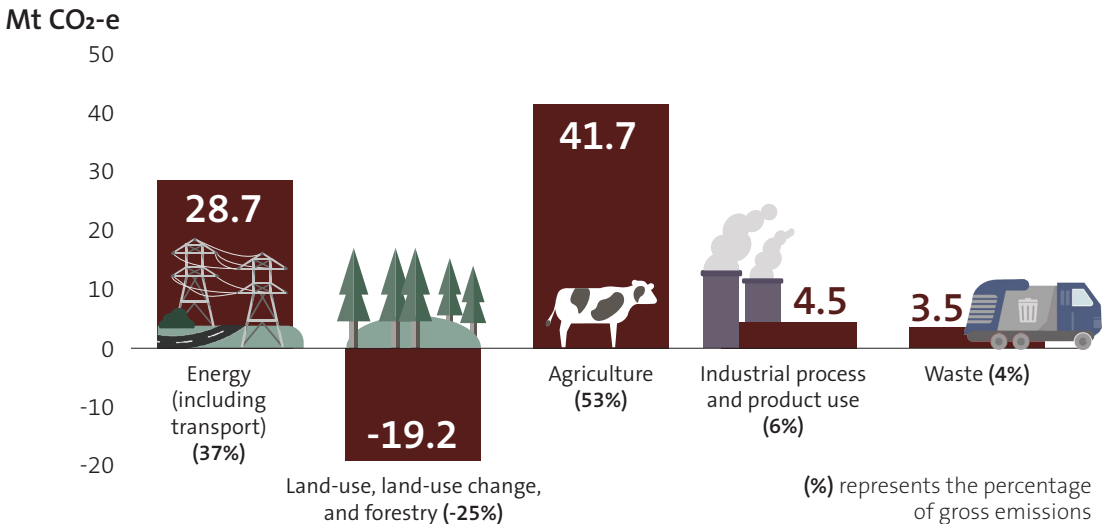
Net emissions

2030	2050	2021	2022
50% reduction of net emissions below the gross 2005 level	Net zero emissions of all greenhouse gas emissions (other than biogenic methane)	61.3 Mt CO ₂ -e	59.2 Mt CO ₂ -e
10% reduction below 2017 biogenic methane emissions levels	24-47% reduction below 2017 biogenic methane emissions levels	Net emissions include gross emissions combined with the emissions and removals from the land use, land use change, and forestry sector.	

Gross and net emissions, from 1990 to 2022



2022 gross emissions by sector



Source: Ministry for the Environment, “New Zealand’s Greenhouse Gas Inventory 1990–2022: Snapshot” and “Greenhouse gas emissions targets and reporting”, at environment.govt.nz

Introduction

- 1.1 The estimated costs of mitigating and adapting to the effects of climate change are significant and increasing. The extreme weather events in the North Island in early 2023 demonstrated the destructive impact and costs of severe weather, which is predicted to be more frequent because of climate change.
- 1.2 It is important that governments are well organised in their approach to climate change. An effective response involves many areas of public policy and action, and public organisations have many roles and responsibilities related to climate change. To support sustained progress, an overarching structure to integrate and co-ordinate these roles and responsibilities is needed.
- 1.3 The risks need to be identified, strategies need to be comprehensive, and the financial impacts need to be understood and planned for. All of these should be transparent to the public to encourage all parts of society to take action.
- 1.4 Supreme audit institutions (SAIs) share a mission to develop independent assessments of the use of public resources, the implementation of public policy, and the performance of public organisations.
- 1.5 ClimateScanner is a rapid assessment methodology that allows SAIs to assess the extent of their countries' adherence to the climate change commitments made under the United Nations Framework Convention on Climate Change. More than 100 SAIs are participating in the first global ClimateScanner assessment.

About ClimateScanner

- 1.6 ClimateScanner was created by the Brazilian Federal Court of Accounts, the current Chair of the International Organisation of Supreme Audit Institutions, in partnership with the Working Group on Environmental Auditing. ClimateScanner was launched in 2022 at the XXIV International Congress of Supreme Audit Institutions.
- 1.7 An executive group comprising 18 SAIs from around the world (including New Zealand) developed the methodology for ClimateScanner.
- 1.8 ClimateScanner's purpose is to compile global data about government actions to address climate change. Participating SAIs carry out rapid assessments of their Government's actions using a standardised methodology. They then submit the results of their assessments through an online portal.
- 1.9 Some preliminary findings will be presented at the 2024 United Nations Climate Change Conference (COP29) in November 2024.

1.10 This report summarises the results of our rapid assessment. It provides a broad overview of government actions to respond to climate change and highlights areas for improvement.

How we did the assessment

1.11 The ClimateScanner methodology assesses climate actions against the following three “axes”:

- **Governance** includes assessing whether countries have the government structures, legislation, planning, co-ordination, monitoring, transparency, engagement, and oversight needed to respond to climate change.
- **Public policies** includes assessing whether countries have policies and strategies that address climate mitigation and adaptation.
- **Finance** includes assessing whether countries have funding to support mitigation and adaptation actions for responding to climate change and their role in assisting developing countries.

1.12 Figure 1 sets out the categories that are assessed under each axis.

Figure 1
Categories under each axis

Axis	Categories under each axis
Governance	<ul style="list-style-type: none"> • Institutionalisation – assesses the legal and regulatory framework and the government structure. • Strategy – assesses the long-term strategy to respond to climate change and risk management. • Co-ordination – assesses the co-ordination between central government organisations, the co-ordination between central and local government, and stakeholder engagement. • Accountability – assesses inclusiveness in decision-making, monitoring mechanisms, transparency, and climate litigation.
Public policies	<ul style="list-style-type: none"> • International commitments – assesses the Nationally Determined Contribution.* • General strategies – assesses the strategies and plans for climate change mitigation and adaptation. • Sectoral components – assesses the mitigation and adaptation actions for specific sectors.
Finance	<ul style="list-style-type: none"> • Public climate finance – assesses domestic and international public climate finance. • Private climate finance – assesses domestic and international private climate finance.

* A Nationally Determined Contribution outlines the contributions a country will make to meet the goals of the Paris Agreement.

1.13 Each category has its own set of components, and each component is assessed using two to four criteria. Figure 2 provides an example of a component of the institutionalisation category and its criteria.

Figure 2
The component and criteria under each category

Category	Component	Criteria
Institutionalisation	G.1 Legal and Regulatory Framework	A. Existence of legislation framework B. Consistency with Paris Agreement C. Mainstreaming


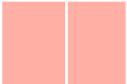
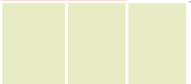
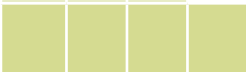
1.14 We used a four-tier scale, based on the level of implementation, to assess each of the criteria and give it a rating. The ratings are:

- no implementation;
- early implementation;
- intermediate implementation; and
- advanced implementation.

1.15 Because ClimateScanner is a rapid assessment methodology, it focuses on whether mechanisms, systems, or policies exist. It does not assess their effectiveness. Therefore, the term “implementation” in this report refers to the existence of certain features for each criterion.

1.16 Figure 3 provides a definition of each rating.

Figure 3
The four-tier rating system for level of implementation

Rating		Numerical score	Definition
No implementation		0	No relevant aspects of criteria are present.
Early implementation		3.33	Few relevant aspects of criteria are present, but there is still room for improvement.
Intermediate implementation		6.66	Many aspects of criteria are present, but there is still room for improvement.
Advanced implementation		10	All or nearly all relevant aspects of criteria are present.

- 1.17 The average of the scores of all criteria within a component will result in a score for that component. This score will range from 0 to 10.
- 1.18 These assessments enable us to determine the strengths and weaknesses of New Zealand's response to climate change.
- 1.19 For the public policies axis, the tool requires us to assess policies for mitigation and adaptation in specific sectors.
- 1.20 For mitigation, we selected the agriculture, land transport, and energy sectors. We chose these sectors because they had the highest reported emissions (based on 2022 data, which is currently the most recent data available).
- 1.21 Agriculture is the source of more than 50% of New Zealand's total emissions (53% in 2022). The next highest-emitting sector is the energy sector, which contributes 37% of total emissions (including 17.5% from transport in 2022).⁷
- 1.22 For adaptation, we looked at the land and ocean ecosystems sector and the disaster risk management sector. We chose these sectors because they related to two of the top 10 risks that the National Adaptation Plan identified.
- 1.23 For each sector, we considered whether New Zealand has policies that address the main adaptation risks, whether those policies have been translated into specific actions, whether implementation challenges have been identified, and whether there are appropriate monitoring and evaluation mechanisms.
- 1.24 This report presents the results for New Zealand based on our assessment against the ClimateScanner methodology.

What we looked at to make our assessment

- 1.25 ClimateScanner mainly focuses on the actions of central government. Therefore, to make our assessment, we collected and reviewed publicly available documents and documents that central government organisations provided. These organisations included:
- the Ministry for the Environment;
 - the Department of Conservation;
 - the Ministry of Business, Innovation and Employment;
 - the Ministry for Primary Industries;
 - the Ministry of Foreign Affairs and Trade;
 - the National Emergency Management Agency;
 - the Treasury;

⁷ Ministry for the Environment (2024), *New Zealand's greenhouse gas inventory 1990-2022: Snapshot*, at environment.govt.nz.

- the Department of the Prime Minister and Cabinet; and
- the Ministry of Transport.

1.26 We also looked at information from the Climate Change Commission and the Parliamentary Commissioner for the Environment.

What we did not look at

1.27 The ClimateScanner assessment only looks at the actions central government is taking to respond to climate change. That means we did not look at local government actions, except to understand whether there was a mechanism to allow local government and central government organisations to work together to address climate change.⁸

1.28 We also did not look at non-government organisations or private sector organisations. These sectors are outside the ClimateScanner methodology's scope.

1.29 However, we recognise that many organisations play important roles in mitigating and adapting to climate change. Local government is responsible for many adaptation actions (such as flood protection) and both non-government organisations and private sector organisations are critical to supporting the changes that New Zealand needs to make to meet our climate change goals.

1.30 The ClimateScanner is designed to be a rapid assessment. As such, it does not look at the effectiveness of policies and structures to meet our emissions targets. This would need a much deeper assessment, which is not ClimateScanner's purpose.

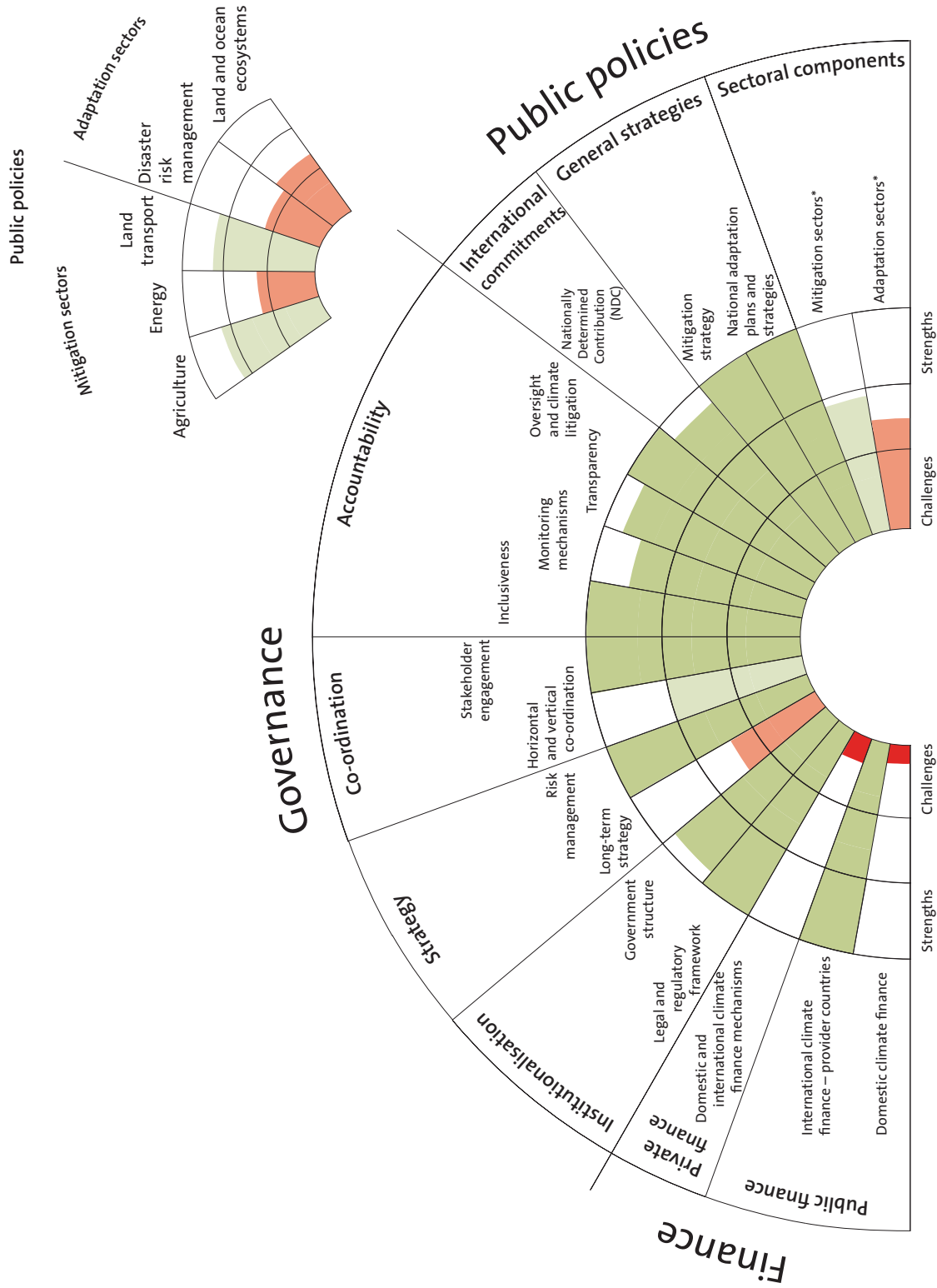
1.31 However, we might choose to carry out work to look at the effectiveness of public organisations' climate change actions in the future.

1.32 It is important to note that this was an assessment at a point in time. Where relevant, we have noted planned changes to the Government's climate policies (for example, those signalled in the discussion document for the next Emissions Reduction Plan, which is due to be published in late 2024).

1.33 However, because these planned changes are proposals, we did not include them in our formal assessment ratings.

⁸ The assessment framework includes questions about mechanisms for co-ordination between central and local government.

New Zealand's ClimateScanner results



Overview of results

2.1 In this Part, we provide an overview of the results of our ClimateScanner assessment of New Zealand's response to climate change. We set out the results under ClimateScanner's three main axes, which are:

- governance;
- public policies; and
- finance.

Governance

2.2 The ClimateScanner methodology assesses good climate governance against 10 components. These include whether the country has in place relevant government structures, legislation, planning, co-ordination, monitoring, transparency, wider engagement, and oversight. New Zealand met most of the ClimateScanner's criteria for good climate governance.

2.3 New Zealand has relevant governance structures to respond to climate change, including legislation, an independent Climate Change Commission, and a public sector interdepartmental executive board focused on climate change issues. Several strategies and plans related to climate change have also been prepared and are current.

2.4 The Climate Change Response Act 2002 (the Act) provides a clear legislative framework for responding to climate change. It references the Paris Agreement's target to limit the global average temperature increase to 1.5°C above pre-industrial levels.

2.5 There are clear roles and responsibilities for leading, co-ordinating, and carrying out the Government's response to climate change.

2.6 New Zealand has arrangements to monitor the progress towards emissions reduction targets and climate change adaptation. The Climate Change Commission must report publicly on progress in implementing the two key strategies: the Emissions Reduction Plan and the National Adaptation Plan.

2.7 However, the Climate Change Commission only published its first reports on the progress of these plans in July and August 2024 respectively. Therefore, it is too early for us to assess how the Government will use these reports' findings to inform future policy-making.

2.8 We found that improvements could also be made in other areas.

2.9 In 2015, New Zealand signed up to *Transforming our world: the 2030 Agenda for Sustainable Development* (the 2030 Agenda), which sets out 17 Sustainable Development Goals to be achieved by 2030. Climate action is one of these goals.

- 2.10 The ClimateScanner methodology asks whether the long-term strategy or planning documents for reducing emissions refer to the Sustainable Development Goals.
- 2.11 Although the climate actions in the Emissions Reduction Plan align with the Sustainable Development Goals to some extent, we found no specific references to them in the long-term strategy or planning documents for reducing emissions. This resulted in an overall low rating for the long-term strategy.
- 2.12 There is good co-ordination between central government agencies in planning for climate change. However, more could be done to improve co-ordination between central and local government.
- 2.13 Membership institutions such as Local Government New Zealand and Taituarā – Local Government Professionals Aotearoa engage with central government on climate change mitigation and adaptation. However, we did not find any formal mechanisms for central and local government to co-ordinate on climate action (such as a law, regulation, or agreement for joint policy formulation or implementation).

Public policies

- 2.14 The ClimateScanner methodology assesses public policies that address climate change against five components. These include having established international commitments, overall strategies for mitigation and adaptation, and mitigation and adaptation plans and strategies for significant sectors.
- 2.15 We found that New Zealand has clear international commitments and has developed national mitigation and adaptation strategies. However, some of New Zealand's sector-specific plans and strategies are less advanced.
- 2.16 The Paris Agreement requires countries to prepare, communicate, and maintain successive Nationally Determined Contributions. Each successive Nationally Determined Contribution is required to show progress and reflect the highest possible ambition.
- 2.17 New Zealand has met this requirement. New Zealand updated our Nationally Determined Contribution in November 2021. This set a headline target of a 50% reduction of net emissions below our gross 2005 level by 2030. This is a more ambitious target than the previous Nationally Determined Contribution from 2016.
- 2.18 New Zealand also has national strategies for climate change mitigation (the Emissions Reduction Plan) and adaptation (the National Adaptation Plan). When we looked at specific sectors we found mixed progress in how the actions in these plans are being implemented.

- 2.19 We looked at three specific sectors (agriculture, land transport, and energy) to understand what mitigation actions are taking place in those sectors. There are detailed strategies and plans for the key mitigation actions in the agriculture and land transport sectors, including clear objectives and plans for monitoring and evaluation.
- 2.20 However, the mitigation plans for agriculture focus on research and development, and we cannot yet see a clear pathway between these plans and actual emissions reduction. Key actions in the energy sector are at an early stage and lack detail about how they will lead to reductions in emissions.
- 2.21 To understand what adaptation actions are taking place, we looked at two sectors (land and ocean ecosystems and disaster risk management) and selected a sample of actions set out in the National Adaptation Plan.
- 2.22 We found a detailed plan for one of the high-level actions for addressing land and ocean ecosystems adaptation, but progress on this has been slower than planned. This was the action to implement the Department of Conservation's Climate Change Adaptation Action Plan.
- 2.23 We did not see the same level of detailed planning for the two other actions we looked at in this sector. These two actions were to implement the Water Availability and Security programme (which the Ministry for Primary Industries is responsible for) and to implement the National Policy Statement on Freshwater Management 2020 (which the Ministry for the Environment is responsible for).
- 2.24 The National Adaptation Plan's main responses to disaster risk management are to implement the National Disaster Resilience Strategy, modernise the emergency management system, and develop the emergency management workforce. There has been mixed progress on these actions so far.
- 2.25 One of the assessment criteria looks at whether implementation challenges to adaptation actions have been identified and understood. We did not find evidence that government organisations have identified implementation challenges for their planned actions in the land and ocean ecosystems or disaster risk management sectors.

Climate finance

- 2.26 For climate finance, the ClimateScanner methodology requires us to assess whether the Government is managing the resources it has committed for supporting developing countries, whether budgetary instruments are aligned with domestic climate goals, and whether different types of climate finance are tracked and reported on.
- 2.27 The Paris Agreement states that developed countries should provide financial assistance to developing countries, while also encouraging other parties to make voluntary contributions.

- 2.28 In its fifth Biennial report,⁹ New Zealand set out its commitment to providing \$1.3 billion between 2022 and 2025, including \$800 million of “new and additional” climate finance. The funding’s aim is to support developing countries to meet their climate objectives.
- 2.29 New Zealand allocates its international climate funding to specific programmes in its International Development Co-operation programme, and the Ministry of Foreign Affairs and Trade regularly reports on these programmes. This reporting confirms that progress is being made against the 2022-25 commitment. The Ministry also told us that it expects to fully deliver on this commitment.
- 2.30 However, at a domestic level, it is not possible to see a clear alignment between funding committed to responding to climate change and the Government’s domestic climate change goals. New Zealand also does not currently have a definition for climate finance or a taxonomy that enables public organisations to tag finance related, either directly or indirectly, to climate change.
- 2.31 As a result, it is difficult to track and report on domestic climate finance. The Parliamentary Commissioner for the Environment has recommended that public organisations tag all their spending on environmental outcomes to allow this tracking.
- 2.32 The Government has some mechanisms to mobilise private climate finance for mitigation and adaptation activities. The Ministry of Foreign Affairs and Trade is in the process of setting up a portfolio of international climate finance activities aimed at mobilising private climate finance for developing countries.
- 2.33 This is essential if the Government is to continue to meet its domestic and international commitments.
- 2.34 The Emissions Trading Scheme is the Government’s main tool for encouraging private investment in reducing domestic emissions. However, a recent Climate Change Commission report assessing progress towards reducing emissions highlighted uncertainties with the scheme’s effectiveness in encouraging investment in reducing emissions because of its design.¹⁰ A 2023 discussion document on a review of the Emissions Trading Scheme also acknowledges these uncertainties.¹¹

9 New Zealand releases Biennial reports every two years as part of our obligation to the United Nations Framework Convention on Climate Change. The most recent report was released in December 2022.

10 Climate Change Commission (2024), *Monitoring report: Emissions reduction – Assessing progress towards meeting Aotearoa New Zealand’s emissions budgets and the 2050 target*, at climatecommission.govt.nz.

11 Ministry for the Environment, Ministry for Primary Industries, and Ministry of Business, Innovation and Employment (2023), *Review of the New Zealand Emissions Trading Scheme: Discussion document*, at environment.govt.nz.

Climate change arrangements in New Zealand

3

New Zealand is committed to emissions reduction targets under the Paris Agreement

- 3.1 The Paris Agreement is an international treaty on climate change. It was negotiated by 196 parties and covers climate change mitigation, adaptation, and finance. The objectives of the Paris Agreement are to:
- keep the global average temperature well below 2°C above pre-industrial levels, while pursuing efforts to limit the temperature increase to 1.5°C;
 - strengthen the ability of countries to deal with the effects of climate change; and
 - make sure that financial flows support the development of low-carbon and climate-resilient economies.
- 3.2 New Zealand signed the Paris Agreement in 2016. The agreement, which took effect in 2020, commits New Zealand to meeting the emissions targets of the Paris Agreement and regularly updating the United Nations on its progress towards these targets.

Nationally Determined Contribution

- 3.3 As part of New Zealand's commitment to the Paris Agreement, it must submit a Nationally Determined Contribution. A Nationally Determined Contribution outlines the contributions a country will make to meet the goals of the Paris Agreement.
- 3.4 New Zealand submitted its first Nationally Determined Contribution in 2016 and updated it in November 2021. New Zealand is due to submit its next Nationally Determined Contribution to the United Nations Framework Convention on Climate Change in 2025. It will cover the five-year period starting from 2031.

