

Your ref:
Our Ref: A2887536



8 June 2018

New Zealand Productivity Commission
PO Box 8036
Wellington 6143

Electronic submission: <https://www.productivity.govt.nz/make-a-submission>

Kia ora

Low emissions economy inquiry

Thank you for the opportunity to comment on the above submission. The Bay of Plenty Regional Council does not wish to be heard on this submission.

For matters relating to this submission, please contact Kataraina Belshaw at Kataraina.belshaw@boprc.govt.nz or 0800 884 881 ext. 9323.

Our Organisation

The Bay of Plenty Regional Council is responsible for the sustainable management of resources within the Bay of Plenty region. Our role is determined by Central Government through statutes such as the Local Government Act and the Resource Management Act, and is different from that of territorial authorities (district and city councils). Some of our key roles are:

- Regional planning for land, water quality and air quality;
- Setting environmental management policies for the region;
- Allocation of natural resources;
- Flood control;
- Natural hazard response;
- Soil conservation;
- Pest control / biosecurity;
- Public transport;
- Strategic transport planning;
- Regional economic development; and
- Strategic integration of land use and infrastructure.

Submission

The Bay of Plenty Regional Council generally supports to the findings and recommendations within the draft Low-emissions Economy report. Shifting New Zealand to a low emission economy is a critical aspect of meeting our current and potential future national commitments.

The following points generally relate to clarifications or areas that could be explored further.

Reference	Comment
<p>Pg 10 and 11 Pathways to a low-emissions economy</p>	<p>The report could perhaps benefit from more context around the phrasing “low emissions” and how it relates to “net zero” as a national target. The first two bullet points on page 11 articulate in summary form two high-level positions. The Report’s title suggests only bpt 1 but it is assumed that both are “low emission economies”.</p> <p>While it is acknowledged that this is a developing policy area it could be worth establishing the “target” framework for this report.</p> <p>There is also a question about where non-domestic carbon units fit into the overall framework.</p>
<p>Transition</p>	<p>The idea of focussing on a 30 year transition to a different economic approach is supported. It will always be a challenge to undertake fundamental shifts as are being discussed in this report and transition timeframes will provide clear indicators of direction.</p> <p>There may be some validity to there being different transition periods for different sectors of the economy – both in terms of the need to pursue or push specific changes (for example, electric cars) or the potentially to take up opportunities.</p>
<p>The role of Local Government</p>	<p>Local Government is referenced in a number of places as having a role in the shift to a low emission economy.</p> <p>There appears to be no specific recommendation about how this role might be expected to be undertaken or what the challenges might be. This could be a consideration for an addition to the final report.</p> <p>Allied to this comment is whether under the recommended national low-emissions strategy there should be explicit linkages to local government actions such as the preparation of local strategies. This may be a later discussion as thinking around a national strategy develops.</p>

Pg 7 Balancing cost, emissions reductions and adequacy in electricity supply	The Bay of Plenty has potential growth in geothermal energy. The opportunity offered by geothermal energy could be added into this section – noting that there are some emissions associated with geothermal use.
Pg 41 Last paragraph - “immediate threats”	In terms of adaptation “immediate threats” could be usefully expanded to include “increasing future threats”. Local and Regional councils have an increasing focus on adaptation and resilience of communities.
Pg 43 Mitigation Pathways	<p>“Trees” clearly have a significant part to play in New Zealand’s climate change mitigation. However the current accounting process creates somewhat of a forestry conundrum where forestry mitigation has only a temporal effect – but where it can be an offset in respect of the use that it replaces. In a net zero sense there is a need to continue to increase the area planted in forestry.</p> <p>This issue could be explored further in the report.</p>
Pg 46 Last two paragraphs	The tension between waiting or moving early is acknowledged. The focus should be on early movement but with flexibility – adopting a position of updating strategies as required but not foreclosing on options where there is significant uncertainty or risk.
Pg 262 Obligation point	<p>The report correctly identifies the tension between farm scale behaviour drivers and easily monitored high-level points of obligation.</p> <p>The need to establish monitoring at an appropriate level when considering compliance costs is supported. While specificity at the farm scale has obvious cost drawbacks there is the potential to use input basis for smaller operations.</p>
Pg 263 “some farmers who have higher than average emissions ...”	<p>OVERSEER could be used to provide relativity to such matters as soil and climate. The question is how emission