The Climate Change Response Act 2002 provides a framework for setting and meeting climate change commitments

- 3.5 The Climate Change Response Act 2002 (the Act) sets greenhouse gas emissions reduction targets for New Zealand. These targets are to:
- reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050; and
 - reduce emissions of biogenic methane to 24%-47% below 2017 levels by 2050, including to 10% below 2017 levels by 2030.

The Government must prepare plans and strategies to meet its climate change commitments

- 3.6 The Act also sets out requirements for the Government to prepare specific plans and strategies to meet its climate change commitments. We discuss some of these below.

National Climate Change Risk Assessment

- 3.7 The National Climate Change Risk Assessment identifies the most significant climate change risks and opportunities for New Zealand. It also highlights gaps in the information and data needed to properly assess and manage these risks and opportunities.
- 3.8 The Ministry for the Environment prepared New Zealand's first National Climate Change Risk Assessment in August 2020. The Act requires that a new National Climate Change Risk Assessment be prepared every six years.¹² The Climate Change Commission is responsible for preparing the next National Climate Change Risk Assessment, which is due in 2026.

National Adaptation Plan

- 3.9 The National Adaptation Plan sets out actions to respond to the risks identified in the National Climate Change Risk Assessment. The Ministry for the Environment prepares the National Adaptation Plan on behalf of the Minister of Climate Change.
- 3.10 The National Adaptation Plan must set out the Government's objectives for adapting to the effects of climate change and the strategies, policies, proposals, and time frames for meeting those objectives.
- 3.11 New Zealand's first National Adaptation Plan was published in August 2022. It sets out the Government's actions for enabling better risk-informed decisions, driving climate-resilient development in the right locations, helping communities assess adaptation options, and embedding climate change resilience into all of the Government's work.
- 3.12 The second National Adaptation Plan is intended to be published in 2028.

Emissions budgets

- 3.13 To meet the targets set out in the Act, emissions budgets set a maximum quantity of emissions to be released during a specific period.

Emissions Reduction Plan

- 3.14 The Ministry for the Environment prepares the Emissions Reduction Plan on behalf of the Minister of Climate Change. This plan sets out the policies and strategies for meeting the emissions budget. The first Emissions Reduction Plan was published in May 2022.
- 3.15 The second Emissions Reduction Plan went out for public consultation in July 2024 and will be published at the end of 2024. It outlines the actions that the Government intends to take to reduce emissions in New Zealand for the next five years. The second Emissions Reduction Plan focuses on sectors that have a significant effect on emissions, including energy, transport, agriculture, forestry, and waste.

Several entities monitor government progress on the plans and strategies

The Climate Change Chief Executives Board

- 3.16 The Climate Change Chief Executives Board was legally established as an interdepartmental executive board in July 2022.¹³ The Board provides advice on the Government's response to climate change and supports the successful implementation of the Emissions Reduction Plan.¹⁴
- 3.17 The Board monitors and reports on the delivery of actions in the Emissions Reduction Plan and National Adaptation Plan. It advises on the two plans' overall effectiveness and future direction. It also ensures that domestic emissions budgets are met.
- 3.18 The Board provides advice to Ministers and makes strategic decisions in keeping with Ministerial direction on New Zealand's approach to delivering Emissions Reduction Plans. The Board's decisions focus on system-wide issues where policy applies to multiple portfolios and public organisations.
- 3.19 The Board's statement of intent also says that it will engage with businesses that have carbon reduction programmes that intersect with government policy.¹⁵

¹³ The Climate Change Chief Executives Board was created under section 26 of the Public Service Act 2020.

¹⁴ The Board is made up of the chief executives of the Ministry for the Environment, the Treasury, the Department of Conservation, the Ministry for Primary Industries, the Ministry of Business, Innovation and Employment, the Ministry of Transport, the Department of Internal Affairs, and the National Emergency Management Agency.

¹⁵ Climate Change Chief Executives Board (2023), *Statement of intent: 2023-2027*, at environment.govt.nz.

- 3.20 A Cabinet decision in August 2022 assigned responsibility to the Board for overseeing the overall implementation of the National Adaptation Plan. The Board is required to periodically assess the sufficiency of the National Adaptation Plan. It also reports to the Prime Minister and advises whether course corrections are needed.
- 3.21 A unit has been set up to provide secretariat support to the Board. The Ministry for the Environment hosts this unit.

Climate Change Commission

- 3.22 An independent Climate Change Commission was set up in November 2019. The Commission's purpose is to:
- monitor and review the Government's progress towards its emissions reduction and adaptation goals; and
 - provide advice to the Government on climate change mitigation and adaptation. This includes advice on Emissions Reduction Plans, including on the direction of the required policy.
- 3.23 The Commission has to report on progress towards the emissions budgets annually and on the progress of the National Adaptation Plan every two years. It published its first reports on the progress of these plans in July and August 2024 respectively.¹⁶

Governance

- 4.1 In this Part, we summarise the results of our assessment of New Zealand’s governance arrangements for responding to climate change. The four categories in the governance axis of the ClimateScanner methodology are:
- **institutionalisation**, which looks at what legislative and regulatory framework countries have to address climate change and what entities are involved;
 - **strategy**, which looks at what long-term strategies and risk management arrangements countries have;
 - **co-ordination**, which looks at how public organisations work together and how they engage with non-government groups; and
 - **accountability**, which looks at what mechanisms countries have to ensure that governments are accountable for their responses to climate change.

Institutionalisation

Legislative and regulatory framework

Criteria we assessed

Existence of legislation framework	■	■	■	■
Consistency with Paris Agreement	■	■	■	■
Mainstreaming	■	■	■	■

















- 4.2 We looked at whether New Zealand has a legislative and regulatory framework that addresses climate change and whether that framework is consistent with the Paris Agreement. We also wanted to know whether the framework requires climate change to be “mainstreamed” – that is, considered in national plans and policies.
- 4.3 We gave all criteria in this component ratings of “advanced implementation”. There is a comprehensive legislative framework to address climate change. The Climate Change Response Act 2002 is the main piece of legislation. There are also several pieces of secondary legislation.¹⁷
- 4.4 There is consistency with the Paris Agreement. One of the purposes set out in the Act is to contribute “to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels”. A separate schedule of the Act reproduces the entire Paris Agreement.

¹⁷ Some examples of secondary legislation include the Climate Change (Agriculture Sector) Regulations 2010, Climate Change (Auctions, Limits, and Price Controls for Units) Regulations 2020, and Climate Change (Eligible Industrial Activities) Regulations 2010.

- 4.5 The Act explicitly provides for mainstreaming climate change response actions into national planning instruments and sectoral plans. In particular, the Act requires the Government to prepare:
- emissions budgets;
 - an Emissions Reduction Plan, which must include a multi-sector strategy to meet emissions budgets and sector-specific policies to “reduce emissions and increase removals”;
 - a National Climate Change Risk Assessment; and
 - a National Adaptation Plan in response to the risk assessment. The adaptation plan must include strategies, policies, and proposals for meeting the Government’s objectives for adapting to the effects of climate change.
- 4.6 As well as the legislative requirements, there is a Cabinet requirement that central government agencies must estimate and disclose the greenhouse gas emissions implications when:
- decreasing greenhouse gas emissions is a key policy objective; or
 - the direct impact on emissions is likely to be equal to or above:
 - -0.5 Mt CO₂-e within the first 10 years; or
 - -3 Mt of CO₂-e within the first 30 years.¹⁸
- 4.7 The Cabinet requirement applies to individual policies and initiatives, but is also applied to the whole Government Budget each year so that the Government can understand the climate implications of its Budgets.

Government structure

Criteria we assessed

Existence of national government structure				
Responsibilities defined				
No gaps or overlaps				
Leadership				

- 4.8 We looked at whether there is a government structure to address climate change and whether the public organisations involved in addressing climate change have clear roles and responsibilities.

¹⁸ The Government expresses its emissions reduction targets in megatonnes of carbon dioxide equivalent, written as Mt CO₂-e.

- 4.9 We gave three of the four criteria in this component ratings of “advanced implementation”. The Government has assigned organisations responsibilities for climate change activities. This includes leading, co-ordinating, implementing, and monitoring climate actions and ensuring that these activities are transparent to the public.
- 4.10 The main organisations are the Ministry for the Environment (which is the Government’s main adviser on climate change), the Climate Change Commission, and the Climate Change Chief Executives Board. These three entities have clear roles and responsibilities that are set out in legislation, Cabinet decisions, and the Budget process.
- 4.11 We did not identify any substantial gaps or overlaps in the main entities’ roles and responsibilities. Although the Climate Change Commission and the Climate Change Chief Executives Board both have monitoring and reporting responsibilities, the Commission is an independent Crown entity designed to assist in ensuring that there is appropriate transparency and accountability for the Government. In our view, both organisations play important and distinct roles.
- 4.12 The Climate Change Chief Executives Board is an interdepartmental executive board. Interdepartmental executive boards are set up to “align and co-ordinate strategic policy, planning, and budgeting activities for two or more departments with responsibilities in a subject matter area. This helps support those departments to deliver on relevant cross-departmental initiatives.”¹⁹
- 4.13 The Climate Change Chief Executives Board has a leadership role and operates at the chief executive level. It also has working groups at the deputy chief executive and operational (director/manager) levels.
- 4.14 The members of the Climate Change Chief Executives Board are the chief executives of the main government departments with significant roles in mitigating and/or adapting to climate change (see paragraph 3.16). Although each chief executive can mobilise their own department, the Board does not have the ability to mobilise any other government bodies.
- 4.15 Under the ClimateScanner framework, this ability needs to be in place for a rating of “advanced implementation”. Therefore, we gave the leadership criterion a rating of “intermediate implementation”.

19 The Treasury, “Interdepartmental executive boards”, at treasury.govt.nz.

Strategy

Long-term strategy

Criteria we assessed

Long-term strategy	■	■	■
Alignment to Nationally Determined Contribution	■	■	■
Interlinkages with Sustainable Development Goals (SDGs)	■		

- 4.16 We assessed whether New Zealand has a long-term strategy to address climate change. We also assessed whether the strategy aligns with the Nationally Determined Contribution and whether it references the Sustainable Development Goals.
- 4.17 The Government submitted its long-term strategy to the United Nations Framework Convention on Climate Change in November 2021.²⁰ The strategy sets out how New Zealand plans to use a series of emissions budgets and Emissions Reduction Plans to meet its long-term emissions reduction targets.
- 4.18 The strategy includes a series of high-level sector plans. It references the updated Nationally Determined Contribution and explains that this will be met through a combination of domestic and international mitigation actions.
- 4.19 The ClimateScanner methodology states that registering a long-term strategy with the United Nations Framework Convention on Climate Change is considered “advanced implementation”. It does not require any assessment of that strategy.
- 4.20 However, the strategy has not been updated since 2021, and we have not seen any evidence of plans to update it. We are aware that some parts of this strategy, such as the sector plans, might now be out of date. Therefore, we gave the long-term strategy criterion a rating of “intermediate implementation”.
- 4.21 We also gave the alignment to the Nationally Determined Contribution criterion a rating of “intermediate implementation”. Although the strategy aligns with the Nationally Determined Contribution to some extent, there are also gaps.
- 4.22 New Zealand’s Nationally Determined Contribution is an international commitment to reduce emissions. New Zealand also has domestic commitments, including long-term emissions reduction targets set in the Act and intermediate targets set through the emissions budgets. Each emissions budget covers five years.²¹

20 Ministry for the Environment (2021), *Transitioning to a low-emissions and climate-resilient future: Aotearoa New Zealand’s long-term low-emissions development strategy*, at environment.govt.nz.

21 The first emissions budget was for four years from 2022 to 2026.

- 4.23 Figure 4 shows that the Nationally Determined Contribution, the Act, and the emissions budgets express emissions reduction targets differently and cover different time periods. For example, the emissions budgets set a maximum quantity of total emissions, but the other commitments set a target for the percentage that emissions will be reduced by.
- 4.24 The Nationally Determined Contribution target is also more ambitious than the domestic targets. However, the Nationally Determined Contribution target can be met through a mix of domestic and international mitigation actions, while the domestic targets must be met as much as possible through domestic actions.

Figure 4
New Zealand’s international and domestic emissions reduction commitments

Commitment	Target	Time period
International targets under the Nationally Determined Contribution	To reduce net greenhouse gas emissions to 50% below gross 2005 levels by 2030. Based on New Zealand’s most recent greenhouse gas inventory, this budget provisionally equates to 571 Mt CO ₂ -e over 2021-2030.	2021-30
Domestic targets under the Climate Change Response Act 2002	Reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050. Reduce emissions of biogenic methane to: <ul style="list-style-type: none"> • 24%-47% below 2017 levels by 2050; and • to 10% below 2017 levels by 2030. 	2019-30 2019-50
Domestic interim targets under the emissions budgets	Budget 1: Total emissions of 290 Mt CO ₂ -e Budget 2: Total emissions of 305 Mt CO ₂ -e Budget 3: Total emissions of 240 Mt CO ₂ -e	Budget 1 (2022-25) Budget 2 (2026-30) Budget 3 (2031-35)

- 4.25 In its July 2024 discussion document for the second Emissions Reduction Plan, the Government acknowledged that meeting the more ambitious emissions reduction target in the Nationally Determined Contribution will be a challenge.
- 4.26 The current Nationally Determined Contribution states that, to meet its targets, New Zealand intends to use international market mechanisms, co-operative approaches, and carbon markets as well as domestic emissions reductions. However, we have not seen a clear strategy for how this will be achieved.

- 4.27 The second Emissions Reduction Plan’s discussion document says that the Government is still considering how it will address this challenge.
- 4.28 Climate action is one of the Sustainable Development Goals, and there are strong links between the success of the 2030 Agenda and international climate agreements (such as the Paris Agreement and the United Nations Framework Convention on Climate Change).
- 4.29 The third criterion in this component looks at how the Government’s long-term strategy aligns with the Sustainable Development Goals.
- 4.30 The ClimateScanner methodology requires us to assess whether the long-term strategy specifically refers to the Sustainable Development Goals. If it does not, a rating of “no implementation” applies.
- 4.31 The previous Government stated that it intended to progress the Sustainable Development Goals “through a combination of domestic action, international leadership on global issues and support for developing countries”.²²
- 4.32 We are aware that the previous Government’s strategies and plans for responding to climate change aligned with the Sustainable Development Goals to some extent. For example, the previous Government stated that the 2019 amendment to the Act, which provided a framework for reducing emissions by 2050 and established the Climate Change Commission to monitor progress towards it, was in support of achieving Sustainable Development Goal 13.²³
- 4.33 We are also aware that climate change actions might also contribute to other Sustainable Development Goals. For example, the Climate Change Commission has found that reducing transport fuel use would improve air quality, saving New Zealand \$2.7 billion a year on average in health costs.²⁴
- 4.34 However, we found no specific references to the Sustainable Development Goals in the long-term strategy, the first Emissions Reduction Plan, or the second Emissions Reduction Plan’s discussion document. Therefore, this does not meet the requirements for a rating higher than “no implementation”.

22 Ministry of Foreign Affairs and Trade (2019), *He waka eke noa – Towards a better future, together: New Zealand’s progress towards the SDGs – 2019*, page 6, at mfat.govt.nz.

23 Ministry of Foreign Affairs and Trade (2019), *He waka eke noa – Towards a better future, together: New Zealand’s progress towards the SDGs – 2019*, page 91, at mfat.govt.nz.

24 Climate Change Commission (2024), *Draft advice on Aotearoa New Zealand’s fourth emissions budget*, at climatecommission.govt.nz.

Risk management

Criteria we assessed















Risk mapping				
Interface with science				
Climate risks in planning instruments				

- 4.35 We looked at whether New Zealand has prepared or updated an assessment of climate change risks in the last five years. We also looked at whether the risks identified in the assessment are based on the best available science and whether they have been incorporated into long- and medium-term plans.
- 4.36 We gave all criteria in this component ratings of “advanced implementation”. The Act requires an assessment of the risks to New Zealand from the current and future effects of climate change.
- 4.37 The first National Climate Change Risk Assessment was published in 2020. The risk assessment gives a national picture of how New Zealand might be affected by hazards related to climate change.
- 4.38 The Act also requires that a National Adaptation Plan be prepared in response to each National Climate Change Risk Assessment. The first National Adaptation Plan was published in August 2022.
- 4.39 The risk assessment was prepared by a multidisciplinary team of academics and consultants. These were experts in governance, the economy, the human domain (which covers people’s skills, knowledge, and physical and mental health; the norms, rules, and institutions of society; and the knowledge, heritage, beliefs, arts, morals, laws, and customs of society), the built environment, and the natural environment. There was also an extensive team of technical advisors and reviewers.
- 4.40 A technical report published with the risk assessment cites nearly 30 pages of references that were used to complete the risk assessment. These references include a range of scientific, economic, and social evidence.

Co-ordination

Horizontal and vertical co-ordination

Criteria we assessed

Horizontal co-ordination mechanisms					
Dynamic of horizontal interaction					
Vertical co-ordination mechanisms					
Dynamic of vertical interaction					

- 4.41 We looked at whether there are mechanisms that enable organisations to work together in a co-ordinated way to address climate change, both between central government organisations (horizontally) and with local government (vertically).
- 4.42 We also looked at whether mechanisms are dynamic – that is, whether central government and local government organisations have adequate opportunities to regularly and consistently discuss climate action.
- 4.43 We gave the horizontal co-ordination mechanisms and dynamic of horizontal interaction criteria ratings of “advanced implementation”.
- 4.44 The Climate Change Chief Executives Board is the main mechanism that allows central government organisations to work together. In its statement of intent, the Board says that one of its functions is to co-ordinate the implementation of cross-agency actions and strategies in the Emissions Reduction Plan and National Adaptation Plan.
- 4.45 At the Ministerial level, there is a Climate Priorities Ministerial Group, which consists of senior Ministers and is chaired by the Minister of Climate Change. Although the Minister of Climate Change has statutory responsibility for meeting climate change goals, this responsibility is held on behalf of the Government. Many actions that affect this responsibility are in different Ministerial portfolios. Therefore, the Climate Priorities Ministerial Group provides accountability for cross-agency and individual agencies’ responses to climate change.
- 4.46 Both the Climate Change Chief Executives Board and the Climate Priorities Ministerial Group meet regularly. The Board has various interagency sub-groups that represent different levels of officials, and these sub-groups also meet regularly.

- 4.47 Although horizontal co-ordination is strong, New Zealand lacks formal structures for vertical co-ordination on matters related to climate change. We gave the vertical co-ordination mechanisms and dynamic of vertical interaction criteria ratings of “early implementation”.
- 4.48 Local authorities have statutory responsibilities to avoid or mitigate natural hazards. They must have regard to the effects of climate change when making certain decisions. They are also responsible for civil defence and emergency management, and for improving community resilience through education and local planning.
- 4.49 The National Adaptation Plan has measures to support local authorities to take action and adapt to climate change.²⁵ However, the Climate Change Commission’s monitoring report on the National Adaptation Plan recommends that the regime for local adaptation planning be strengthened. This includes creating a legislative framework that mandates local government action on adaptation.
- 4.50 The Commission’s monitoring report also noted a lack of clarity in roles and responsibilities for adaptation planning and implementation between central and local government.
- 4.51 That said, local government actively engages with central government on climate change mitigation and adaptation through its membership institutions Local Government New Zealand (representing elected members) and Taituarā – Local Government Professionals Aotearoa.
- 4.52 The local government sector is actively involved with central government in law reform processes and implementation, such as the previous Government’s work on the Resource Management Act and three waters reforms. More recently, a local government emissions reduction advisory group supported central government’s consideration of the second Emissions Reduction Plan.
- 4.53 However, we are not aware of any formal institutional mechanism for central and local government to co-ordinate on climate action (such as a law, regulation, or agreement for joint policy formulation or implementation), which is what this criterion requires.

²⁵ Ministry for the Environment (2022), *Climate change and local government: What the national adaptation plan means for you*, at environment.govt.nz.

Stakeholder engagement

Criteria we assessed

Existence of participation mechanisms				
Representativeness				
Dynamic of interaction				

- 4.54 We looked at whether there are mechanisms that allow a representative range of stakeholders to participate in the design and implementation of climate change policies, strategies, and plans. We also looked at whether this participation mechanism is “dynamic” – that is, whether it allows for regular and consistent engagement.
- 4.55 We did not look at how effective those mechanisms are or how policies and plans might have been adjusted in response to stakeholders’ participation.
- 4.56 We gave all three criteria in this component ratings of “advanced implementation”. The Act requires the Government to carry out adequate consultation when it prepares an Emissions Reduction Plan. This includes consulting with sector representatives, affected communities, and iwi and Māori.
- 4.57 For the first Emissions Reduction Plan, the Government consulted with a range of groups that included iwi, hapū, Māori, Pacific peoples, business and industry, local government, non-government organisations, and youth.
- 4.58 For the second Emissions Reduction Plan, the Government consulted with the Climate Business Advisory Group, the Local Government Emissions Reduction Advisory Group, and the Climate Youth Advisory Group. The Government also publicly consulted on the second Emissions Reduction Plan’s discussion document during July and August 2024.
- 4.59 The Act requires the responsible Minister to carry out public consultation on its draft National Adaptation Plan. As part of the consultation on the first National Adaptation Plan, the Government also consulted on the system for managed retreat and emerging issues relating to home insurance for flood risk.
- 4.60 The Government published a summary of the submissions it received for the first Emissions Reduction Plan and the first National Adaptation Plan. Consultation on the first Emissions Reduction Plan received more than 10,000 submissions, and consultation on the first National Adaptation Plan received 294 submissions.
- 4.61 We have not assessed how the Government used these submissions in developing its policies.

Accountability

Inclusiveness

Criteria we assessed

Identification of vulnerable groups	■	■	■	■
Inclusion in decision-making process	■	■	■	■
Equitable policies	■	■	■	■

- 4.62 We looked at whether the Government has identified the communities most vulnerable to the effects of climate change and whether it includes them in the development of climate change policies, strategies, and plans. We also looked at whether equity has been considered in the development of climate change policies, strategies, and plans.
- 4.63 We gave all criteria in this component ratings of “advanced implementation”. The Act requires the Government to:
- when preparing a National Climate Change Risk Assessment and a National Adaptation Plan, take into account the:
 - economic, social, health, environmental, ecological, and cultural effects of climate change, including effects on iwi and Māori; and
 - the distribution of the effects of climate change throughout society, taking particular account of vulnerable groups or sectors; and
 - include in any Emissions Reduction Plan a strategy to mitigate the impacts that reducing emissions and increasing removals will have on employees and employers, regions, iwi and Māori, and wider communities.
- 4.64 These requirements have been put into practice. For example, the first Emissions Reduction Plan has a chapter on empowering Māori. The first National Climate Change Risk Assessment identifies communities that are vulnerable to the effects of climate change, and the Ministry for the Environment includes information on its website about adaptation for specific groups, such as disabled people and rural communities. Many of the actions in the first National Adaptation Plan have a specific focus on Māori.
- 4.65 However, even though this component meets the criteria for a rating of “advanced implementation”, the Parliamentary Commissioner for the Environment found that engagement with iwi and Māori could have been improved. For example, some of the tools used for consultation were not effective in reaching the communities that the proposed policies would most disproportionately impact.

Monitoring mechanisms

Criteria we assessed

Existence of mechanisms	
Feedback for policy-making	

- 4.66 We assessed whether there are monitoring mechanisms for tracking progress towards the targets in the Nationally Determined Contribution and the implementation of national laws, policies, and strategies related to climate change. We also looked at whether there is a mechanism that enables the information from climate change monitoring to inform policy-making.
- 4.67 We gave the first criterion in this component a rating of “advanced implementation” and the second criterion a rating of “intermediate implementation”.
- 4.68 The Act requires the Climate Change Commission to monitor and report on progress. From 2024, the Commission will monitor and report annually on the Government’s progress towards meeting the 2050 emissions reduction target, emissions budgets, and Emissions Reduction Plans.
- 4.69 The Climate Change Commission published its first monitoring report in July 2024. This report assesses the adequacy of the Government’s Emissions Reduction Plan and the progress of its implementation, including any new opportunities to reduce emissions.
- 4.70 The Climate Change Commission must also report on progress at the end of each emissions budget period. The first of these reports is due in 2027.
- 4.71 The Climate Change Commission is also required to provide a two-yearly progress report on the implementation and effectiveness of each National Adaptation Plan. It published its first progress report in August 2024. The report assesses how well the plan is achieving its objectives and how well it responds to climate risks. It also identifies barriers to implementation and effectiveness, and how these might be overcome. The Act includes a requirement for Ministers to respond publicly to the Climate Change Commission’s reports.
- 4.72 The Climate Change Chief Executives Board also carries out monitoring and reporting. The Board reports on the progress of the actions identified in the Emissions Reduction Plan and the National Adaptation Plan every six months. These reports are based on more detailed reporting from the relevant lead agency for each action.

- 4.73 The Climate Change Chief Executives Board is responsible for advising how organisations can respond to the results of monitoring and reporting. It also advises the Government on whether any changes in response might be needed.
- 4.74 Although these mechanisms are in place, the Climate Change Commission only published its first monitoring reports in July and August 2024. It is too early to assess how the Government will use the information in the monitoring reports. It is also too early to see how the Government will use the Climate Change Chief Executives Board’s assessments and reporting to inform future policy-making.

Transparency

Criteria we assessed

Global transparency	■	■	■	■
Transparency at the national level	■	■	■	■
Publicly accessible reporting	■	■	■	

- 4.75 We assessed whether the Government is reporting on its progress towards meeting climate change objectives internationally and domestically. We also looked at whether there is reporting that is transparent and accessible to the public.
- 4.76 We gave the first two criteria in this component ratings of “advanced implementation”, and we gave the last criterion a rating of “intermediate implementation”.
- 4.77 The Government is meeting the requirements to prepare, update, and submit National Communications and Biennial reports to the United Nations Framework Convention on Climate Change.
- 4.78 National Communications must be updated every four years, and Biennial reports must be updated every two years. The Government submitted the most recent National Communications and Biennial report in December 2022.
- 4.79 The Ministry for the Environment has a large amount of information on its website about what the Government is doing about climate change. This includes information on emissions reductions and adaptation.
- 4.80 For example, the Ministry’s website provides information sheets explaining the National Adaptation Plan, relevant actions, and programmes of work to support adaptation actions affecting different groups, such as rural communities, disabled people, and younger New Zealanders.

- 4.81 The Ministry's website also includes information about progress made in reducing emissions through the Carbon Neutral Government Programme. This programme requires public organisations to report on their emissions, their reduction targets, and their plans to achieve those targets. The requirements are mandatory for some public organisations and encouraged for others. In December 2023, 84 public organisations reported this information.
- 4.82 Information on government progress towards achieving climate change objectives is also publicly available. This information includes meeting packs and advice from the Climate Change Chief Executives Board to Ministers and the Prime Minister.
- 4.83 The Climate Change Commission's monitoring reports (see paragraphs 4.68-4.71) are also available on its website. The public can also request information about the Government's response to climate change through the Official Information Act 1982.
- 4.84 Although a lot of information is available to the public about current progress towards emissions reduction targets, different sources present this information differently and the public may find the different sources hard to reconcile. In our view, this is information that the public would want to know.
- 4.85 The Government's factsheet for its target for reduced greenhouse gas emissions provides some key information about progress in a more understandable way, although some technical information is not explained.
- 4.86 The Government's discussion document for the second Emissions Reduction Plan is easily accessible online and presents information on how New Zealand is tracking its progress towards meeting the emissions budgets. However, this information has not been calculated on the same basis as the official emissions projections that were published in late 2023. This makes it difficult to understand how much progress has been made.

Oversight and climate litigation

Criteria we assessed

Parliament				
Audit institutions				
Climate litigation				

- 4.87 We looked at whether Parliament has commissions or committees that focus on climate change issues. We considered our own climate change work programme in the last five years. We also looked at whether the New Zealand judiciary considers claims related to climate change issues.
- 4.88 We gave all criteria in this component ratings of “advanced implementation”.
- 4.89 Parliament’s Environment Committee looks at matters related to conservation, the environment, and climate change. The Committee specifically focuses on climate change issues.
- 4.90 The Environment Committee scrutinises the performance and finances of the Ministry for the Environment, the Climate Change Commission, and the Climate Change Chief Executives Board through annual reviews of their budgets. It also started an inquiry into climate adaptation in 2023.
- 4.91 The Finance and Expenditure Committee recently completed its own inquiry into climate change adaptation, including its financial aspects. The committee made several recommendations in its inquiry report that will inform the development of a policy framework for how New Zealand will adapt to climate change. The framework is intended to set out the Government’s approach to sharing the costs of adaptation and provide more certainty for local communities about the adaptation activities happening in their areas. This inquiry also considered written submissions made to the Environment Committee’s earlier inquiry.
- 4.92 Other select committees in Parliament also look at climate change issues. These include the Economic Development Committee, the Science and Innovation Committee, and the Transport and Infrastructure Committee.
- 4.93 Parliament’s oversight of climate change matters is further strengthened by the Parliamentary Commissioner for the Environment. The Commissioner is an independent Officer of Parliament and has broad powers to investigate and report on environmental concerns, including concerns about climate change. The Commissioner reports directly to Parliament.
- 4.94 This component’s second criterion asks whether the relevant national audit institution is currently conducting, or has conducted in the last five years, at least one audit with climate change issues as its main focus.

- 4.95 Our Office has recently completed a performance audit of how well councils are implementing climate change actions. This audit looks at how four councils are responding to climate change and how they have translated climate change strategies, commitments, and plans into action.
- 4.96 Our Office has also published a range of other reports, articles, blogs, and guidance on measuring and reporting on government actions responding to climate change.²⁶
- 4.97 Other types of audits of public organisations by our Office also consider information relating to climate change, including:
- audits of councils' long-term plans, which have to consider the physical impacts of climate risks (including the impact on infrastructure strategies) and transition risks;
 - annual audits, where some public organisations have chosen to include performance information about greenhouse gas emissions in their annual report;
 - the annual audit of the Financial Statements of Government, which considers whether the disclosures made about New Zealand's commitments under the Paris Agreement, including the Nationally Determined Contribution, are appropriate and meet financial reporting standards; and
 - from 2025, the Climate Related Disclosures regime will introduce mandatory climate reporting for large banks, insurers, managers of investment schemes, and publicly listed entities. As at September 2024, there are 13 public organisations subject to this requirement. Reporting and auditing requirements have not been finalised but some auditing and assurance is intended.
- 4.98 Therefore, the requirements for a rating of "advanced implementation" have been met.
- 4.99 The New Zealand judiciary adjudicates claims related to climate change issues. Courts in New Zealand have considered several claims related to climate change, including against Ministers, public organisations, and corporate entities. Notably, New Zealand's highest court, the Supreme Court, recently held that a claim by a citizen against corporate entities in relation to their emissions should proceed to trial.²⁷
- 4.100 The *Global climate litigation report* cites 26 litigation cases in New Zealand as of December 2022 and discusses several of them.²⁸

26 For our work on climate change, see oag.parliament.nz/reports/climate-change.

27 *Michael John Smith v Fonterra Co-operative Group Limited* [2024] NZSC 5.

28 United Nations Environment Programme (2023), *Global climate litigation report: 2023 status review*, at [unep.org](https://www.unep.org).

Public policies

- 5.1 The Government has an important role in implementing public policies that can address the effects of climate change.
- 5.2 In this Part, we summarise the results of our assessment of the public policies that New Zealand has to respond to climate change. The three categories in the public policies axis of the ClimateScanner methodology are:
- **international commitments**, which looks at countries' international commitments to emissions reduction, specifically the Nationally Determined Contribution;
 - **general strategies**, which looks at what adaptation plans and mitigation strategies countries have to respond to climate change; and
 - **sectoral components**, which looks at mitigation and adaptation policies for specific sectors.

International commitments

Nationally Determined Contribution

Criteria we assessed

Actualisation	■	■	■	■	■
Ambition	■	■	■	■	■
Targets per sector	■	■	■	■	

- 5.3 We assessed whether the Nationally Determined Contribution has been updated in line with the requirements of the Paris Agreement (actualisation) and has more ambitious commitments for New Zealand than the previous Nationally Determined Contribution. We also looked at whether these commitments are broken down into sector-specific targets.
- 5.4 We also commented on the Nationally Determined Contribution in paragraphs 4.22-4.28, as part of our assessment of the long-term strategy.
- 5.5 We gave the first two criteria in this component ratings of “advanced implementation”. We gave the third criterion – whether emissions reduction targets are broken down by sector – a rating of “intermediate implementation”.
- 5.6 New Zealand submitted its first Nationally Determined Contribution to the United Nations Framework Convention on Climate Change in 2016. It set a target to reduce emissions to 30% below gross 2005 levels by 2030.
- 5.7 In November 2021, the Nationally Determined Contribution was updated in accordance with the requirement in the Paris Agreement to update it every five years.

- 5.8 The updated Nationally Determined Contribution sets a target for a 50% reduction of net emissions below gross 2005 levels by 2030. This is clearly a more ambitious target than the previous Nationally Determined Contribution. We did not assess whether this target or the extent of increased ambition is appropriate.
- 5.9 New Zealand’s Nationally Determined Contribution does not include sector targets. The first Emissions Reduction Plan, which covers the period of the first emissions budget, includes domestic emissions reduction targets for the biggest contributing sectors. These sectors include those we selected to look at in more detail: agriculture, land transport, and energy (see paragraphs 5.33-5.64).
- 5.10 As noted in paragraph 4.24-4.28, the targets in the emissions budgets for 2022 to 2030 are not fully aligned with, or enough to meet, the Nationally Determined Contribution. This means that the sector targets in the Emissions Reduction Plan do not fully account for the Nationally Determined Contribution.
- 5.11 The Nationally Determined Contribution states that the Government plans to use international market mechanisms, co-operative approaches, and carbon markets to achieve the additional reductions needed, but this strategy currently lacks detail.
- 5.12 For these reasons, we gave the targets per sector criterion a rating of “intermediate implementation”.

General strategies

Mitigation strategy

Criteria we assessed

Mapping				
National strategy				
Sectoral plans				

- 5.13 We assessed whether the Government has identified the public policies that impact emissions (mapping) and whether there are national mitigation strategies and sector-specific plans that are consistent with these strategies.
- 5.14 As the ClimateScanner methodology requires, we only looked at whether there are clear policies, policy objectives, and sectoral plans. We did not assess whether those policies, objectives, and plans are appropriate. We also did not assess whether specific plans are adequate or on track to meet the relevant emissions reduction targets.

- 5.15 We gave all criteria in this component ratings of “advanced implementation”. The Emissions Reduction Plans serve as both the national strategy for mitigation and the key planning document, and contain sector-specific plans for the main mitigation sectors.
- 5.16 As explained in paragraph 4.19, New Zealand’s long-term strategy for reducing emissions is based on setting a series of emissions budgets, each with its own Emissions Reduction Plan. The Emissions Reduction Plan contains the main policies for reducing greenhouse gas emissions.
- 5.17 The first Emissions Reduction Plan was published in 2022. It has dedicated chapters for the transport, energy and industry, agriculture, waste, fluorinated gases, and forestry sectors. Each of these chapters sets out how the targets for each of these key sectors will be achieved.
- 5.18 After a change in Government in November 2023, a new strategy for responding to climate change was developed. The new strategy, published in July 2024, is structured around five “pillars” for responding to climate change.²⁹ It includes commitments to reduce net greenhouse gas emissions and biogenic methane.
- 5.19 The Government has also committed to meeting the targets in the first two emissions budgets. It has included them as one of nine key targets it has set for the public sector.³⁰
- 5.20 The Government released a discussion document on the second Emissions Reduction Plan in July 2024. The discussion document sets out the main policies that the Government is proposing to implement.
- 5.21 The discussion document proposes policies for the energy, transport, agriculture, forestry, non-forestry removals, and waste sectors, as well as sections on cross-sectoral policies about the Emissions Trading Scheme and funding.
- 5.22 Public consultation has now closed, and the second Emissions Reduction Plan is scheduled to be published by the end of 2024.³¹
- 5.23 Based on this, New Zealand’s mitigation strategy meets the criteria for “advanced implementation”. However, in our view, there is a lack of clarity about whether the first Emissions Reduction Plan is still up to date.

29 The five pillars are that infrastructure is resilient and communities are well prepared, that credible markets support the climate transition, that clean energy is abundant and affordable, that world-leading climate innovation boosts the economy, and that nature-based solutions address climate change. See Ministry for the Environment (2024), *Responding to a changing climate – The Government’s climate strategy*, at environment.govt.nz




30 Department of the Prime Minister and Cabinet (2024), *Factsheet: Target 9 – Reduced net greenhouse gas emissions*, at dpmc.govt.nz.

31 The Climate Change Response Act 2002 has a specific requirement that an Emissions Reduction Plan be prepared for each emissions budget period. It also requires that the plan be published at least 12 months before the start of that budget period. The second emissions budget is for 2026 to 2030.

- 5.24 Although the first Emissions Reduction Plan remains current until the end of 2025 (which is the end of the first emissions budget period), many of the actions it originally contained have been discontinued. This means that it might not be an accurate reflection of the Government’s mitigation policies for the first emissions budget period.
- 5.25 The Government has now indicated that it intends to amend the first Emissions Reduction Plan. The second Emissions Reduction Plan’s discussion document includes a section consulting on amendments that the Government is proposing to make to the first Emissions Reduction Plan. These amendments are based on the key climate change policy initiatives that the Government has announced.

National adaptation plans and strategies

Criteria we assessed

Existence of national adaptation plan				
Coverage				
Up-to-date plans and strategies				

- 5.26 We looked at whether a National Adaptation Plan that identifies the main adaptation sectors has been prepared or updated in the last five years.
- 5.27 As specified by the ClimateScanner methodology, we only looked at whether there are policies, policy objectives, and sectoral plans and whether they are based on key risks. We did not assess whether those policies, objectives, and plans are appropriate or practicable for addressing the key climate change risks that have been identified.
- 5.28 We gave all criteria in this component ratings of “advanced implementation”. The Climate Change Response Act 2002 requires that climate change risks be identified and that an adaptation plan to address those risks be prepared. This requirement has been met.
- 5.29 The first National Climate Change Risk Assessment was published in August 2020. It identified 43 priority risks across five domains: human, natural environment, economy, built environment, and governance. The National Climate Change Risk Assessment categorises the 10 most significant risks as being the two risks from each domain with the highest adaptation urgency rating. Figure 5 sets out the top 10 risks.

Figure 5
The top 10 risks from climate change in 2020-26

Risk	Domain
 Risks to coastal ecosystems, including the intertidal zone, estuaries, dunes, coastal lakes and wetlands, due to ongoing sea-level rise and extreme weather events.	Natural
 Risks to indigenous ecosystems and species from the enhanced spread, survival, and establishment of invasive species due to climate change.	Natural
 Risks to social cohesion and community well-being from displacement of individuals, families, and communities due to climate change impacts.*	Human
 Risks of exacerbating existing inequities and creating new and additional inequities due to differential distribution of climate change impacts.*	Human
 Risks to governments from economic costs associated with lost productivity, disaster relief expenditure, and unfunded contingent liabilities due to extreme events and ongoing gradual changes.	Economy
 Risks to the financial system from instability due to extreme weather events and ongoing gradual changes.	Economy
 Risks to potable water supplies (availability and quality) due to changes in rainfall, temperature, drought, extreme weather events, and ongoing sea-level rise.*	Built
 Risks to buildings due to extreme weather events, drought, increased fire weather, and ongoing sea-level rise.*	Built
 Risk of maladaptation across all domains due to the application of practices, processes, and tools that do not account for uncertainty and change over long time frames.	Governance
 Risks that climate change impacts across all domains will be exacerbated because current institutional arrangements are not fit for climate change adaptation.	Governance

* The risk has disproportionate impacts on Māori.

Source: Ministry for the Environment (2022), *Aotearoa New Zealand's first national adaptation plan*, page 37, at environment.govt.nz.

- 5.30 The first National Adaptation Plan was published in August 2022. It sets out actions for responding to those risks and addresses all of the top 10 risks. The National Adaptation Plan Table of Actions lists all the actions and the risks that each is intended to address.
- 5.31 The next National Adaptation Plan is not due until 2028, so the existing plan can be considered current.

5.32 In addition to the National Adaptation Plan, and as mentioned in paragraph 4.92, the Finance and Expenditure Committee recently completed an inquiry into climate change adaptation. The purpose of the inquiry was:

... to develop and recommend high-level objectives and principles for the design of a climate change adaptation model for New Zealand, to support the development of policy and legislation to address climate adaptation.³²

Sectoral components – Mitigation

5.33 This component assesses elements of mitigation policies in sectors with the highest emissions. For each selected sector, we considered whether there are national policies that consider emissions reductions (policy design) and whether those policies are translated into specific actions.

5.34 We assessed whether government organisations have identified the challenges they could face in implementing those actions. We also assessed whether there are appropriate mechanisms to monitor and evaluate progress towards achieving the emissions reduction outcomes for each sector.

5.35 We looked at the agriculture, energy, and land transport sectors. Agriculture is the source of more than 50% of total emissions in New Zealand (53% in 2022). The next highest-emitting sector is energy, which contributes 37% of total emissions (including 17.5% from the transport sector in 2022). For transport, we focused on land transport because it is responsible for more than 90% of transport emissions.

5.36 We gave the criteria in this component and each sector a mix of ratings. Policies in agriculture and land transport are at a more advanced stage than policies in the energy sector. We rated the actions in the energy sector lower than the other sectors because, at the time of our assessment, there was less detail available about them.

Mitigation in the agriculture sector

Criteria we assessed

Climate policy design	■	■	■	■
Specific actions	■	■	■	■
Implementation challenges	■	■	■	■
Monitoring and evaluation mechanisms	■	■	■	■

5.37 We gave agriculture an intermediate rating for three criteria in this component: climate policy design, specific actions, and implementation challenges.

³² Finance and Expenditure Committee (2024), *Final report: Inquiry into climate adaptation*, at selectcommittees.parliament.nz

- 5.38 The Climate Change Response Act 2002 includes quantified medium- and long-term targets for reducing emissions of biogenic methane. The Government has announced a review of methane science and targets. However, there is limited information about this work because it is at an early stage.
- 5.39 Although agriculture is the largest source of New Zealand's greenhouse gas emissions, the Government has announced that it will pass legislation to remove agriculture from the Emissions Trading Scheme, which is New Zealand's main tool for reducing emissions.
- 5.40 This means that the Government's main policy for reducing emissions from agriculture is to rely on tools and technology that will reduce emissions without reducing agricultural production or exports.
- 5.41 To support this approach, the Government is investing \$400 million over four years in research, development, and commercialisation of tools for reducing agricultural emissions. The Ministry for Primary Industries has developed detailed objectives and targets for this work. There is also a related action to develop measurement of on-farm emissions by 2025.
- 5.42 We gave the climate policy design criterion an intermediate rating because, in our view, there are not yet clear links between these policies and actual emissions reduction. Research and development is an important phase, but until it results in effective, commercially available tools or products for reducing emissions, there is uncertainty about whether it will actually reduce emissions by the amount required.
- 5.43 Additionally, being able to measure emissions is important, but it does not directly result in any emissions reductions.
- 5.44 At the same time, we understand that some potential products are in the later stages of development, and the Ministry for Primary Industries expects that four new products for reducing emissions will be available for farmers in the next three years.
- 5.45 We gave the specific actions criterion an intermediate rating because the Ministry for Primary Industries has detailed and up-to-date planning documents for these pieces of work. These documents include detailed targets and measures, as well as more detailed tasks and assigned roles and responsibilities. However, we only saw detailed information about risks for the action to develop measurement of on-farm emissions.
- 5.46 The technical annex to the second Emissions Reduction Plan's discussion document shows that, overall, these policies are provisionally estimated to decrease emissions by 0.1 Mt CO₂-e over the second emissions budget period (2026-30) and 5.5 Mt CO₂-e over the third emissions budget period (2031-35).

- 5.47 However, the Climate Change Commission found that the sector is at risk of not being on track to meet the second and third emissions budgets and the 2050 biogenic methane target. The Commission said that this is because there is not a confirmed emissions pricing system or alternative policy measures to incentivise agricultural emissions reduction.
- 5.48 We gave an “advanced” rating for the monitoring and evaluation criterion. Although it is too early to evaluate its implementation of the Government’s key mitigation policies, the Ministry for Primary Industries has detailed plans for how this work will be monitored and evaluated.

Mitigation in the land transport sector

Criteria we assessed

Climate policy design	■	■	■	■
Specific actions	■	■	■	
Implementation challenges	■	■		
Monitoring and evaluation mechanisms	■	■	■	■

- 5.49 For land transport, we gave the climate policy design and monitoring and evaluation mechanisms criteria ratings of “advanced implementation”. We gave the specific actions criterion a rating of “intermediate implementation” and the implementation challenges criterion a rating of “early implementation”.
- 5.50 The Government published its Government Policy Statement on land transport in June 2024. The statement does not list climate change mitigation as a strategic priority.
- 5.51 However, the Government Policy Statement says that steps need to be taken to reduce transport emissions as part of achieving the overall emissions reduction budgets and the target of net zero emissions by 2050. The statement also says that the second Emissions Reduction Plan will include key transport policies aimed at meeting these targets.
- 5.52 The second Emissions Reduction Plan’s discussion document lists four key proposed policies for land transport, but some of the actions from the first plan are also expected to continue.
- 5.53 In its 2024 Budget, the Government committed \$257 million (or 3% of Vote Transport) to four initiatives aimed at reducing transport emissions for 2024/25.
- 5.54 More detailed information about individual actions can be found in the Ministry of Transport’s Decarbonising Transport Action Plan. This plan includes all the transport actions from the first Emissions Reduction Plan, with specific targets for each of that plan’s five focus areas.

- 5.55 Some of these actions also have their own strategies – for example, the Electric Vehicle Charging Strategy. These documents contain more information about what is involved for each action, but less detail about how each is being implemented. They also contain only very limited information about the implementation challenges or risks for each action.
- 5.56 The Ministry of Transport’s Transport Evidence Base Strategy includes an evaluation plan for the Ministry’s key initiatives, including those related to emissions reduction. We have also seen examples of completed evaluations and monitoring reports.
- 5.57 The technical annex to the second Emissions Reduction Plan’s discussion document shows provisional estimates for the decrease in emissions in the second and third emissions budget periods from enabling a network of 10,000 electric vehicle chargers and from better public transport.
- 5.58 In its first annual monitoring report on emissions reduction, the Climate Change Commission reported moderate to significant risk that the transport sector will fall short of its expected contribution to meeting the second and third emissions budgets.

Mitigation in the energy sector

Criteria we assessed

Climate policy design	■	■	■
Specific actions	■	■	
Implementation challenges	■	■	
Monitoring and evaluation mechanisms	■	■	

- 5.59 We gave the energy sector a rating of “intermediate implementation” for the first criterion in this component and a rating of “early implementation” for the other three criteria.
- 5.60 The Government has committed to doubling renewable energy by 2050. One of the Government’s key policies to achieve this is its Electrify New Zealand plan, announced in August 2024. Electrify New Zealand intends to make it easier to invest in the infrastructure needed for electrification by removing barriers. For example, the Government intends to introduce a fast-track consenting process for major renewable energy and transmission projects.
- 5.61 Electrify New Zealand is still at an early stage of development. The discussion document for the second Emissions Reduction Plan shows the projected emissions reductions impact from Electrify New Zealand on the second and third emissions budgets. However, it is not entirely clear how those reductions will be achieved.

- 5.62 Another key policy that is projected to have a significant impact on emissions reduction is enabling a regime for carbon capture utilisation and storage. This policy is also at an early stage. The Government recently undertook public consultation on this proposed policy.
- 5.63 In addition to these two key policies, there is a range of both ongoing and proposed new policies for reducing energy emissions. However, we have not seen clear objectives for reducing emissions from these policies or details about their implementation. We also note that some policies from the first Emissions Reduction Plan have been discontinued. We have not seen any monitoring or evaluation plans or reports for current energy policies.
- 5.64 Although some key specific actions are at an early stage of development, the Climate Change Commission found that energy emissions pose moderate to low risk to the second and third emissions budgets.

Sectoral components – Adaptation




- 5.65 This component assesses policies in two important adaptation sectors. For each sector, we considered whether New Zealand has policies that address the main adaptation risks, whether these policies have been translated into specific actions, whether implementation challenges have been identified, and whether there are appropriate monitoring and evaluation mechanisms.
- 5.66 We selected the land and ocean ecosystems and the disaster risk management sectors. These sectors relate to two of the top 10 most significant climate change risks New Zealand faces.³³
- 5.67 The National Adaptation Plan sets out adaptation policies. The plan is organised into four priorities and five outcome areas, and policies and actions address the key risks for each of these.
- 5.68 The National Adaptation Plan includes actions to address the main adaptation risks for the land and ocean ecosystems and disaster risk management sectors. Therefore, we gave the climate policy design criterion a rating of “advanced implementation” for both sectors. However, we consider that, overall, New Zealand has more work to do.
- 5.69 When we looked at a sample of those actions in more depth, we found that the level of detail varied. For land and ocean ecosystems, we gave the specific actions criterion a rating of “intermediate implementation”. For disaster risk management, we gave the specific actions criterion a rating of “early implementation”. We explain these ratings in more detail in paragraphs 5.77-5.94.

³³ Ministry for the Environment (2020), *National Climate Change Risk Assessment for New Zealand: Main report*, page 9, at environment.govt.nz.

- 5.70 The Finance and Expenditure Committee’s adaptation inquiry (see paragraph 5.32) is expected to help address some of the gaps in the current National Adaptation Plan.
- 5.71 We did not find evidence that government organisations have identified implementation challenges for any of the policies or actions that we looked at for either land and ocean ecosystems or disaster risk management. Therefore, we gave the implementation challenges criterion a rating of “no implementation” for both sectors.
- 5.72 The Climate Change Commission and the Climate Change Chief Executives Board both have a responsibility to monitor and report on the progress of the National Adaptation Plan.
- 5.73 The Climate Change Chief Executives Board’s reports to Climate Ministers include progress on the implementation of the high-level actions in the National Adaptation Plan. The report for March 2024 states that there is not currently a complete set of formal indicators to measure the overall sufficiency of the adaptation response.
- 5.74 The Climate Change Commission published its first monitoring report on the National Adaptation Plan in August 2024. The lack of detail about specific actions that we found is consistent with some of the Commission’s findings. These include that:
- clearer links are needed between climate change risks and impacts, the long-term adaptation strategy, and actions in the plan; and
 - future plans could have more precise and outcomes-focused goals and objectives, including specific measurable outcome targets and milestones.
- 5.75 Although the Climate Change Chief Executives Board and the Climate Change Commission monitor progress on implementing the National Adaptation Plan, this monitoring is limited. We have not seen any evidence of, or plans for, evaluation of the activities included in the Plan.
- 5.76 Therefore, we have given the monitoring and evaluation mechanisms criterion a rating of “early implementation” for the land and ocean ecosystems and the disaster risk management sectors.

Adaptation in the land and ocean ecosystems sector

Criteria we assessed





Climate policy design	
Specific actions	
Implementation challenges	
Monitoring and evaluation mechanisms	

- 5.77 The National Adaptation Plan has a chapter on the natural environment. We have based our assessment of adaptation in the land and ocean ecosystems sector on this chapter.
- 5.78 The chapter sets out high-level actions designed to address the 12 risks to land and ocean ecosystems identified in the National Climate Change Risk Assessment. Many of these actions relate to the implementation of strategies, policies, or initiatives.
- 5.79 We selected three high-level actions to consider in more detail. The three we selected are critical actions, and a different public organisation leads each one. We looked at whether specific activities have been identified for the high-level actions and whether there are any monitoring and reporting mechanisms in place for them in the National Adaptation Plan.
- 5.80 The three high-level actions we looked at were to implement:
- the Department of Conservation Climate Change Adaptation Action Plan (led by the Department of Conservation);
 - the Water Availability and Security programme (led by the Ministry for Primary Industries); and
 - the National Policy Statement on Freshwater Management 2020 (led by the Ministry for the Environment).
- 5.81 The detail available for these three actions varied. For example, the Department of Conservation Climate Change Adaptation Action Plan has detailed tables of specific activities, with assigned responsibilities and time frames. We understand that some progress has been made on the plan, such as completing a drought risk assessment for key species and infrastructure.
- 5.82 However, in its March 2024 progress report, the Climate Change Chief Executives Board expressed low confidence in delivery of the plan. The Climate Change Commission said in its first monitoring report on the National Adaptation Plan that progress on implementing the Department of Conservation’s plan has been slow because of funding and resource constraints.

- 5.83 We found less information about the other two actions.
- 5.84 The Ministry for Primary Industries has completed the first phase of its Water Availability and Security programme. In this phase, the Ministry gathered information about water supply and demand. The Ministry completed this work in 2022. It is currently considering the next phase, which will include more research, creating partnerships, and finding ways to help reduce risks.
- 5.85 The Climate Change Commission’s first monitoring report on the National Adaptation Plan said that, even though this action does not have clear milestones and dates, the Climate Change Chief Executives Board has expressed a high level of confidence in its delivery.
- 5.86 The National Policy Statement on Freshwater Management 2020 required regional councils to notify their updated regional freshwater plans by the end of 2024. We understand that, after the change in Government, this action has been delayed until the end of 2027 to allow the Government time to replace the National Policy Statement.
- 5.87 Despite this, the Climate Change Chief Executives Board’s regular reporting has expressed a high confidence of delivery for the National Policy Statement.

Adaptation in the disaster risk management sector

Criteria we assessed

Climate policy design	
Specific actions	
Implementation challenges	
Monitoring and evaluation mechanisms	

- 5.88 For the purposes of this assessment, we defined “disaster” as an emergency, in keeping with the definition in the Civil Defence Emergency Management Act 2002. However, we limited the definition to an emergency caused by risks that have been exacerbated by climate change.³⁴
- 5.89 Both the National Climate Change Risk Assessment and New Zealand’s National Risk Register identify risks from natural disasters that are related to climate change. Although the National Adaptation Plan does not have a dedicated chapter on emergency or disaster risk management, actions related to the impacts of severe weather events are included throughout the Plan.
- 5.90 One key action in the National Adaptation Plan is to implement the National Disaster Resilience Strategy. This strategy aligns with the overall goals in the

³⁴ The Civil Defence Emergency Management Act defines an emergency as a situation that causes or may cause loss of life, injury, illness, or distress, or in any way endangers the safety of the public or property and cannot be dealt with by emergency services or otherwise requires a significant and co-ordinated response under the Act.

National Adaptation Plan in terms of managing risks and promoting resilience. However, apart from the National Emergency Management Agency's website referring to developing a roadmap, there is little detail about how the strategy is to be implemented.

- 5.91 The Climate Change Commission's first monitoring report on the National Adaptation Plan said that there is uncertainty about how the strategy is progressing. It also said that it is subject to funding and resource constraints.
- 5.92 Other actions in the National Adaptation Plan are to modernise the emergency management system and to develop the emergency management workforce. The Climate Change Commission's first monitoring report on the National Adaptation Plan said that the Climate Change Chief Executives Board has expressed low confidence that the modernisation of the emergency management system will be delivered.
- 5.93 We understand that some progress has been made on this and that an Emergency Management Bill was prepared. However, the Government decided to discharge this with the intent of introducing an amended Bill in 2025.
- 5.94 The National Emergency Management Agency has also reported that, in 2023/24, 543 people from 46 public and private organisations, volunteer groups, and universities participated in Coordinated Incident Management System courses delivered by the Agency and that 20 people were trained in how to deliver the training.





Finance

- 6.1 In this Part, we summarise the results of our assessment of New Zealand’s climate finance arrangements. The two categories in the finance axis of the ClimateScanner methodology are:
- **public climate finance**, which looks at whether plans and budgets are aligned with domestic climate goals, mechanisms for tracking and reporting on domestic climate finance, and the management of international climate finance commitments; and
 - **private climate finance**, which looks at mechanisms for mobilising, tracking, and reporting on private climate finance.
- 6.2 We found that New Zealand is strong in managing its international climate finance commitments but less strong in budgeting and reporting on domestic climate finance and mobilising private sector climate finance.
- 6.3 Climate finance has several dimensions. According to the United Nations Framework Convention on Climate Change, climate finance refers to local, national, or transnational financing that is drawn from public, private, and alternative sources of financing that seeks to support mitigation and adaptation actions to address climate change.
- 6.4 Climate actions to mitigate greenhouse gas emissions and to adapt to the impacts of climate change need large-scale investments. However, low- to middle-income countries are not able to implement the objectives of the United Nations Framework Convention on Climate Change with domestic resources alone.
- 6.5 Therefore, as set out in the Convention, developed countries have committed financial resources to assist developing countries. We refer to these commitments as international climate finance in this report.

Public climate finance

Domestic climate finance

Criteria we assessed

Planning and budgeting	
Direct finance tracking	
Indirect finance tracking	
Reporting	

- 6.6 We looked at whether the Government has committed funds to meet its domestic climate goals, whether these funds align with its plans and strategies for achieving those goals, and whether it has mechanisms to track and report on that funding.

- 6.7 We gave the planning and budgeting criterion in this component a rating of “early implementation”. We gave the other three criteria in this component ratings of “no implementation”.
- 6.8 We were not able to find information that demonstrated clear alignment between committed funding and the Government’s domestic climate goals.
- 6.9 The previous Government set up a Climate Emergency Response Fund in 2021. The fund’s aim was to provide a dedicated funding source for public investment on climate change initiatives that was distinct from the main Budget allowances. The fund has now been disestablished, and funding for many of the projects it supported has been withdrawn.
- 6.10 The fund had an initial “down payment” of \$4.5 billion for climate spending, which came from the proceeds of auctions of units under the Emissions Trading Scheme.
- 6.11 The Climate Emergency Response Fund was intended to be an enduring multi-year fund to address the long-term nature of climate change challenges. It provided one mechanism to align funding with the previous Government’s domestic climate goals, as expressed in the first Emissions Reduction Plan and National Adaptation Plan.
- 6.12 The current Government’s response to climate change focuses on using the Emissions Trading Scheme and “complementary policies” to reduce emissions rather than making significant investments.³⁵
- 6.13 In May 2024, the Government announced that future investment proposals for emissions reduction or climate adaptation would be considered through the annual Budget process. The Government also announced that its focus for Budget 2024 would be on practical climate initiatives.
- 6.14 Budget 2024 assigned funds for specific climate initiatives and programmes, such as increased funding for flood protection infrastructure. Funding in Budget 2024 also included about \$2.6 billion for climate change initiatives previously funded from the Climate Emergency Response Fund.
- 6.15 New Zealand does not yet have definitions for climate finance. These would explain what it considers to be either direct climate finance (those funds assigned with the specific objective of mitigation or adaptation) or indirect climate finance (funds that contribute to the Government’s climate objectives but are not assigned primarily to mitigation or adaptation).
- 6.16 Without clear definitions or a taxonomy, it is not possible to track and report on domestic climate finance.

³⁵ In its discussion document for the second Emissions Reduction Plan, the Government describes complementary policies as those that support the Emissions Trading Scheme and make it easier and cheaper for businesses and households to reduce net emissions.










- 6.17 New Zealand's public finance system requires each appropriation of funds (including those related to climate change) to have a scope statement setting out the purpose of the funding, with related accountability and reporting on financial and non-financial performance at year end. However, as we found in our 2020 report *Analysing government expenditure related to natural hazards*,³⁶ there are limitations in solely analysing appropriation scope statements because they are required to be short and are not always specific enough.
- 6.18 The Parliamentary Commissioner for the Environment used data that the Treasury released for Budget 2021 to map environmental spending to environmental outcomes in his report *Environmental reporting, research, and investment – Do we know if we're making a difference?*³⁷
- 6.19 In that report, the Commissioner recommended that public organisations tag all spending on environmental outcomes. He also recommended that the Government provide a whole-of-government report on spending allocated to its environmental outcomes and what progress has been made towards those outcomes.
- 6.20 In the absence of such reporting by the Government, the Commissioner has started reporting annually to Parliament on environmental spending, including spending on reducing emissions, using information derived from public organisations.
- 6.21 Challenges with tagging spending to outcomes is not limited to the environmental sector. It is something that needs to be improved more generally.
- 6.22 The Ministry for the Environment is currently seeking advice on a sustainable finance taxonomy that will allow domestic climate finance to be tracked and reported on. The plan is that this will be able to be used by both the public and private sectors.
- 6.23 There are also some other isolated examples of reporting on climate finance, such as reporting on the Emissions Trading Scheme, financing from Green Bonds, and the investments by the New Zealand Green Investment Fund. The Treasury also previously monitored and regularly reported on the Climate Emergency Response Fund.

36 Controller and Auditor-General (2020), *Analysing government expenditure related to natural hazards*, at oag.parliament.nz.

37 Parliamentary Commissioner for the Environment (2022), *Environmental reporting, research and investment – Do we know if we're making a difference?*, at pce.parliament.nz and Parliamentary Commissioner for the Environment (2022), *Estimate of environmental expenditure 2019/20: Method and results*, at pce.parliament.nz.

International climate finance – provider countries

Criteria we assessed

Commitments set				
Resources allocated and disbursed				
Reporting				

- 6.24 We looked at whether New Zealand has established commitments for international climate finance that are increasing over time, whether it has mechanisms to allocate the resources earmarked to meet its commitments, whether it has demonstrated progress towards fulfilling its commitments, and whether it has mechanisms to report on that progress.
- 6.25 For the purposes of the ClimateScanner assessment, provider countries are the developed countries included in Annex II of the United Nations Framework Convention on Climate Change that provide financial resources to assist developing countries to achieve their climate objectives (as mentioned in Article 4(3) of the United Nations Framework Convention on Climate Change and in Article 9(1) of the Paris Agreement). This includes New Zealand.
- 6.26 We gave all criteria in this component ratings of “advanced implementation”.
- 6.27 In its Fifth Biennial Report under the United Nations Framework on Climate Change, which was submitted in December 2022, New Zealand set out its commitment of \$1.3 billion in grant-based climate finance to support developing countries between 2022 and 2025. These commitments include \$800 million of “new and additional” climate finance.
- 6.28 New Zealand’s International Climate Finance Strategy provides a framework to guide the investment of the \$1.3 billion of international climate finance. It also sets out its vision, goals, and outcomes for that funding.
- 6.29 New Zealand allocates its international climate funding to specific programmes in its International Development Co-operation programme. A Climate Portfolio Steering Group within the Ministry of Foreign Affairs and Trade makes recommendations to decision-makers about the distribution of this funding, guided by the International Climate Finance Strategy.
- 6.30 As part of its International Development Co-operation programme, New Zealand carries out dedicated capacity-building and technology-transfer activities related to climate change for developing countries.

- 6.31 New Zealand regularly reports on activities funded through its International Development Co-operation programme, including activities related to climate change. It also provides updates on its progress against its international finance commitments in its reporting to the United Nations Framework Convention on Climate Change. The next of these reports is due in December 2024.
- 6.32 It is expected that New Zealand will fully deliver its 2022-25 commitment.

Domestic and international private climate finance mechanisms

Criteria we assessed

Mobilisation mechanisms		
Private finance tracking		
Reporting		

- 6.33 We looked at whether the Government has mechanisms and structures to identify and mobilise private climate finance to fund mitigation and adaptation activities domestically and internationally. We also looked at whether it has mechanisms to track and report on the private climate finance that is mobilised.
- 6.34 Significant resources are needed to finance climate mitigation and adaptation activities. The ClimateScanner methodology says that it is widely recognised internationally that public finance will not be enough to provide all the resources needed. Finance from the private sector will need to be mobilised.
- 6.35 For the purposes of the ClimateScanner assessment, the methodology covers mechanisms where the public sector mobilises climate finance, either directly or through an intermediary. Examples of this include grants, loans, guarantees, credit-lines, and financial incentivisation, such as subsidies, tax breaks, and the Emissions Trading Scheme (or similar mechanisms).
- 6.36 We gave the mobilisation mechanisms criterion in this component a rating of “early implementation”. We gave the other two criteria – private finance tracking and reporting – ratings of “no implementation”.
- 6.37 The Government’s main tool for encouraging the private sector to invest in emissions reductions domestically is the Emissions Trading Scheme. However, a recent Climate Change Commission report assessing progress towards reducing emissions highlighted uncertainties with the scheme’s effectiveness in encouraging investments in reducing emissions because of its design.³⁸

³⁸ Climate Change Commission (2024), *Monitoring report: Emissions reduction – Assessing progress towards meeting Aotearoa New Zealand’s emissions budgets and the 2050 target*, at climatecommission.govt.nz.


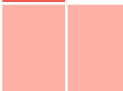
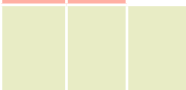
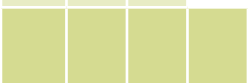
- 6.38 A 2023 discussion document on a review of the Emissions Trading Scheme also acknowledged these uncertainties.³⁹
- 6.39 As mentioned in paragraphs 6.9-6.10, the previous Government set up long-term ring-fenced funding for actions related to climate change through its Climate Emergency Response Fund. The source of the funding was proceeds of government auctions of emissions units under the Emissions Trading Scheme.
- 6.40 This was a direct way of mobilising private climate finance to fund emissions reduction and climate adaptation projects. However, the current Government has decided not to continue using those funds for future investments for reducing emissions or adapting to climate change.
- 6.41 There are some other examples of the public sector mobilising private climate finance. The New Zealand Green Investment Finance Limited is a government-owned climate finance vehicle that aims to attract private sector investment in emissions reduction ventures and activities.
- 6.42 In the agriculture sector, the Government formed a public-private partnership with agribusiness companies in February 2023. The purpose of the partnership, which is called Agrizero, is to support and encourage investment in technologies to reduce agricultural emissions. The partnership has started to make investments in these areas.
- 6.43 New Zealand also has a new mandatory climate-related disclosures regime for large entities that operate in New Zealand's financial markets. This regime aims to support the allocation of capital towards activities that are consistent with a transition to a low-emission climate-resilient future.
- 6.44 For New Zealand's international climate finance commitments, the Ministry of Foreign Affairs and Trade is in the process of setting up a \$60 million portfolio of international climate finance activities aimed at mobilising private climate finance for developing countries.
- 6.45 There are currently no mechanisms to track private climate finance, either domestically or internationally, and some of the mobilisation mechanisms are quite new. Therefore, reporting on this is not currently possible.
- 6.46 The Ministry has advised that it expects to start reporting on the mobilisation of international private climate finance in the Biennial Transparency Report 2026, once implementation of its private climate finance portfolio is further advanced.

³⁹ Ministry for the Environment, Ministry for Primary Industries, and Ministry of Business, Innovation and Employment (2023), *Review of the New Zealand Emissions Trading Scheme: Discussion document*, at environment.govt.nz.

Appendix

Detailed results

This Appendix describes the results of our ClimateScanner assessment in detail. We provide a rating for each item and an explanation of our assessment. The component score is the average of the ratings of all items within a component, which may range from 0 to 10.

Rating	Numerical score	Definition
No implementation 	0	No relevant aspects of criteria are present.
Early implementation 	3.33	Few relevant aspects of criteria are present, but there is still room for improvement.
Intermediate implementation 	6.66	Many aspects of criteria are present, but there is still room for improvement.
Advanced implementation 	10	All or nearly all relevant aspects of criteria are present.

Governance

Category: Institutionalisation

Component: G.1 Legal and Regulatory Framework (component score: 10)

Item	Criteria	Rating	Comment
A. Existence of legislation framework	There is a climate change legal and regulatory framework. It may include an overarching law and/or a legal and regulatory framework addressing general aspects of climate change.	A	<p>New Zealand has a comprehensive legislative framework to address climate change. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>The main piece of legislation is the Climate Change Response Act 2002. New Zealand also has several pieces of secondary legislation.</p> <p>Related information</p> <p>Climate Change Response Act 2002</p> <p>See a list of secondary climate change legislation at legislation.govt.nz</p>
B. Consistency with Paris Agreement	Climate laws, regulations, and other official government documents and instruments are consistent with the Paris Agreement.	A	<p>New Zealand’s legislative framework is consistent with the Paris Agreement because the Climate Change Response Act 2002 was updated to incorporate the Paris Agreement and now includes multiple references to it. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>References to the Paris Agreement in the Act include the following:</p> <ul style="list-style-type: none"> Section 3(1) of the Act describes the Act’s purpose as providing a framework for New Zealand to meet its obligations under the Paris Agreement. Schedule 2A of the Act is the complete Paris Agreement. <p>Related information</p> <p>Schedule 2A of the Climate Change Response Act 2002</p> <p>Section 3 of the Climate Change Response Act 2002</p>

Item	Criteria	Rating	Comment
C. Mainstreaming	Climate laws, regulations, and other official government documents and instruments provide for mainstreaming climate change aspects into national planning instruments and sectoral plans.	A	<p>The Climate Change Response Act 2002 explicitly provides for mainstreaming climate change response actions into national planning instruments and sectoral plans. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>In particular, the Act requires that:</p> <ul style="list-style-type: none"> • emissions budgets be set (see section 5X of the Act); • an Emissions Reduction Plan be prepared, which must include a multi-sector strategy to meet emissions budgets and sector-specific policies to “reduce emissions and increase removals” (see section 5ZG(3) of the Act); and • a National Climate Change Risk Assessment be prepared (see section 5ZP of the Act), as well as a National Adaptation Plan in response to the risk assessment. <p>The National Adaptation Plan must include strategies, policies, and proposals for meeting government objectives for adapting to the effects of climate change (see section 5ZS of the Act).</p> <p>As well as the legislative requirements, there is a Cabinet requirement that central government agencies estimate and disclose the greenhouse gas emission implications when:</p> <ul style="list-style-type: none"> • decreasing greenhouse gas emissions is a key policy objective; or • the direct impact on emissions is likely to be equal to or above: <ul style="list-style-type: none"> – 0.5 million tonnes CO₂-e within the first 10 years; or – 3 million tonnes of CO₂-e within the first 30 years. <p>This requirement applies to individual policies and initiatives, but the assessment is also applied to the whole Government Budget each year.</p> <p>Related information</p> <p>Section 3 of the Climate Change Response Act 2002 Resource Management Act 1991 Ministry for the Environment (2023), <i>Secondary briefing to the incoming minister: Climate Change</i>, at environment.govt.nz Ministry for the Environment, “Climate implications of policy assessment: guidance on Cabinet requirement for central government agencies”, at environment.govt.nz Cabinet Office Circular (July 2022), <i>CO (20) 3: Climate Implications of Policy Assessment Requirements</i>, at dpmc.govt.nz</p>

Component: G.2 Government structure (component score: 9.16)

Item	Criteria	Rating	Comment
A. Existence of a national government structure	There is a national government structure to address climate change issues.	A	<p>Entities have responsibilities assigned to them for climate change activities, including leading, co-ordinating, implementing, and monitoring these activities, and providing transparency. Therefore, we have given this item a rating of “advanced implementation”:</p> <p>The main entities responsible for climate change activities are:</p> <ul style="list-style-type: none"> • the Ministry for the Environment, which is the lead agency on environmental matters; • the Climate Change Commission, which provides independent evidence-based advice to the Government, and monitors and reports on the Government’s progress towards its emissions reduction and adaptation goals; and • the Climate Change Chief Executives Board, which is an interdepartmental executive board that provides collective oversight and governance by the chief executives of government agencies with significant roles in mitigating and/or adapting to climate change. <p>Related information</p> <p>Ministry for the Environment, “Who does what on the environment”, at environment.govt.nz</p> <p>Ministry for the Environment (2023), <i>Briefing for Incoming Ministers – Environment, Climate Change and RMA Reform</i>, at environment.govt.nz</p> <p>Section 3 of the Climate Change Response Act 2002</p> <p>Ministry for the Environment (2023), <i>Climate Change Chief Executives Board: Statement of intent 2023–2027</i>, at environment.govt.nz</p> <p>The Treasury, “Climate Change Chief Executives Board”, at treasury.govt.nz</p> <p>Public Service (Climate Change Chief Executives Board) Order 2022</p> <p>The Treasury, “interdepartmental executive boards”, at treasury.govt.nz</p>

Item	Criteria	Rating	Comment
B. Responsibilities defined	Responsibilities for leading, co-ordinating, implementing, monitoring, and giving transparency to national responses to climate change are clearly defined across public organisations at the national level.	A	<p>The three main entities responsible for climate change activities have clear roles and responsibilities that are set out in legislation and Cabinet decisions, and through the Budget process. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>The Ministry for the Environment is the Government’s main adviser on climate change. The Ministry receives annual funding for policy advice, reporting, operations, and stewardship of matters relating to climate change through the Budget process. The Ministry assists the Minister of Climate Change with the Minister’s responsibilities under the Climate Change Response Act 2002.</p> <p>Part 1A of the Act sets out the purpose of the Climate Change Commission. It is:</p> <ul style="list-style-type: none"> to provide independent expert advice to the Government on mitigating climate change (including through reducing emissions of greenhouse gases) and adapting to the effects of climate change; and to monitor and review the Government’s progress towards its emissions reduction and adaptation goals. <p>Part 1A of the Act also includes more detail about the Commission’s functions, the reports the Commission must prepare, and the matters the Commission must consider.</p> <p>An Order in Council sets out the purpose of the Climate Change Chief Executives Board. It is to:</p> <ul style="list-style-type: none"> co-ordinate the implementation of New Zealand’s Emissions Reduction Plan, which includes the implementation of cross-agency actions and strategies; monitor and report on overall progress towards achieving the Emissions Reduction Plan, including sector sub-targets; provide advice to Ministers about the Emissions Reduction Plan; and carry out the existing functions of the Climate Change Chief Executives Board as established by Cabinet. <p>A Cabinet decision in August 2022 brought the National Adaptation Plan within the scope of the Board, giving it responsibility for overseeing the plan’s overall implementation, periodically assessing its sufficiency, reporting to the Prime Minister, and advising whether course corrections are needed.</p>

Item	Criteria	Rating	Comment
			<p>Related information</p> <p>Parliamentary Commissioner for the Environment (2023), <i>How ministers and officials developed the first emissions reduction plan – and how to do it better next time</i>, at pce.parliament.nz</p> <p>Ministry for the Environment, “Who does what on the environment”, at environment.govt.nz</p> <p>Ministry for the Environment (2023), <i>Implementing Aotearoa New Zealand’s first emissions reduction and national adaptation plans</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2023), <i>Briefing for Incoming Ministers – Environment, Climate Change and RMA Reform</i>, at environment.govt.nz</p> <p>Section 3 of the Climate Change Response Act 2002</p> <p>Public Service (Climate Change Chief Executives Board) Order 2022</p> <p>Climate Change Commission (2023), <i>Briefing to the Incoming Minister of Climate Change Hon Simon Watts</i>, at climatecommission.govt.nz</p>

Item	Criteria	Rating	Comment
C. No gaps or overlaps	In the structure of responsibilities for leading, co-ordinating, implementing, monitoring, and giving transparency to national responses to climate change, such responsibilities are well defined, with no gaps or overlaps.	A	<p>Our assessment of the roles and responsibilities of the main entities responsible for climate change activities has not identified any significant gaps in co-ordinating, leading, monitoring, implementing, and giving transparency to national responses.</p> <p>Both the Climate Change Commission and the Climate Change Chief Executives Board have responsibilities for monitoring and reporting. However, the Climate Change Commission is required to monitor and report independently, so we do not consider this an overlap in responsibilities.</p> <p>Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>Ministry for the Environment (2023), <i>Briefing for Incoming Ministers – Environment, Climate Change and RMA Reform</i>, at environment.govt.nz</p> <p>New Parts 1A to 1C inserted, Climate Change Response (Zero Carbon) Amendment Act 2019</p> <p>Public Service (Climate Change Chief Executives Board) Order 2022</p> <p>Ministry for the Environment (2023), <i>Secondary briefing to the incoming minister: Climate Change</i>, at environment.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>Briefing to incoming Ministers 2023</i>, at environment.govt.nz</p>
D. Leadership	There is a government body at the national level with responsibilities for leading, steering and co-ordinating national responses to climate change, and with authority to mobilize other government bodies.	I	<p>The Climate Change Chief Executives Board fulfils this role. Interdepartmental executive boards are set up to “align and co-ordinate strategic policy, planning, and budgeting activities for two or more departments with responsibilities in a subject matter area. This helps support those departments to deliver on relevant cross-departmental initiatives.”</p> <p>As well as operating at the chief executive level, the Climate Change Chief Executives Board has working groups at the deputy chief executive and operational (director/manager) levels.</p> <p>The Climate Change Chief Executives Board is made up of the chief executives of government agencies with significant roles in mitigating and/or adapting to climate change. Although each chief executive can mobilise their own department, the Board does not have the ability to mobilise any other government bodies.</p> <p>Therefore, we have given this item a rating of “intermediate implementation”.</p> <p>Related information</p> <p>Climate Change Chief Executives Board (2023), <i>Briefing to incoming Ministers 2023</i>, at environment.govt.nz</p> <p>The Treasury, “interdepartmental executive boards”, at treasury.govt.nz</p>

Category: Strategy
Component: G.3 Long-term strategy (component score: 4.44)

Item	Criteria	Rating	Comment
A. Long-term strategy	The country submitted their climate-related long-term strategy (LTS) to the UNFCCC, as required by the Paris Agreement (art. 4 (19)), or there is an official government document that establishes a national long-term strategy to address climate change.	I	<p>New Zealand submitted its long-term low-emissions development strategy to the United Nations Framework Convention on Climate Change in November 2021. The document sets out how New Zealand plans to use a series of emissions budgets and Emissions Reduction Plans to meet its long-term emissions reduction targets. It also sets out a series of high-level sector plans.</p> <p>However, the strategy has not been updated since 2021, and we have not seen any evidence of plans to update it. We are aware that some parts of this strategy, such as the sector plan, might now be out of date. However, we understand that the emissions reduction plans provide a more up to date representation of New Zealand's emissions reduction strategy.</p> <p>Therefore, we have given this item a rating of "intermediate implementation".</p> <p>Related information</p> <p>United Nations Framework Convention on Climate Change, "Long-term strategies portal", at unfccc.int</p> <p>Ministry for the Environment (2021), <i>Transitioning to a low-emissions and climate-resilient future: Aotearoa New Zealand's long-term low-emissions development strategy</i>, at environment.govt.nz</p>

<p>B. Alignment to Nationally Determined Contribution</p>	<p>The long-term strategy is aligned with the current Nationally Determined Contribution.</p>	<p>I</p>	<p>The long-term strategy references the updated Nationally Determined Contribution and explains that this will be met through a combination of domestic and international mitigation actions.</p> <p>New Zealand's current Nationally Determined Contribution is to reduce net greenhouse gas emissions to 50% below gross 2005 levels by 2030.</p> <p>New Zealand also has domestic commitments, including long-term emissions reduction targets set in the Climate Change Response Act 2002 and intermediate targets set through the emissions budgets, each of which covers five years.</p> <p>It is difficult to see how these different commitments are aligned because they are expressed differently and cover different time periods. For example, the emissions budgets set a limit on total emissions, but the other commitments set a target for the percentage that emissions will be reduced by.</p> <p>The Nationally Determined Contribution is also more ambitious than the domestic commitments. However, the Nationally Determined Contribution can be met through a mix of domestic and international mitigation actions, while the domestic targets must be met as much as possible through domestic actions.</p> <p>The Government has recognised that it will be a challenge to meet the emissions reduction target in the Nationally Determined Contribution and that further consideration is needed, with additional announcements to be made in the future. However, we have not seen a detailed plan or strategy for how this will be achieved.</p> <p>Because it is currently unclear how the emissions reductions required by the Nationally Determined Contribution will be achieved, we have given this item a rating of "intermediate implementation".</p> <p>Related information</p> <p>New Zealand's first Nationally Determined Contribution (updated November 2021), at unfccc.int</p> <p>Ministry for the Environment (2021), <i>Transitioning to a low-emissions and climate-resilient future: Aotearoa New Zealand's long-term low-emissions development strategy</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2023), <i>Nationally Determined Contribution strategy (proactive release)</i>, at environment.govt.nz</p>
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C. Interlinkages with Sustainable Development Goals (SDGs)	The long-term strategy considers the interlinkages between SDG 13 – Climate Action and the other SDGs.	N	<p>Although the actions in the Emissions Reduction Plan align to some extent with the Sustainable Development Goals, there are no specific references to the Sustainable Development Goals in either the first Emissions Reduction Plan or in the second Emissions Reduction Plan's discussion document.</p> <p>Therefore, this item does not meet the criteria for a rating of any higher than “no implementation”.</p> <p>Related information</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p> <p>Controller and Auditor-General (2021), <i>The Government's preparedness to implement the sustainable development goals</i>, at oag.parliament.nz</p>
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Component: G.4 Risk management (component score: 10)

Item	Criteria	Rating	Comment
A. Risk mapping	There is a mapping of climate change risks, produced or updated in the last five years.	A	<p>The Climate Change Response Act 2002 requires a National Climate Change Risk Assessment to be produced at least every six years.</p> <p>New Zealand's first National Climate Change Risk Assessment gives a national picture of how New Zealand might be affected by hazards related to climate change.</p> <p>The first National Climate Change Risk Assessment was published in August 2020, which is less than five years ago.</p> <p>The Minister of Climate Change must then prepare a National Adaptation Plan in response to, and within two years of, the National Climate Change Risk Assessment. The first National Adaptation Plan was published in August 2022.</p> <p>Therefore, this item meets the criteria for a rating of “advanced implementation”.</p> <p>Related information</p> <p>Section 52P of the Climate Change Response Act 2002</p> <p>Section 52S of the Climate Change Response Act 2002</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for Aotearoa New Zealand: Main report – Arotakenga Turaru mō te Huringa Ahuarangi o Aotearoa: Pūrongo whakatōpū</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
B. Interface with science	The government largely bases the identification of risks on scientific evidence.	A	<p>Development of the National Climate Change Risk Assessment followed a comprehensive and rigorous process based on scientific and other evidence. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>A diverse multidisciplinary team of academics and consultants carried out the National Climate Change Risk Assessment. This includes experts in the domains of governance, economy, human, built environment, and the natural environment.</p> <p>There was also an extensive team of technical advisors and reviewers.</p> <p>The first step in the National Climate Change Risk Assessment was to develop a risk assessment framework. This set out, in detail, how climate change risks would be assessed and the information sources that would be used.</p> <p>To support the National Climate Change Risk Assessment, a method report and a technical report were also published. The method report explains the methodology that was followed, and the technical report provides further detail on the risk assessment findings, including the relevant evidence base.</p> <p>The technical report cites nearly 30 pages of references that were used to complete the risk assessment. These references include a range of scientific, economic, and social evidence.</p> <p>Related information</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for Aotearoa New Zealand: Main report – Arotakenga Tūraru mō te Huringa Āhuarangi o Aotearoa: Pūrongo whakatōpū</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for New Zealand – Arotakenga Tūraru mō te Huringa Āhuarangi o Aotearoa: Method report – Pūrongo whakararangi</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for New Zealand – Arotakenga Tūraru mō te Huringa Āhuarangi o Aotearoa: Technical report – Pūrongo whaihanga</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2019), <i>Arotakenga Huringa Āhuarangi: A Framework for the National Climate Change Risk Assessment for Aotearoa New Zealand</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi Aotearoa New Zealand’s first national adaptation plan</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
C. Climate risks in planning instruments	National long- and medium-term planning instruments that address climate change in incorporate climate risks.	A	<p>The legislative framework requires the main long- and medium-term planning instruments to be based on an assessment of climate change risks. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>The Climate Change Response Act 2002 requires the Climate Change Commission to prepare a National Climate Change Risk Assessment every six years.</p> <p>The first National Climate Change Risk Assessment was published in August 2020. It discusses the risks that uncertainties about climate science, future socioeconomic scenarios, and global and national policy settings pose to New Zealand.</p> <p>The Act also requires the Minister of Climate Change to produce a National Adaptation Plan in response to, and within two years of, each National Climate Change Risk Assessment. The first National Adaptation Plan was published in August 2022.</p> <p>Related information</p> <p>Ministry for the Environment (2024), <i>New Zealand’s second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for Aotearoa New Zealand: Main report – Arotakenga Tūraru mō te Huringa Āhuarangi o Aotearoa: Pūrongo whakatōpū</i>, at environment.govt.nz</p> <p>Section 5ZP of the Climate Change Response Act 2002</p> <p>Section 5ZQ of the Climate Change Response Act 2002</p> <p>Section 5ZS of the Climate Change Response Act 2002</p>

Category: Co-ordination

Component: G.5 Horizontal and vertical co-ordination (component score: 6.66)

Item	Criteria	Rating	Comment
A. Horizontal co-ordination mechanisms	There are institutional mechanisms (e.g., commissions, councils, committees, systems, processes, protocols, etc.) to enable horizontal co-ordination among national government bodies on climate change.	A	<p>The Climate Change Chief Executives Board is the key horizontal co-ordination mechanism. The Board is responsible to the Prime Minister and is made up of chief executives of government agencies with significant roles in mitigating and/or adapting to climate change.</p> <p>In its statement of intent, the Board states that one of its functions is to co-ordinate the implementation of cross-agency actions and strategies in the Emissions Reduction Plan and National Adaptation Plan.</p> <p>At the ministerial level, the Climate Priorities Ministerial Group is made up of senior government ministers. It is chaired by the Minister of Climate Change.</p> <p>Although the Minister of Climate Change has the statutory responsibility to meet climate change goals, this is held on behalf of the Executive. Many actions that impact this responsibility sit with other portfolios. This is why the cross-ministerial group is critical for ensuring that New Zealand meets its climate change goals.</p> <p>The criteria asks whether institutional mechanisms are in place, whether these are at the highest level of government, and whether the most important organisations are represented. Therefore, although issues with how these mechanisms are functioning have been raised, we have given this item a rating of “advanced implementation” because the Climate Change Chief Executives Board and the Climate Priorities Ministerial Group meet the criteria for operating at the highest levels of government and involving the most relevant organisations or individuals.</p> <p>Related information</p> <p>Climate Change Chief Executives Board (2023), <i>Statement of intent 2023-2027</i>, at environment.govt.nz</p> <p>Ministry for the Environment, “Climate Change Chief Executives Board”, at environment.govt.nz</p> <p>Parliamentary Commissioner for the Environment (2023), <i>How ministers and officials developed the first emissions reduction plan — and how to do it better next time</i>, at pce.parliament.nz</p> <p>“Climate Priorities Ministerial Group Meeting Pack 25 March 2024”, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
B. Dynamic of horizontal interaction	Commissions, councils, and committees for horizontal co-ordination have a working dynamic that allows regular interaction of members.	A	<p>Both the Climate Change Chief Executives Board and the Climate Priorities Ministerial Group meet regularly. The Climate Change Chief Executives Board has various interagency sub-groups that represent different levels of officials. The sub-groups meet regularly.</p> <p>Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>“Climate Change Chief Executives Board released material”, at environment.govt.nz</p> <p>“Climate Change Chief Executives Board meeting papers Wednesday 28 February 2024”, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
C. Vertical co-ordination mechanisms	There are institutional mechanisms (e.g., commissions, councils, committees, systems, mechanisms for joint policy formulation and implementation across levels of government, etc.) that enable vertical co-ordination.	E	<p>Local government is at the forefront of climate change issues that affect local communities, such as sea level rise, coastal erosion, and the impacts of extreme weather events. Local authorities are responsible for many mitigation and adaptation actions, such as building flood protection. Several local authorities are taking steps to measure and reduce their greenhouse gas emissions.</p> <p>Some parts of local government actively engage with central government on climate change adaptation and mitigation through membership institutions Local Government New Zealand (representing some councils) and Taituarā – Local Government Professionals Aotearoa.</p> <p>The local government sector is actively involved with central government in law reform processes and implementation (for example, the previous Government’s Resource Management Act and three waters reforms).</p> <p>More recently, a local government emissions reduction advisory group supported central government’s consideration of the second Emissions Reduction Plan. Central and local government work together to help communities recover from extreme weather events.</p> <p>That said, we are not aware of a formal institutional mechanism in the form of a law, regulation, or agreement for joint policy formulation or implementation for central and local government to take climate action.</p> <p>Therefore, we have given this item a rating of “early implementation”.</p> <p>Related information</p> <p>Organisation for Economic Co-operation and Development (2023), “Climate adaptation: Why local governments cannot do it alone”, <i>OECD Environment Policy Papers</i>, No. 38, OECD Publishing, Paris, at oecd.org</p> <p>Ministry for the Environment (2022), “Climate change and local government: What the national adaptation plan means for you”, at environment.govt.nz</p> <p>Ministry for the Environment (2021) <i>He kupu ārahi mō te aromatawai tūraru huringa āhuarangi ā-rohe / A guide to local climate change risk assessments</i>, at environment.govt.nz</p> <p>Section 66 of the Resource Management Act 1991</p> <p>Controller and Auditor-General (2020), <i>Insights into local government: 2019</i>, Part 5, at oag.parliament.nz</p> <p>Department of the Prime Minister and Cabinet, “Cyclone Recovery Unit”, at dPMC.govt.nz</p>

Item	Criteria	Rating	Comment
D. Dynamic of vertical interaction	Commissions, councils, and committees for vertical co-ordination have a working dynamic that allows regular interaction of members.	E	Local government actively engages with central government through its membership institutions. The local government sector is actively involved with central government in law reform processes and implementation. Central and local government also work together to assist community resilience and recovery from extreme weather events. The working dynamic between central and local government involves frequent interaction. However, because there is no formal institutional mechanism, we have given this item a rating of “early implementation” . Related information Te Kāwantatanga ā-Rohe i Aotearoa — Local government in New Zealand, “Climate change - LGNZ”, at lgnz.co.nz

Component: G.6 Stakeholder engagement (component score: 10)

Item	Criteria	Rating	Comment
A. Existence of participation mechanisms	There are institutional mechanisms in place to allow the participation of stakeholders in the design and implementation of climate strategies, plans, and policies, in a consistent way	A	The Climate Change Response Act 2002 requires the Climate Change Commission and the government to adequately consult with the public on the Emissions Reduction Plan. The Minister must also carry out public consultation on the draft National Adaptation Plan. This includes consultation with sector representatives, affected communities, and iwi and Māori. Therefore, we have given this item a rating of “advanced implementation” . Related information Section 5N of the Climate Change Response Act 2002 Section 5ZI of the Climate Change Response Act 2002 Section 5ZS of the Climate Change Response Act 2002

Item	Criteria	Rating	Comment
B. Representativeness	The institutional mechanisms observe the representation of the following sectors: civil society, private sector, and academia.	A	<p>For the development of the first Emissions Reduction Plan, the Government engaged with Māori, iwi, hapū, Pacific peoples, business and industry, academia, local government and non-governmental organisations, and youth. The purpose of this engagement was to inform these significantly interested and affected groups about the process for developing the Emissions Reduction Plan.</p> <p>The Government consulted with the public on its second Emission Reduction Plan in July and August 2024. Its engagement approach included consulting with:</p> <ul style="list-style-type: none"> the Climate Business Advisory Group; the Local Government Emissions Reduction Advisory Group; and the Climate Youth Advisory Group. <p>The second Emissions Reduction Plan's discussion document covers the relevant issues related to climate change. It includes a mix of policies, confirmation of previously announced initiatives, and the discontinuation of some policies from the first Emissions Reduction Plan.</p> <p>There are also webinars available for different groups, including Māori and youth, and on different sectors, such as forestry, transport, and waste.</p> <p>The National Adaptation Plan was also publicly consulted on, as well as the system for managed retreat and emerging issues relating to home insurance for flood risk.</p> <p>As is standard practice in New Zealand, the Government publishes a summary of the submissions it receives. This was done for the first Emissions Reduction Plan and the National Adaptation Plan. The Ministry for the Environment has indicated that it will publish a summary of submissions for the second Emissions Reduction Plan after the plan has been published.</p> <p>We have given this item a rating of “advanced implementation” because of the range of stakeholders involved.</p>

Item	Criteria	Rating	Comment
C. Dynamic of interaction	The institutional mechanisms are implemented in a way that allows regular interaction between government and other stakeholders.	A	<p>Related information</p> <p>Ministry for the Environment (2022), <i>Emissions reduction plan: Summary of submissions</i>, at environment.govt.nz</p> <p>Cabinet paper (September 2021), “Public consultation on the emissions reduction plan: Transitioning to a low-emissions and climate resilient future”, at environment.govt.nz</p> <p>Ministry for the Environment, “Help Shape Our Climate Future: Consultation on New Zealand’s Second Emissions Reduction Plan now open”, at environment.govt.nz</p> <p>Ministry for the Environment, “New Zealand’s second emissions reduction plan – Citizen Space”, at environment.govt.nz</p> <p>Ministry for the Environment (2022), <i>National adaptation plan: Summary of submissions</i>, at environment.govt.nz</p> <p>Parliamentary Commissioner for the Environment (2023), <i>How ministers and officials developed the first emissions reduction plan — and how to do it better next time</i>, at pce.parliament.nz</p> <p>“Climate Change Chief Executives Board meeting pack 29 March 2023” page 68, at environment.govt.nz</p>
			<p>Regular engagement with relevant stakeholders is possible because of the legislative requirements for the Government and the Climate Change Commission to consult on the Emissions Reduction Plans and National Adaptation Plans, and for the Commission to provide advice to the Government on the emissions budget.</p> <p>Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>Ministry for the Environment, “New Zealand’s second emissions reduction plan – Citizen Space”, at environment.govt.nz</p> <p>Ministry for the Environment (2022), <i>Emissions reduction plan: Summary of submissions</i>, at environment.govt.nz</p> <p>Section 5Z1 of the Climate Change Response Act 2002</p> <p>Section 5Z5 of the Climate Change Response Act 2002</p>

Category: Accountability
Component: G.7 Inclusiveness (component score: 10)

Item	Criteria	Rating	Comment
A. Identification of vulnerable groups	The government has identified groups that are most vulnerable to the impacts of climate change and their needs in terms of public policies.	A	<p>The Government has identified the groups most vulnerable to the impact of climate change and their needs in terms of public policies. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>In mitigating distributional impacts, the Government has a particular obligation under section 3A of the Climate Change Response Act 2002 to recognise and mitigate the impacts on iwi and Māori.</p> <p>The National Climate Change Risk Assessment identified other vulnerable groups. These were people living in poverty, ethnic communities, disabled people, the elderly, women, and children.</p> <p>The National Adaptation Plan also recognises the risks to communities and a range of minorities, such as ethnic and rainbow communities.</p> <p>Related information</p> <p>Section 3A of the Climate Change Response Act 2002</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for Aotearoa New Zealand: Main report – Arotakenga Turaru mō te Huringa Ahuarangi o Aotearoa: Pūrongo whakatōpū</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi</i>, <i>Aotearoa New Zealand's first national adaptation plan</i>, at environment.govt.nz</p>
B. Inclusion in decision-making process	There are mechanisms in place for including affected communities and vulnerable populations as part of the decision-making process in the design and implementation of climate strategies, policies, and plans.	A	<p>The Climate Change Response Act 2002 has requirements for including affected communities and vulnerable populations as part of the decision-making process for, and the design of, the National Adaptation Plan.</p> <p>The Act also requires any Emissions Reduction Plan to include a strategy to mitigate the impacts that reducing emissions and increasing removals will have on employees and employers, regions, iwi and Māori, and wider communities.</p> <p>Therefore, we have given this item a rating of “advanced implementation”.</p> <p>The Paris Agreement, which is included in the Act, has requirements to ensure that vulnerable communities are considered in decisions that the Government makes to address climate change.</p> <p>Related information</p> <p>Section 5Z5 of the Climate Change Response Act 2002</p> <p>Section 5Z1 of the Climate Change Response Act 2002</p>

Item	Criteria	Rating	Comment
C. Equitable policies	Climate strategies, policies and plans focus on identified vulnerable groups and incorporate an equitable perspective, i.e., establishing measures/provisions for reducing harms and ensuring equitable benefits from climate solutions.	A	<p>The legislative framework considers equity. As the Appendix to the updated Nationally Determined Contribution states (the update was submitted in 2021), the Climate Change Response Act 2002 recognises the Government's responsibilities to give effect to the principles of the Treaty of Waitangi. In particular, the Act requires Emissions Reduction Plans to include a strategy to recognise and mitigate the effects that reducing emissions and increasing removals will have on Māori. It also requires that Māori be adequately consulted on these plans. In its Nationally Determined Contribution, New Zealand considered a range of factors to support fairness and equity.</p> <p>The National Adaptation Plan states (on page 32) that the adaptation journey must be equitable and that the adaptation strategy and plans will support New Zealanders in ways that recognise communities' unique needs, values, and circumstances. Many of the plan's actions have a specific focus on Māori.</p> <p>There is also a provision for the Climate Change Commission to recommend a change to the 2050 emissions reduction targets if there are equity implications (including generational equity).</p> <p>Therefore, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>New Zealand's first Nationally Determined Contribution (updated November 2021), at unfccc.int</p> <p>Section 5T of the Climate Change Response Act 2002</p> <p>Section 3A of the Climate Change Response Act 2002</p> <p>Ministry for the Environment (2022). <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi Aotearoa New Zealand's first national adaptation plan</i>, at environment.govt.nz</p>

Component: G.8 Monitoring mechanisms (component score: 8.33)

Item	Criteria	Rating	Comment
A. Existence of mechanisms	There are monitoring mechanisms in place for tracking progress towards the Nationally Determined Contribution and the national climate overarching law.	A	<p>Under the Nationally Determined Contribution, there is a commitment to regular reporting on progress.</p> <p>The Climate Change Response Act 2002 requires the Climate Change Commission to monitor and report annually on government progress towards meeting the 2050 emissions reduction targets and progress on emissions budgets and reduction plans.</p> <p>The Climate Change Commission published its first monitoring report in July 2024. This report includes an assessment of the adequacy of the Emissions Reduction Plan and progress in its implementation, including any new opportunities to reduce emissions.</p> <p>The Climate Change Commission must also report on progress at the end of each emissions budget period. The first report is due in 2027.</p> <p>The Climate Change Commission is required to provide two-yearly monitoring reports on the implementation and effectiveness of the National Adaptation Plan. It published the first monitoring report in August 2024. The report included an assessment of how well the plan is achieving its objectives and how well it responds to climate risks. The report also identified barriers to implementation and effectiveness, and how these might be overcome.</p> <p>The Climate Change Chief Executives Board produces quarterly reports on the progress of the Emissions Reduction Plan and the National Adaptation Plan.</p> <p>Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>New Zealand’s first Nationally Determined Contribution (updated November 2021), at unfccc.int</p> <p>Section 5ZK of the Climate Change Response Act 2002</p> <p>Section 5ZL of the Climate Change Response Act 2002</p> <p>Section 5ZU of the Climate Change Response Act 2002</p> <p>Climate Change Commission (2024), <i>Monitoring report: Emissions reduction Assessing progress towards meeting Aotearoa New Zealand’s emissions budgets and the 2050 target</i>, at climatecommission.govt.nz</p> <p>Climate Change Chief Executives Board (2024), <i>Climate Change Chief Executives Board Quarterly Progress Report to Climate Priorities Ministerial Group March 2024</i>, at environment.govt.nz</p> <p>Climate Change Commission (2024), <i>Progress report: National Adaptation Plan Assessing progress on the implementation and effectiveness of the Government’s first national adaptation plan</i>, at climatecommission.govt.nz</p>

Item	Criteria	Rating	Comment
B. Feedback for policy-making	There are feedback mechanisms to use the information from monitoring to improve climate change policy-making.	I	<p>We have given this item a rating of “intermediate implementation” because, although mechanisms are in place, it is too early to see how they have been used in practice.</p> <p>The information produced by the main monitoring mechanism (Climate Change Commission monitoring reports) is intended to be used as feedback for improving climate change policies. There is a legislative requirement for the Minister of Climate Change to respond publicly to the Commission’s monitoring report.</p> <p>For the monitoring reports on progress towards emissions budgets, the Minister’s response has to include amendments that will be made to the current Emissions Reduction Plan.</p> <p>Because the first monitoring reports were only published in July and August 2024, it is too early to assess how the information will be used and to what extent assessments of progress are used to inform future policy-making.</p> <p>The Climate Change Chief Executives Board is responsible for advising how agencies can respond to the results of monitoring and reporting, and where any changes in response might be needed.</p> <p>One of the Board’s strategic intentions through to 2027 is to support New Zealand to meet its first three emissions budgets and deliver the National Adaptation Plan, including by providing adaptive management advice to support any course correction that is needed and to seize new opportunities.</p> <p>Related information</p> <p>Climate Change Commission (2024), <i>Monitoring report: Emissions reduction Assessing progress towards meeting Aotearoa New Zealand’s emissions budgets and the 2050 target</i>, at climatecommission.govt.nz</p> <p>Climate Change Commission (2024), <i>Progress report: National Adaptation Plan Assessing progress on the implementation and effectiveness of the Government’s first national adaptation plan</i>, at climatecommission.govt.nz</p> <p>Section 5ZK of the Climate Change Response Act 2002</p> <p>Section 5ZV of the Climate Change Response Act 2002</p> <p>Climate Change Chief Executives Board (2023), <i>Statement of intent 2023–2027</i>, at environment.govt.nz</p>

Component: G.9 Transparency (component score: 8.88)

Item	Criteria	Rating	Comment
A. Global transparency	There are updated transparency mechanisms aligned with the global governance framework under the Convention (UNFCCC) and the Paris Agreement: National Communications, and Biennial Reports / Biennial Update Reports / Biennial Transparency Reports.	A	<p>New Zealand's most recent National Communication and Biennial Report are up to date. These documents include the latest Nationally Determined Contribution targets. The National Communication and the Biennial report also reference emissions budgets, Emissions Reduction Plans, and National Adaptation Plans.</p> <p>Therefore, this item meets the criteria for a rating of “advanced implementation”.</p> <p>The UNFCCC requires the National Communication to be updated every four years. We note that five years elapsed between the submission of the previous National Communication (2017) and the latest National Communication (2022).</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Te Whakawhitiwhiti Kōrero Tuawaru ā-Motu o Aotearoa: New Zealand's Eighth National Communication under the United Nations Framework Convention on Climate Change and the Kyoto Protocol</i>, at unfccc.int</p> <p>Ministry for the Environment (2017) <i>New Zealand's Seventh National Communication – Fulfilling reporting requirements under the United Nations Framework Convention on Climate Change and the Kyoto Protocol</i>, at unfccc.int</p> <p>Ministry for the Environment (2022) <i>Te Ripōata Taurua Tuarima o Aotearoa: New Zealand's Fifth Biennial Report under the United Nations Framework Convention on Climate Change</i>, at unfccc.int</p>

Item	Criteria	Rating	Comment
B Transparency at the national level	There are transparency mechanisms that provide updated information on progress towards the achievement of national objectives related to climate change.	A	<p>Information about progress to achieve national climate objectives is published. This includes the following:</p> <ul style="list-style-type: none"> The Climate Change Chief Executives Board provides meeting packs and advice to Ministers and the Prime Minister. This includes six-monthly reports on the Emissions Reduction Plan and National Adaptation Plan. This information is available publicly on the Ministry for the Environment's website. The Climate Change Commission reports on the Government's progress towards meeting the 2050 emissions reduction targets and on progress against emissions budgets and reductions plans. The Commission also monitors progress on the National Adaptation Plan. The Government is providing quarterly updates on its progress towards the first and second emissions budgets, as part of its reporting on nine Government targets to be delivered by 2030. The first quarterly report is for the quarter ended 30 June 2024 and was published in September 2024. <p>People can request information from government organisations about the implementation of climate policy under the Official Information Act 1982.</p> <p>Therefore, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>"Climate Change Chief Executives Board released material", at environment.govt.nz</p> <p>Climate Change Commission, "Monitoring and reporting", at climatecommission.govt.nz</p> <p>Te Kawa Mataaho Public Service Commission, "Official Information Act Requests", at publicservice.govt.nz</p>

Item	Criteria	Rating	Comment
C. Publicly accessible reporting	The transparency mechanisms that provide information on national actions related to climate change are accessible in formats and language that enable follow-up by society.	I	<p>The Ministry for the Environment has a large amount of information on its website about what the Government is doing about climate change. This includes information on emissions reductions and adaptation.</p> <p>For example, the Ministry's website provides information sheets explaining the National Adaptation Plan, relevant actions, and programmes of work to support adaptation actions affecting different groups, such as rural communities, disabled people, and younger New Zealanders.</p> <p>Although there is a lot of publicly available information about current progress towards emissions reduction targets, different sources present this information differently and the public may find the different sources hard to reconcile. In our view, this is information that the public would want to know.</p> <p>The Government's factsheet for its target for reduced greenhouse gas emissions provides this information in a more understandable way, although some technical information is not explained.</p> <p>The discussion document for the second Emissions Reduction Plan is easily accessible online and presents information on how New Zealand is tracking its progress towards meeting emissions budgets. However, this information has not been calculated on the same basis as the official emissions projections that were published in late 2023.</p> <p>Therefore, we have given this item a rating of "intermediate implementation".</p> <p>Related information</p> <p>Ministry for the Environment, "What the Government is doing about climate change", at environment.govt.nz</p> <p>Ministry for the Environment, "National adaptation plan", at environment.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p> <p>New Zealand Government, "Factsheet - Target 9 - Reduced net greenhouse gas emissions - June 2024", at dpmc.govt.nz</p>

Component: G.10 Oversight and climate litigation (component score: 10)

Item	Criteria	Rating	Comment
A. Parliament	Parliament has active bodies (e.g., commissions or committees) that focus on climate change issues.	A	<p>The New Zealand Parliament has an Environment Committee that looks at business related to conservation, environment, and climate change. The Committee looks at climate change adaptation and mitigation. It conducts financial scrutiny hearings for the Ministry for the Environment, the Climate Change Commission, and the Climate Change Chief Executives Board, and conducts inquiries into climate adaptation.</p> <p>Other select committees in Parliament focus on climate change issues in their scrutiny plans.</p> <p>The Economic Development, Science and Innovation Committee looks at the transition to net zero carbon emissions by 2050 and scrutinises the energy sector.</p> <p>The Finance and Expenditure Committee works with the Controller and Auditor-General to understand the audit sector's capacity and capability to report on climate change and deal with climate-related disclosures.</p> <p>The Finance and Expenditure Committee recently completed an inquiry into climate adaptation. The Committee made several recommendations in a report of the inquiry that will inform the development of a policy framework for how New Zealand will adapt to climate change.</p> <p>The Transport and Infrastructure Committee looks at energy transition.</p> <p>Parliament's oversight of climate change matters is further strengthened by the Parliamentary Commissioner for the Environment. The Commissioner is an independent Officer of Parliament and has broad powers to investigate environmental concerns, including climate change concerns. The Commissioner reports directly to Parliament.</p> <p>Therefore, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>New Zealand Parliament, "Environment", at parliament.nz</p> <p>New Zealand Parliament, "Select Committee Reports", at selectcommittees.parliament.nz</p> <p>Finance and Expenditure Committee (2024), <i>Inquiry into climate adaptation final report</i>, at selectcommittees.parliament.nz</p> <p>Parliamentary Commissioner for the Environment, "About us", at pce.parliament.nz</p>

Item	Criteria	Rating	Comment
B. Audit institutions	SAI conducted (or is currently conducting) at least one audit in the last five years that has climate change issues as its main focus.	A	<p>The Office of the Auditor-General is currently carrying out an audit of how local councils are responding to climate change. The Office is looking at how councils have translated climate change strategies, commitments, and plans into action.</p> <p>The Office also has other publications focusing on climate change. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>Controller and Auditor-General (2023), “Our intentions: How well councils are implementing climate change actions”, at oag.parliament.nz</p> <p>Controller and Auditor-General, “Climate change”, at oag.parliament.nz</p>
C. Climate litigation	The judiciary or other quasi-judicial bodies are prepared to adjudicate claims related to issues regarding climate change.	A	<p>Courts in New Zealand have considered several climate-related claims, including against Government ministers and agencies, and corporate entities. The Global climate litigation report cites 26 litigation cases in New Zealand as of December 2022 and discusses several of them. Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>Climate Change Litigation, “New Zealand Archives”, at climatecasechart.com</p> <p>United Nations Environment Programme (2023), <i>Global Climate Litigation Report: 2023 Status Review</i>, at unep.org</p> <p>Lawyers for Climate Action NZ Inc website, at lawyersforclimateaction.nz</p>

Public policies

Category: Internationally committed

Component: P.1 Nationally Determined Contribution (component score: 8.88)

Item	Criteria	Rating	Comment
A. Actualisation	The Nationally Determined Contribution is up to date, according to art. 4, §9 of the Paris Agreement.	A	<p>New Zealand's submitted its first Nationally Determined Contribution to the United Nations Forum Climate Change in 2016.</p> <p>New Zealand refers to the second Nationally Determined Contribution as an update of the first Nationally Determined Contribution. This was updated in November 2021. New Zealand is due to submit the updated Nationally Determined Contribution to the United Nations Framework Convention on Climate Change in 2025.</p> <p>Therefore, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>United Nations Climate Change, "NDC Registry", at unfccc.int/NDCREG</p> <p>New Zealand's First Nationally Determined Contribution, at unfccc.int</p>
B. Ambition	The current Nationally Determined Contribution is clearly more ambitious than the previous Nationally Determined Contribution, according to art. 4, §3 of the Paris Agreement.	A	<p>The first Nationally Determined Contribution set a target to reduce greenhouse gas emissions to 30% below 2005 levels by 2030. The updated Nationally Determined Contribution target is for a 50% reduction of net greenhouse gas emissions below the gross 2005 level by 2030. This is clearly a more ambitious target.</p> <p>New Zealand's Nationally Determined Contribution is limited to a reduction in greenhouse gas emissions. This is not broken down into sectors or other categories.</p> <p>New Zealand's Nationally Determined Contribution does not include any adaptation or international finance contributions. However, it noted that New Zealand intends to separately communicate its action on climate finance in its Biennial reports and its adaptation efforts in its 8th National Communication, then in successive biennial transparency reports under the Paris Agreement.</p> <p>Therefore, this item meets the requirements for a rating of "advanced implementation".</p> <p>Related information</p> <p>United Nations Climate Change, "NDC Registry", at unfccc.int/NDCREG</p> <p>New Zealand's First Nationally Determined Contribution, at unfccc.int</p>

Item	Criteria	Rating	Comment
C. Targets per sector	<p>Nationally Determined Contribution commitments are broken down into sectoral targets (in the Nationally Determined Contribution itself or in any other national plans, programmes, or regulations).</p>	I	<p>New Zealand's domestic emissions reduction targets are broken down into sectoral targets. The sectors include the main sectors we expected to see, and three of those are the sectors we selected for assessment in P4 – Mitigation Sectors.</p> <p>The Nationally Determined Contribution target has not been broken down beyond a national level.</p> <p>As noted in assessment item G3B (Alignment to Nationally Determined Contribution), there is some alignment between the domestic emissions reduction targets and the Nationally Determined Contribution. However, domestic targets are different to, and not enough by themselves to meet, the Nationally Determined Contribution.</p> <p>We have given this item a rating of “intermediate implementation” because, although targets for domestic emissions have been broken down into sectoral targets, these are not fully aligned with, or enough to meet, the Nationally Determined Contribution.</p> <p>New Zealand's strategy is to use international market mechanisms, co-operative approaches, and carbon markets to meet its Nationally Determined Contribution target.</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand's first emissions reduction plan</i>, at environment.govt.nz</p> <p>United Nations Climate Change. “NDC Registry”, at unfccc.int/NDCREG</p> <p>Ministry for the Environment (2023), <i>Nationally Determined Contribution strategy (proactive release)</i>, at environment.govt.nz</p>

Category: General strategies

Component: P.2 Mitigation strategy (component score: 10)

Item	Criteria	Rating	Comment
A. Mapping	National government has mapped the policies that impact national greenhouse gas emissions.	A	<p>The Emissions Reduction Plan contains the main policies for reducing greenhouse gas emissions. It is comprehensive, includes sectoral plans, and is supported by a wide range of advice and inputs.</p> <p>The first Emissions Reduction Plan was published in 2022. The Government is now preparing the second Emissions Reduction Plan.</p> <p>Although some of the actions in the first Emissions Reduction Plan have been discontinued and the second Emissions Reduction Plan is not yet finalised, this process is taking place in accordance with the expected and legislatively required timeline.</p> <p>Therefore, it is reasonable to say that the Emissions Reduction Plan is sufficiently updated. Accordingly, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand’s first emissions reduction plan</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand’s second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
B. National strategy	<p>The country has clearly defined goals and strategies for reducing greenhouse gas emissions and identified key policies and activities to achieve the goals and implement the strategies.</p>	A	<p>The Government's high-level climate change mitigation policy is to:</p> <ul style="list-style-type: none"> • reduce net greenhouse gas emissions to no more than 290 Mt CO₂-e from 2022 to 2025 and 305 Mt CO₂-e from 2026 to 2030; • reduce net greenhouse gas emissions to 50% below gross 2005 levels by 2030 (New Zealand's Nationally Determined Contribution under the Paris Agreement); • reduce biogenic methane to 10% below 2017 levels by 2030; • reach net zero for long-lived gases by 2050; and • reduce biogenic methane to 24%-47% below 2017 levels by 2050 (this is currently being reviewed by an independent expert). <p>The Government recently confirmed these targets in its Climate Strategy, which it published in July 2024. The strategy includes five pillars for focusing efforts towards meeting the targets. The first of these targets is also one of the Government's nine key targets for the public sector. The Government announced its nine key targets in April 2024.</p> <p>Emissions budgets act as interim targets over a five-year period (the first emissions budget was for a four-year period from 2022 to 2025) for meeting the longer-term goals.</p> <p>The main mechanism for implementing the strategy and meeting the targets are the emissions reduction plans, with a plan issued for each emissions budget period.</p> <p>The first Emissions Reduction Plan was published in May 2022. It described its purpose as being to contribute to global efforts to limit temperature rise to 1.5°C above pre-industrial levels. It also referred to the targets in the Climate Change Response Act 2002 for:</p> <ul style="list-style-type: none"> • all greenhouse gases, other than biogenic methane, to reach net zero by 2050; and • a minimum 10% reduction in biogenic methane emissions by 2030 and a 24%-47% reduction by 2050 (compared with 2017 levels). <p>New Zealand has clearly defined goals, and it has identified key policies and activities to achieve the goals and implement the strategies.</p> <p>Therefore, this item meets the requirements for a rating of "advanced implementation".</p> <p>Related information</p> <p>New Zealand Government "Factsheet - Target 9 - Reduced net greenhouse gas emissions - June 2024", at dpmc.govt.nz</p> <p>Ministry for the Environment (2024), <i>Responding to a changing climate – The Government's climate strategy</i>, at environment.govt.nz</p> <p>Ministry for the Environment, "Emissions budgets and the emissions reduction plan", at environment.govt.nz</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand's first emissions reduction plan</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
C. Sectoral plans	There are specific plans for achieving sectoral emissions targets which are consistent with the national strategies.	A	<p>The first Emissions Response Plan included targets for key sectors. These were transport, energy and industry, agriculture, waste, fluorinated gases, and forestry.</p> <p>The Emissions Reduction Plan had dedicated chapters for each of these sectors, which set out how the targets for each sector would be achieved. The Emissions Reduction Plan also had sections about emissions pricing (and the Emissions Trading Scheme), funding, planning, and research.</p> <p>In July 2024, the discussion document for the second Emissions Reduction Plan was released. Some actions from the first Emissions Reduction Plan are not being continued.</p> <p>However, the discussion document still includes sector plans for energy, transport, agriculture, forestry, non-forestry removals, and waste. The discussion document also includes sections on the Emissions Trading Scheme and funding.</p> <p>Therefore, this item meets the requirements for a rating of “advanced implementation”.</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand’s first emissions reduction plan</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand’s second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p>

Component: P.3 National adaptation plans and strategies (component score: 10)

Item	Criteria	Rating	Comment
A. Existence of national adaptation plan	The country submitted their National Adaptation Plans to the UNFCCC, according to art. 7. §9 of the Paris Agreement, or there is an official National Adaptation Plan or strategy.	A	<p>New Zealand has an official current National Adaptation Plan. Therefore, this item meets the requirements for a rating of “advanced implementation”.</p> <p>Related information:</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi Aotearoa New Zealand’s first national adaptation plan</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
B. Coverage	The government has determined the most relevant adaptation sectors in the country and the National Adaptation Plans/ strategies cover the most relevant adaptation sectors of the country.	A	<p>New Zealand legislation requires the government to provide a National Adaptation Plan that responds to climate risks identified in a National Risk Assessment.</p> <p>The Government published its first National Climate Change Risk Assessment in August 2020. This identified the main risk areas. It was an extensive piece of work using a complex, multi-stage methodology with input from a range of experts and stakeholders, including Māori.</p> <p>The National Climate Change Risk Assessment identifies 43 priority risks in five value domains. The five domains are the human domain, natural environment domain, economy domain, built environment domain, and governance domain.</p> <p>The National Climate Change Risk Assessment categorises the 10 most significant risks as being the two risks from each domain with the highest adaptation urgency rating.</p> <p>Although the National Climate Change Risk Assessment identifies the 10 most significant risks, all 43 priority risks need action. The report sets out ratings for urgency and the consequence of inaction, and details research priorities, for all 43 priority risks. This means that the developers of the National Adaptation Plan can properly consider all priority risks.</p> <p>The first National Adaptation Plan was published in August 2022. Appendix 2 sets out which of the identified risks the National Adaptation Plan addresses.</p> <p>The National Adaptation Plan includes the following areas for adaptation:</p> <ol style="list-style-type: none"> 1. development in the right locations; 2. adaptation options, including managed retreat; 3. natural environment (focusing on risks to coastal ecosystems, and indigenous ecosystems and species); 4. homes, buildings, and places; 5. infrastructure; 6. communities; and 7. the economy and financial system. <p>The National Adaptation Plan describes all of the top 10 risks.</p> <p>The National Adaptation Plan's Table of Actions lists all the actions and the risks that each one is intended to address.</p> <p>Therefore, this item meets the requirements for a rating of "advanced implementation".</p>

Item	Criteria	Rating	Comment
			<p>Related information</p> <p>Section 5ZP of the Climate Change Response Act 2002</p> <p>Section 5ZS of the Climate Change Response Act 2002</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi</i>, Aotearoa New Zealand's first national adaptation plan, at environment.govt.nz</p> <p>Ministry for the Environment (2020), <i>National Climate Change Risk Assessment for Aotearoa New Zealand: Main report – Arotakenga Turaru mō te Huringa Āhuarangi o Aotearoa: Pūrongo whakatōpū</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2022), <i>Aotearoa New Zealand's first national adaptation plan: Table of actions</i>, at environment.govt.nz</p>
C. Up to date plans and strategies	The National Adaptation Plans or strategies were developed or updated in the last five years.	A	<p>The National Adaptation Plan was published in August 2022, which is within the last five years. Therefore, this item meets the requirements for a rating of "advanced implementation".</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Aotearoa New Zealand's first national adaptation plan</i>, at environment.govt.nz</p>

Category: Sectoral components

Component: P.4 Mitigation sectors

Sector 1 Agriculture (component score: 7.5)

Item	Criteria	Rating	Comment
A. Climate policy design	The design of national policies related to the selected mitigation sector consider the reduction of emissions in that sector.	I	<p>Previously, there had been a mechanism to bring agriculture into the Emissions Trading Scheme, which is New Zealand's main tool for reducing greenhouse gas emissions.</p> <p>The Government has announced that it will pass legislation to remove agriculture from the scheme. The Government now plans to reduce agriculture emissions by investing in research and development of tools that will reduce emissions without reducing agricultural production or exports.</p> <p>To support this approach, the Government is investing \$400 million over four years in research, development, and commercialisation of tools for other ways of reducing agricultural emissions. There is also a related action to develop measurement of on-farm emissions by 2025.</p> <p>Although these pieces of work have emissions reduction targets and other objectives at this stage, there are not clear links between the policies and actual emissions reduction. Until any research and development results in effective and commercially available tools or products, there is uncertainty about whether it will lead to tools and technologies that will actually reduce emissions by the amount required.</p> <p>Being able to measure emissions is important, but measurement by itself does not reduce emissions.</p> <p>Legally binding objectives for agriculture are a key part of New Zealand's climate commitments under the Climate Change Response Act 2002. This includes quantified medium- and long-term targets for reducing emissions of biogenic methane. However, the Government has announced that these are being reviewed. This work is still at an early stage.</p> <p>We have given this item a rating of "intermediate implementation" because:</p> <ul style="list-style-type: none"> national policies consider the reduction of emissions; there are clear objectives for these policies; but at their current stage, it is not clear how these policies will directly achieve these objectives. <p>Related information</p> <p>Media release (6 April 2024) "Methane targets to be independently reviewed", at beehive.govt.nz</p> <p>Media release (11 June 2024), "Agriculture to come out of the ETS", at beehive.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p> <p>Section 5Q of the Climate Change Response Act 2002</p>

Item	Criteria	Rating	Comment
B. Specific actions	National policies, programmes, and plans are detailed into specific actions to achieve the general mitigation objectives for the selected sector.	I	<p>The Ministry for Primary Industries has detailed and up-to-date planning documents for the programme of research, development, and commercialisation of tools for reducing agricultural emissions. These documents include detailed targets and measures, as well as more detailed tasks and assigned roles and responsibilities.</p> <p>Although there are detailed specific actions with evidence of robust planning, we have given this item a rating of “intermediate implementation”. This is because it is not clear how these specific actions will achieve the mitigation objectives for agriculture.</p> <p>We note that the programme to invest in research, development, and commercialisation of tools includes some potential tools and products that are in the later stages of development, including four that the Ministry for Primary Industries expects to be available for farmers in the next three years.</p>
C. Implementation challenges	The national government has mapped challenges to the implementation of policies and achievement of goals for the selected sector.	I	<p>The technical annex to the second Emissions Reduction Plan’s discussion document includes a section on the intervention logic for each proposed policy. For each policy, there is a section called “Assumptions and dependencies”, which includes information about implementation challenges.</p> <p>This information is not detailed and does not cover the impacts of those challenges nor how they will be overcome. However, the Ministry for Primary Industries has identified the key risks and issues for the programme to develop measurement of on-farm emissions by 2025.</p> <p>We have given this item a rating of “intermediate implementation” because key risks and issues have been identified for the action to develop measurement of on-farm emissions by 2025 but we saw less detailed information about implementation challenges for the investment in research, development, and commercialisation of tools and technologies.</p> <p>Related information</p> <p>Ministry for the Environment (2024), <i>New Zealand’s second emissions reduction plan (2026–30): Technical annex to the discussion document</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
D. Monitoring and evaluation mechanisms	The national government has established monitoring and evaluation mechanisms for assessing the outcomes of the plans or programmes to achieve the mitigation objectives for the selected sector and supporting the review and decision-making process.	A	<p>As noted in earlier sections of the assessment, the Climate Change Commission and the Climate Change Chief Executives Board each have a responsibility to monitor and report on the progress of the Emissions Reduction Plan.</p> <p>The Climate Change Commission recently published its first monitoring report on emissions reduction. This shows the emissions reduction that each sector achieved, including the agriculture sector, and what contributed to this reduction. However, the report does not assess individual policies or actions, nor does it evaluate any policy or action.</p> <p>The Climate Change Chief Executives Board's six-monthly progress reports on the Emissions Reduction Plan have a summary of progress for each sector. These reports are based on more detailed reporting from the relevant lead agency for each action.</p> <p>At the individual action level, the Ministry for Primary Industries has developed detailed plans for how it will carry out monitoring and evaluation. This shows that there are mechanisms for both monitoring and evaluation.</p> <p>Therefore, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>Climate Change Commission (2024), <i>Monitoring report: Emissions reduction Assessing progress towards meeting Aotearoa New Zealand's emissions budgets and the 2050 target</i>, at climatecommission.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>First six-monthly progress report on the emissions reduction plan: Covering the period July 2022-December 2022</i>, at environment.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>First six-monthly progress report on the emissions reduction plan: Covering the period July 2022-December 2022 Appendix A</i>, at environment.govt.nz</p>

Component: P.4 Mitigation sector
Sector 2 Land transport (component score: 7.5)

Item	Criteria	Rating	Comment
A. Climate policy design	The design of national policies related to the selected mitigation sector consider the reduction of emissions in that sector.	A	<p>The national policy for land transport is set out in the Government Policy Statement on land transport (issued in June 2024). Although the Government Policy Statement on land transport mentions emissions reduction, it is not one of the priorities.</p> <p>However, the Government Policy Statement on land transport notes that steps need to be taken to reduce transport emissions. This is in line with achieving the overall emissions reduction budgets and the target of net zero emissions by 2050. The Government Policy Statement on land transport notes that the second Emissions Reduction Plan will contain several key transport policies aimed at meeting targets.</p> <p>The second Emissions Reduction Plan's discussion document lists four key proposed policies for land transport, and some of the actions from the first plan are expected to continue. In its 2024 Budget, the Government committed \$257 million (or 3% of Vote Transport) to four initiatives aimed at reducing transport emissions.</p> <p>The Ministry of Transport's Decarbonising Transport Action Plan has more detailed information about individual actions. This plan includes all the transport actions from the first Emissions Reduction Plan, with specific targets for each of the five focus areas.</p> <p>We have given this item a rating of "advanced implementation" because there are clear policies that consider the reduction of emissions and clear targets for the key policies.</p> <p>Related information</p> <p>New Zealand Government (2024), <i>Government Policy Statement on land transport 2024-34</i>, at transport.govt.nz</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand's first emissions reduction plan</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026-30): Discussion document</i>, at environment.govt.nz</p> <p>"Vote Transport - Vol 1 Economic Development and Infrastructure Sector - The Estimates of Appropriations 2024/25 - Budget 2024", at budget.govt.nz</p> <p>Ministry of Transport (2023), <i>Decarbonising Transport Action Plan 2022-25</i> (proactive release), at transport.govt.nz</p>

Item	Criteria	Rating	Comment
B. Specific actions	National policies, programmes, and plans are detailed into specific actions to achieve the general mitigation objectives for the selected sector.	I	<p>In December 2022, the Ministry of Transport published the Decarbonising Transport Action Plan, which provided an implementation plan for the actions in the transport chapter of the first Emissions Reduction Plan. Some of these actions also have their own strategies – for example, the Electric Vehicle Charging Strategy. These documents contain more information about what is involved for each action but less information about how these actions will be implemented.</p> <p>We understand that the current implementation status of transport actions from the first Emissions Reduction Plan varies. Some actions have been completed, some are continuing under existing contractual funding arrangements and others have been discontinued, as noted in the discussion document for the second Emissions Reduction Plan. New actions to support the transport sector to decarbonise are in the process of being implemented by the Government.</p> <p>Therefore, we have given this item a rating of “intermediate implementation”.</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand's first emissions reduction plan</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p> <p>Ministry of Transport (2023), <i>Decarbonising Transport Action Plan 2022–25</i> (proactive release), at transport.govt.nz</p> <p>Ministry of Transport and Ministry of Business, Innovation and Employment (2023), <i>Charging Our Future: National electric vehicle charging strategy for Aotearoa New Zealand 2023-2035</i></p> <p><i>The long-term vision and strategic plan for Aotearoa New Zealand's electric vehicle (EV) charging infrastructure</i>, at transport.govt.nz</p>

Item	Criteria	Rating	Comment
C. Implementation challenges	The national government has mapped challenges to the implementation of policies and achievement of goals for the selected sector.	E	<p>The technical annex to the second Emissions Reduction Plan's discussion document includes a section on the intervention logic for each proposed policy. For each policy, there is a section called "Assumptions and dependencies", which includes information about implementation challenges.</p> <p>This information is not detailed and does not cover the impacts of those challenges nor how they will be overcome.</p> <p>More detailed information about individual actions, such as the information in the Ministry of Transport's Decarbonising Transport Action Plan, contains only very limited reference to implementation challenges.</p> <p>Therefore, we have given this item a rating of "early implementation".</p> <p>Related information</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Technical annex to the discussion document</i>, at environment.govt.nz</p> <p>Ministry of Transport (2023), <i>Decarbonising Transport Action Plan 2022–25</i> (proactive release), at transport.govt.nz</p>

Item	Criteria	Rating	Comment
D. Monitoring and evaluation mechanisms	The national government has established monitoring and evaluation mechanisms for assessing the outcomes of the plans or programmes to achieve the mitigation objectives for the selected sector and supporting the review and decision-making process.	A	<p>As noted in earlier sections of the assessment, the Climate Change Commission and the Climate Change Chief Executives Board each have a responsibility to monitor and report on the progress of the Emissions Reduction Plan.</p> <p>The Climate Change Commission recently published its first monitoring report on emissions reduction. This monitoring report shows the emissions reductions that each sector achieved, including the transport sector, and what contributed to this reduction. However, the monitoring report does not assess individual policies or action, nor does it evaluate any policy or action.</p> <p>The Climate Change Chief Executives Board's six-monthly progress reports on the Emissions Reduction Plan have a summary of progress for each sector. These reports are based on more detailed reporting from the relevant lead agency for each action.</p> <p>The Ministry of Transport's Transport Evidence Base Strategy includes an evaluation plan for the Ministry's key initiatives, including those related to reducing emissions. We have also seen examples of completed evaluations and monitoring reports. This shows that there are mechanisms for both monitoring and evaluation.</p> <p>Therefore, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>Climate Change Commission (2024), <i>Monitoring report: Emissions reduction Assessing progress towards meeting Aotearoa New Zealand's emissions budgets and the 2050 target</i>, at climatecommission.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>First six-monthly progress report on the emissions reduction plan: Covering the period July 2022-December 2022</i>, at environment.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>First six-monthly progress report on the emissions reduction plan: Covering the period July 2022-December 2022 Appendix A</i>, at environment.govt.nz</p> <p>Ministry of Transport, "Transport Evidence Base Strategy"; at transport.govt.nz</p>

**Component: P.4 Mitigation sector
Sector 3 Energy (component score 4.16)**

Item	Criteria	Rating	Comment
A. Climate policy design	The design of national policies related to the selected mitigation sector consider the reduction of emissions in that sector.	I	<p>The Government recognises that reducing emissions from energy is a priority and considers that the Emissions Trading Scheme is an important mechanism for encouraging net emissions reduction in the energy sector.</p> <p>The Government has committed to doubling renewable energy by 2050. One of the Government's key pillars to achieve this is its Electrify New Zealand plan, announced in August 2024. Electrify New Zealand intends to make it easier to invest in the infrastructure needed for electrification by removing barriers. For example, the Government intends to introduce a fast-track consenting process for major renewable energy and transmission projects. Electrify New Zealand is still at an early stage of development. The discussion document for the second Emissions Reduction Plan shows the projected emissions reductions impact from Electrify New Zealand on the second and third emissions budgets, however, it is not entirely clear how those reductions will be achieved.</p> <p>Another key policy which is projected to have a significant impact on emissions reduction is enabling a regime for carbon capture utilisation and storage. This policy is also at an early stage. The Government recently undertook public consultation on this proposed policy.</p> <p>In addition to these two key policies, there is a range of both ongoing and proposed new policies for reducing energy emissions. However, we note that some policies from the first Emissions Reduction Plan have been discontinued.</p> <p>We have given this item a rating of “intermediate implementation” because:</p> <ul style="list-style-type: none"> national policies consider the reduction of emissions; there is a large programme of ongoing and proposed work for reducing energy emissions although some of this is at an early stage; there is an overall objective to double renewable energy by 2050; but we have not seen clear objectives for reducing emissions from this programme of work, or from the individual policies and actions it includes.

Item	Criteria	Rating	Comment
			<p>Related information</p> <p>Media release (26 August 2024), “Next steps on Electrifying New Zealand”, at beehive.govt.nz</p> <p>Ministry of Business, Innovation and Employment, “Proposed regulatory regime for Carbon Capture, Utilisation, and Storage (CCUS)”, at mbie.govt.nz</p> <p>Ministry of Business, Innovation and Employment, “New Zealand Energy Strategy”, at mbie.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand’s second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p>
B. Specific actions	National policies, programmes, and plans are detailed into specific actions to achieve the general mitigation objectives for the selected sector.	E	<p>The first Emissions Reduction Plan Table of Actions breaks down the policies for the energy sector into more specific actions or initiatives. For each of these there is a brief description, expected timeline and lead agency. Some of these actions have been discontinued but many are ongoing. More information about each of these can be found on the relevant lead agency website. However, we have not seen detailed planning documents for these actions.</p> <p>The discussion document for the second Emissions Reduction Plan includes additional proposed policies for reducing energy emissions. These are still at an early stage.</p> <p>We have given this item a rating of “early implementation”. Some of the national policies have been detailed into specific actions, while other actions are still at an early stage and not yet fully developed. We have also not seen detailed information about how each policy is being planned or implemented.</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Te hau mārohi ki anamata Towards a productive, sustainable and inclusive economy Aotearoa New Zealand’s first emissions reduction plan</i>, at environment.govt.nz</p> <p>Ministry for the Environment (2024), <i>New Zealand’s second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p>
C. Implementation challenges	The national government has mapped challenges to the implementation of policies and achievement of goals for the selected sector.	E	<p>The technical annex to the second Emissions Reduction Plan’s discussion document includes a section on the intervention logic for each proposed policy. For each policy, there is a section called “Assumptions and dependencies”, which includes information about implementation challenges.</p> <p>This information is not detailed and does not cover the impacts of those challenges nor how they will be overcome. We have also not seen information about implementation challenges for the ongoing policies and actions for reducing energy emissions.</p> <p>We have therefore given this item a rating of “early implementation”.</p>

Item	Criteria	Rating	Comment
D. Monitoring and evaluation mechanisms	The national government has established monitoring and evaluation mechanisms for assessing the outcomes of the plans or programmes to achieve the mitigation objectives for the selected sector and supporting the review and decision-making process.	E	<p>Related information</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Technical annex to the discussion document</i>, at environment.govt.nz</p> <p>As noted in earlier sections of the assessment, the Climate Change Commission and the Climate Change Chief Executives Board each have a responsibility to monitor and report on the progress of the Emissions Reduction Plan.</p> <p>The Climate Change Commission recently published its first monitoring report on emissions reduction. This shows the emissions reduction that each sector achieved, including the energy sector, and what contributed to this reduction, but it does not assess or evaluate individual policies or actions.</p> <p>The Climate Change Chief Executives Board's six-monthly progress reports on the Emissions Reduction Plan have a summary of progress for each sector. These reports are based on more detailed reporting from the relevant lead agency for each action.</p> <p>We understand that evaluations are being done for some of the actions from the first emissions reduction plan but have not seen any plans or other mechanisms for evaluating the actions in the energy sector.</p> <p>Therefore, we have given this item a rating of “early implementation”.</p> <p>Related information</p> <p>Climate Change Commission (2024), <i>Monitoring report: Emissions reduction Assessing progress towards meeting Aotearoa New Zealand's emissions budgets and the 2050 target</i>, at climatecommission.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>First six-monthly progress report on the emissions reduction plan: Covering the period July 2022-December 2022</i>, at environment.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>First six-monthly progress report on the emissions reduction plan: Covering the period July 2022-December 2022 Appendix A</i>, at environment.govt.nz</p>

Component: P.5 Adaptation sectors
Sector 1 Land and ocean ecosystems (component score: 5)

Item	Criteria	Rating	Comment
A. Climate policy design	The national government has put in place public policies to address the main issues related to adaptation in the selected sector, and these policies consider the country's climate goals in their design.	A	<p>The “Natural Environment” chapter of the National Adaptation Plan sets out adaptation policies that address key vulnerabilities for land and ocean ecosystems.</p> <p>We have given this item a rating of “advanced implementation” because:</p> <ul style="list-style-type: none"> the National Adaptation Plan contains a specific section (“Natural Environment”) that relates to land and ocean ecosystems; the actions in the “Natural Environment” chapter are designed to address the 12 risks for land and ocean ecosystems identified in the National Climate Change Risk Assessment; and climate goals are considered by including general adaptation goals and specific objectives for the natural environment outcome area in the National Adaptation Plan. <p>Related information</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi Aotearoa New Zealand's first national adaptation plan</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
B. Specific actions	National policies, programmes, and plans are detailed into specific actions to achieve the general adaptation objectives for the selected adaptation sector.	I	<p>The National Adaptation Plan sets out high-level actions to meet the risks identified in the National Climate Change Risk Assessment. These high-level actions include some information about the lead agency, status (whether they are a current action that has funding, or are a proposed action), and time frames.</p> <p>We considered whether specific actions have been identified for a small sample of these high-level actions. The high-level actions we looked at were:</p> <ul style="list-style-type: none"> • implementation of the Department of Conservation's Climate Change Adaptation Action Plan (Department of Conservation); • implementation of the Water Availability and Security programme (Ministry for Primary Industries); and • implementation of the National Policy Statement for Freshwater Management 2020 (Ministry for the Environment). <p>We found that the detail available for these different initiatives varied. For example, the Department of Conservation's Climate Change Adaptation Action Plan had detailed tables of specific actions, with assigned responsibilities and time frames. However, the other two initiatives had not progressed as far.</p> <p>The Ministry for Primary Industries is currently considering the next phase of its Water Availability and Security programme.</p> <p>Regional councils were due to notify their plans for the National Policy Statement on Freshwater Management 2020 by the end of 2024. However, this has been delayed until the end of 2027.</p> <p>We are aware that we have only looked at a sample of high-level actions. We have given this item a rating of "intermediate implementation", based on the sample of actions that we selected.</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi Aotearoa New Zealand's first national adaptation plan</i>, at environment.govt.nz</p> <p>Department of Conservation (2023), <i>Department of Conservation Climate Change Adaptation Action Plan – action tables 2022–2025</i>, at doc.govt.nz</p> <p>Department of Conservation (2020), <i>Department of Conservation climate change adaptation action plan 2020/21–2024/25</i>, at doc.govt.nz</p> <p>Ministry for Primary Industries, "Water availability and security", at mpi.govt.nz</p>

Item	Criteria	Rating	Comment
C. Implementation Challenges	The national government has mapped challenges to the implementation of policies and achievement of goals for the selected sector.	N	<p>The Climate Change Chief Executives Board's March 2024 progress report refers to challenges with funding and resourcing. It also mentions some uncertainties that have been created because the progress of some actions in the National Adaptation Plan halted after the change of government.</p> <p>However, we found no evidence that the Government has formally mapped the challenges to the implementation of its climate change adaptation policies and actions for land and ocean ecosystems.</p> <p>Therefore, we have given this item a rating of "no implementation".</p> <p>Related information</p> <p>Climate Change Chief Executives Board (2024), <i>Climate Change Chief Executives Board Quarterly Progress Report to Climate Priorities Ministerial Group March 2024</i>, at environment.govt.nz</p>

Item	Criteria	Rating	Comment
D. Monitoring and evaluation mechanisms	<p>The national government has established monitoring and evaluation mechanisms for assessing the outcomes of the policies to achieve the adaptation objectives for the selected sector and supporting the review and decision-making process.</p>	E	<p>The Climate Change Chief Executives Board and the Climate Change Commission monitor and report on progress of the National Adaptation Plan.</p> <p>The Climate Change Commission published its first report on the National Adaptation Plan in August 2024. The report provided some information about actions in the National Adaptation Plan, including actions related to land and ocean ecosystems. However, it did not provide a detailed evaluation of any specific action.</p> <p>The Climate Change Chief Executives Board's progress reports to Climate Ministers include information about the progress of the implementation of National Adaptation Plan actions. The Climate Change Chief Executives Board's March 2024 progress report notes that there is not currently a completed set of formal indicators to measure the overall sufficiency of the adaptation response.</p> <p>The Climate Change Chief Executives Board's progress reports are based on reports from relevant agencies that show the current status of, and progress made for, each action.</p> <p>We have given this item a rating of "early implementation" because, although there is some monitoring of the progress of the implementation of National Adaptation Plan actions, this is limited and we have not seen any evidence of, or plans for, evaluation of these actions.</p> <p>Related information</p> <p>Climate Change Commission (2024), <i>Progress report: National Adaptation Plan Assessing progress on the implementation and effectiveness of the Government's first national adaptation plan</i>, at climatecommission.govt.nz</p> <p>Climate Change Chief Executives Board (2024), <i>Climate Change Chief Executives Board Quarterly Progress Report to Climate Priorities Ministerial Group March 2024</i>, at environment.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>Appendix 2 of the Six-monthly progress report on the emissions reduction plan and the national adaptation plan, for the Climate Response Ministerial Group: Covering the period January-June 2023</i>, at environment.govt.nz</p>

Component: P.5 Adaptation sectors
Sector 2 Disaster risk management (component score: 4.16)

Item	Criteria	Rating	Comment
A. Climate policy design	The national government has put in place public policies to address the main issues related to adaptation in the selected sector, and these policies consider the country's climate goals in their design.	A	<p>For the purposes of this assessment, we have defined “disaster” as an emergency situation where there is an immediate threat to people, animals, or the built or natural environment that is caused by risks that have been exacerbated by climate change.</p> <p>Both the National Climate Change Risk Assessment and New Zealand’s National Risk Register identify risks from natural disasters that are climate related. The National Adaptation Plan does not have a specific chapter on emergency or disaster risk management. However, other chapters include several actions related to the impacts of severe weather events.</p> <p>We have given this item a rating of “advanced implementation” because:</p> <ul style="list-style-type: none"> the National Adaptation Plan contains several actions related to disaster risk management; these actions are designed to address relevant risks identified in the National Climate Change Risk Assessment, such as risks associated with severe weather events; and climate goals are considered by including general adaptation goals and specific objectives for the natural environment outcome area in the National Adaptation Plan. <p>Related information Ministry for the Environment (2022), <i>Aotearoa New Zealand’s first national adaptation plan: Table of actions</i>, at environment.govt.nz Department of the Prime Minister and Cabinet, “New Zealand’s national risks”, at dpmc.govt.nz</p>

Item	Criteria	Rating	Comment
B. Specific actions	National policies, programmes, and plans are detailed into specific actions to achieve the general adaptation objectives for the selected adaptation sector.	E	<p>Three key actions in the National Adaptation Plan related to disaster risk management are to implement the National Disaster Resilience Strategy, to modernise the Emergency Management system, and to develop the Emergency Management workforce.</p> <p>We found little information about how the National Disaster Resilience Strategy is to be implemented, apart from a reference to developing a roadmap.</p> <p>We understand that some progress has been made on the other actions. For example, an Emergency Management Bill was prepared, but the Government has since decided to discharge this with the intent of introducing an amended Bill in 2025.</p> <p>The National Emergency Management Agency has reported that, for 2023/24, 543 people from 46 public and private sector organisations, volunteer groups, and universities participated in Coordinated Incident Management System courses delivered by the agency's System Capability unit. The train the trainer programme has trained 20 individuals from 11 different organisations to deliver the training.</p> <p>Given the limited progress on these actions as a whole and a lack of detailed planning documents, we have given this item a rating of "early implementation".</p> <p>Related information</p> <p>Ministry for the Environment (2022), <i>Urutau, ka taurikura: Kia tū pakari a Aotearoa i ngā huringa āhuarangi, Aotearoa New Zealand's first national adaptation plan</i>, at environment.govt.nz</p> <p>Ministry of Civil Defence and Emergency Management (2019), <i>National Disaster Resilience Strategy</i>, at civildefence.govt.nz</p> <p>National Emergency Management Agency, "National Disaster Resilience Strategy", at civildefence.govt.nz</p> <p>National Emergency Management Agency, "Proactive Release: Emergency Management Bill: Approval for Introduction - June 2023", at civildefence.govt.nz</p>
C. Implementation Challenges	The national government has mapped challenges to the implementation of policies and achievement of goals for the selected sector.	N	<p>The Climate Change Chief Executives Board's March 2024 progress report refers to challenges of funding and resourcing. It also mentions some uncertainties that have been created because the progress of some actions in the National Adaptation Plan has stopped after the change of government.</p> <p>However, we found no evidence that the Government has formally mapped the challenges to the implementation of its climate change adaptation policies and actions for disaster risk management.</p> <p>Therefore, we have given this item a rating of "no implementation".</p>

Item	Criteria	Rating	Comment
D. Monitoring and evaluation mechanisms	The national government has established monitoring and evaluation mechanisms for assessing the outcomes of the policies to achieve the adaptation objectives for the selected sector and supporting the review and decision-making process.	E	<p>Related information</p> <p>Climate Change Chief Executives Board (2024), <i>Climate Change Chief Executives Board Quarterly Progress Report to Climate Priorities Ministerial Group March 2024</i>, at environment.govt.nz</p> <p>The Climate Change Chief Executives Board and the Climate Change Commission monitor and report on progress of the National Adaptation Plan.</p> <p>The Climate Change Commission published its first report on the National Adaptation Plan in August 2024. The report provided some information about actions in the National Adaptation Plan, including actions related to disaster risk management. However, it did not provide a detailed evaluation of any specific action.</p> <p>The Climate Change Chief Executives Board's progress reports to climate Ministers include information about the progress of the implementation of National Adaptation Plan actions. The Climate Change Chief Executives Board's March 2024 progress report notes that there is not currently a completed set of formal indicators to measure the overall sufficiency of the adaptation response.</p> <p>The Climate Change Chief Executives Board's progress reports are based on reports from relevant agencies that show the current status of, and progress made for, each action. We have given this item a rating of "early implementation" because, although there is some monitoring of the progress of the implementation of National Adaptation Plan actions, this is limited and we have not seen any evidence of, or plans for, evaluation of these actions.</p> <p>Related information</p> <p>Climate Change Commission (2024), <i>Progress report: National Adaptation Plan Assessing progress on the implementation and effectiveness of the Government's first national adaptation plan</i>, at climatecommission.govt.nz</p> <p>Climate Change Chief Executives Board (2024), <i>Climate Change Chief Executives Board Quarterly Progress Report to Climate Priorities Ministerial Group March 2024</i>, at environment.govt.nz</p> <p>Climate Change Chief Executives Board (2023), <i>Appendix 2 of the Six-monthly progress report on the emissions reduction plan and the national adaptation plan, for the Climate Response Ministerial Group: Covering the period January-June 2023</i>, at environment.govt.nz</p>

Finance

Category: Public climate finance

Component: F.1. Domestic climate finance (component score: 0.83)

Item	Criteria	Rating	Comment
A. Planning and budgeting	The national government has budgets that are aligned with their domestic climate goals and plans or strategies.	E	<p>The New Zealand Government commits funds for climate-related actions in annual Budgets each year. It also uses the Emissions Trading Scheme as a tool to help achieve the nation's emissions reduction targets.</p> <p>Funds have been assigned for specific initiatives/programmes in Budget 2024. However, it is difficult to determine how these Budgets align with the overall climate goals and commitments under the Emissions Reduction Plan and the National Adaptation Plan.</p> <p>The previous Government established long-term ring-fenced funding to implement the Emissions Reduction Plan and National Adaptation Plan through its Climate Emergency Response Fund.</p> <p>The Climate Emergency Response Fund has now been disestablished and funding for many of the projects funded by the Climate Emergency Response Fund has been withdrawn. However, Budget 2024 confirms continuing funding for some climate change initiatives previously funded from the Climate Emergency Response Fund.</p> <p>Future spending for emissions reduction or climate adaptation will be considered through the annual Budget process rather than through a longer-term dedicated ring-fenced fund aligned to the Emissions Reduction Plan and National Adaptation Plan.</p> <p>The Government has also assessed the climate implications of Budget 2024 by reviewing the climate impacts of a subset of 40 proposals that officials considered could have material emissions impacts.</p> <p>The Government's climate strategy has a stronger focus on using the Emissions Trading Scheme and complementary measures to reduce emissions.</p> <p>Therefore, we have given this item a rating of "early implementation". We acknowledge that New Zealand's second Emissions Reduction Plan is currently being prepared.</p>

Item	Criteria	Rating	Comment
			<p>Related information</p> <p>Media release (30 May 2024), “Budget supports practical climate action”, at beehive.govt.nz</p> <p>Ministry for the Environment (2024), <i>Responding to a changing climate – The Government’s climate strategy</i>, at environment.govt.nz</p> <p>The Treasury, “The Climate Emergency Response Fund”, at treasury.govt.nz</p> <p>Aide Memoir Climate implications of Budget 24, at budget.govt.nz</p> <p>Cabinet paper Climate implications of Budget 24, at budget.govt.nz</p>
B. Direct finance tracking	<p>a) The national government has a definition of direct climate finance or similar (i.e., what counts as direct public climate finance); and</p> <p>b) The national government tracks its direct climate finance.</p>	N	<p>New Zealand does not yet have or apply a definition of climate finance (either direct or indirect) to expenditure. The Ministry for the Environment is currently seeking advice on a sustainable finance taxonomy that could be applied to the public and private sectors in the future.</p> <p>Without clear definitions and a taxonomy, it is not possible to track direct climate finance. However, New Zealand’s public finance system requires each appropriation of funds (including those that are climate related) to have a scope statement setting out the purpose of the funding, with related reporting on financial and non-financial performance at year end.</p> <p>However, as we found in our 2020 report <i>Analysing government expenditure on natural hazards</i>, there are limitations in solely analysing appropriation scope statements because they are required to be short and are not always specific enough. This means it is difficult to use the information to track climate finance.</p> <p>Therefore, we have given this item a rating of “no implementation”.</p> <p>New Zealand’s Parliamentary Commissioner for the Environment produces an annual assessment of environmental spending and has called for the public finance system to be reformed to make information about such spending more accessible and explicit.</p> <p>We also note that the Treasury tracked and reported on expenditure under the previous Government’s Climate Emergency Response Fund. A final close out report for the fund’s spending up to 30 June 2024 is due to be released.</p>

Item	Criteria	Rating	Comment
			<p>Related information</p> <p>Russell McVeagh, “Sustainable finance taxonomy on the horizon for New Zealand”, at russellmcveagh.com</p> <p>Ministry for the Environment, “Sustainable finance taxonomy for New Zealand”, at environment.govt.nz</p> <p>Media release (25 March 2024), “Unlocking a sustainable, low-emissions future”, at beehive.govt.nz</p> <p>Parliamentary Commissioner for the Environment (2022), <i>Environmental reporting, research and investment: Do we know if we're making a difference?</i>, at pce.parliament.nz</p> <p>Controller and Auditor-General (2020), <i>Analysing government expenditure related to natural hazards</i>, at oag.parliament.nz</p>
C. Indirect finance tracking	<p>a) The national government has a definition of indirect climate finance or similar (i.e., what counts as indirect public climate finance); and</p> <p>b) The national government tracks its indirect climate finance.</p>	N	<p>New Zealand does not yet have or apply a definition of climate finance (either direct or indirect) to expenditure. The Ministry for the Environment is currently seeking advice on a sustainable finance taxonomy that could be applied to the public and private sectors in the future.</p> <p>Without clear definitions and a taxonomy, it is not possible to track indirect climate finance. Therefore, we have given this item a rating of “no implementation”.</p>

Item	Criteria	Rating	Comment
D. Reporting	<p>a) The national government has mechanisms to publicly report on domestic climate finance; and</p> <p>b) The national government has issued reports on domestic climate finance expenditures.</p>	N	<p>There are some isolated examples of reporting on domestic climate finance, such as reporting related to the Emissions Trading Scheme and financing from Green Bonds. The Treasury also monitored and regularly reported on the previous Government's Climate Emergency Response Fund.</p> <p>However, because the available reporting is ad hoc and the foundation elements needed for the reporting (that is, being able to identify and track both direct and indirect climate finance, carbon-intensive budgets, and perverse subsidies) are not in place, we have given this item a rating of "no implementation".</p> <p>Related information</p> <p>The Treasury, "The Climate Emergency Response Fund", at treasury.govt.nz</p> <p>The Treasury "Table overview of results - Reporting CERF", at treasury.govt.nz</p> <p>New Zealand Green Investment Finance (2023), <i>Annual Report 2022-2023</i>, at nzgif.co.nz</p> <p>Environmental Protection Authority, "ETS reports", at epa.govt.nz</p>

Component: F.2 International climate finance – provider countries (component score: 10)

Item	Criteria	Rating	Comment
A. Commitments set	<p>Provider country national government has developed international climate finance commitments that are "new and additional".</p>	A	<p>New Zealand has committed to spend NZ\$1.3 billion in grant-based climate finance to support developing countries between 2022 and 2025. These commitments include \$800 million of "new and additional" climate finance.</p> <p>New Zealand's international Climate Finance Strategy sets out these commitments, as well as their strategy, goals, and outcomes. These commitments have also been reported in New Zealand's regular reporting to the United Nations Framework Convention on Climate Change. Therefore, this item meets the requirements for a rating of "advanced implementation".</p> <p>Related information</p> <p>Ministry of Foreign Affairs and Trade, "What is climate finance?", at mfat.govt.nz</p> <p>Ministry for the Environment (2022) <i>Te Ripōata Taurua Tuarima o Aotearoa: New Zealand's Fifth Biennial Report under the United Nations Framework Convention on Climate Change</i>, Part 5, at unfccc.int</p> <p>Ministry of Foreign Affairs and Trade (2022), <i>Aotearoa New Zealand International Climate Finance Strategy</i>, Chapter 6, at mfat.govt.nz</p> <p>Cabinet Paper (11 March 2022), "Aotearoa New Zealand's International Climate Finance Commitment 2022-2025", CAB-21-MIN-0410, at mfat.govt.nz</p>

Item	Criteria	Rating	Comment
B. Resources allocated and disbursed	<p>a) Provider country has a budget or other mechanisms (such as technology transfer and capacity building) in place to allocate international climate finance; and</p> <p>b) Provider country has demonstrated progress toward fulfilling commitments.</p>	A	<p>New Zealand's international climate funding is allocated to specific programmes within the International Development Co-operation Programme. A Climate Portfolio Steering Group within the Ministry of Foreign Affairs and Trade leads decision-making about this funding. This group's recommendations to the final financial decision-makers is guided by the International Climate Finance Strategy.</p> <p>New Zealand's reporting to the United Nations Framework Convention on Climate Change confirms that progress against the commitments is being made. It is expected that the 2022-25 commitment will be fully delivered.</p> <p>The Ministry of Foreign Affairs and Trade also regularly reports on activities funded through the International Development Co-operation Programme, including those that are climate related. As well as financial reporting, the reporting to the United Nations Framework Convention on Climate Change confirms that New Zealand has carried out dedicated capacity-building and technology-transfer activities.</p> <p>Because New Zealand allocates international climate funding to specific programmes in the International Development Co-operation Programme and regularly reports on its commitments, we have given this item a rating of "advanced implementation".</p> <p>Related information</p> <p>Ministry of Foreign Affairs and Trade (2022), <i>Aotearoa New Zealand International Climate Finance Strategy</i>, at mfat.govt.nz</p> <p>Ministry for the Environment (2022) <i>Te Ripoata Taurua Tuarima o Aotearoa: New Zealand's Fifth Biennial Report under the United Nations Framework Convention on Climate Change</i>, Part 5, at unfccc.int</p> <p>Ministry for the Environment (2022), <i>Te Whakawhitihiti Kōrero Tuawaru ā-Motu o Aotearoa: New Zealand's Eighth National Communication under the United Nations Framework Convention on Climate Change and the Kyoto Protocol</i>, Chapter 7.2, at unfccc.int</p> <p>"New Zealand Submission on information to be provided by Parties in accordance with Article 9, paragraph 5, of the Paris Agreement", at unfccc.int</p>

Item	Criteria	Rating	Comment
C. Reporting	<p>a) The national government has mechanisms to publicly report on international climate finance; and</p> <p>b) The national government has issued reports on expenditures related to international climate finance.</p>	A	<p>New Zealand reports on its progress against its climate commitments as part of its reporting on the International Development Co-operation Programme. As well as the required reporting to the United Nations Framework Convention on Climate Change, the Ministry of Foreign Affairs and Trade provides regular reporting on its website.</p> <p>Therefore, we have given this item a rating of “advanced implementation”.</p> <p>Related information</p> <p>Ministry of Foreign Affairs and Trade (2022), <i>Aotearoa New Zealand International Climate Finance Strategy</i>, Chapter 6, at mfat.govt.nz</p> <p>Ministry for the Environment (2022) <i>Te Ripōata Taurua o Aotearoa: New Zealand's Fifth Biennial Report under the United Nations Framework Convention on Climate Change</i>, Part 5, at unfccc.int</p> <p>Ministry of Foreign Affairs and Trade (2023), <i>Annual Report 2022-2023</i>, page 65, at mfat.govt.nz</p> <p>Ministry of Foreign Affairs and Trade, “Making a difference”, at mfat.govt.nz</p> <p>DevData, “About DevData”, at devdata.mfat.govt.nz</p>

Component: F.3 International climate finance – recipient countries

Item	Criteria	Rating	Comment
A. Needs assessment	The national government has identified needs for international climate finance.		Not applicable as New Zealand is not a recipient country.
B. Sources identified and mobilised	<p>The national government has the capacity to identify and to mobilize climate finance sources.</p> <p>National government has been able to mobilize these climate finance sources.</p>		Not applicable as New Zealand is not a recipient country.
C. Disbursement overseen	The national government has the capacity and mechanisms to oversee disbursement of climate finance.		Not applicable as New Zealand is not a recipient country.
D. Reporting	The national government has fulfilled the reporting requirements for the financial support received and needed.		Not applicable as New Zealand is not a recipient country.

Category: Private climate finance
Component: F.4 Domestic and international private climate finance mechanisms (component score: 1.11)

Item	Criteria	Rating	Comment
A. Mobilisation mechanisms	The national government has mechanisms or incentives for mobilizing private climate finance.	E	<p>Domestically, there are currently limited mechanisms to mobilise private climate finance. The Emissions Trading Scheme is the main tool for encouraging the private sector to invest in emissions reductions. However, a recent Climate Change Commission report assessing progress towards reducing emissions raised concerns about uncertainties with the scheme's effectiveness in encouraging investment in reducing emissions because of its design. A 2023 government discussion document on a review of the Emissions Trading Scheme acknowledged these uncertainties.</p> <p>The previous Government established long-term ring-fenced funding for climate actions through its Climate Emergency Response Fund. The source of the funding was the proceeds of auctions of emissions units under the Emissions Trading Scheme, so this was a direct way for the Government to mobilise private climate finance for its climate-related actions.</p> <p>This approach for funding climate actions has since been discontinued.</p> <p>The government-owned climate finance vehicle New Zealand Green Investment Finance Limited aims to attract private sector investment in emissions reduction ventures and activities.</p> <p>In the agriculture sector, the Government formed a public-private partnership with agribusiness companies in February 2023. The purpose of the partnership, which is called Agrizero, is to support and encourage investment in technologies to reduce agricultural emissions.</p> <p>The second Emissions Reduction Plan's discussion document refers to other work under way to unlock further private investment. This includes a new mandatory climate-related disclosures regime for large entities that operate in New Zealand's financial markets. This regime aims to support the allocation of capital towards activities that are consistent with a transition to a low emissions climate-resilient future.</p> <p>In relation to international climate finance, the Ministry of Foreign Affairs and Trade is in the process of setting up a \$60 million portfolio for international climate finance activities. This portfolio is deliberately aimed at mobilising private climate finance for developing countries.</p> <p>Although limited mechanisms are in place to mobilise private climate finance, we can identify plans for improving this mobilisation.</p> <p>Therefore, we have given this item a rating of "early implementation".</p>

Item	Criteria	Rating	Comment
			<p>Related information</p> <p>Ministry for the Environment (2024), <i>New Zealand's second emissions reduction plan (2026–30): Discussion document</i>, at environment.govt.nz</p> <p>Ministry for the Environment, "New Zealand Emissions Trading Scheme", at environment.govt.nz</p> <p>New Zealand Green Investment Finance website, at nzigif.co.nz</p> <p>AgriZeroNZ, "About us", at agrizero.nz.</p>
B. Private finance tracking	The national government tracks private climate finance mechanisms.	N	There are currently no mechanisms to track private climate finance, either domestically or internationally. Therefore, we have given this item a rating of "no implementation".
C. Reporting	The national government reports on and shares information on private climate finance.	N	<p>There are no mechanisms to track private climate finance, either domestically or internationally, so reporting is not possible. Therefore, we have given this item a rating of "no implementation".</p> <p>The portfolio for international climate finance activities that the Ministry of Foreign Affairs and Trade is currently setting up (as referred to above) includes a plan to track the private finance mobilised.</p> <p>The Ministry of Foreign Affairs and Trade expects to start reporting on the mobilisation of international private climate finance in the next Biennial Transparency Report 2026, once implementation of its portfolio is further advanced.</p>

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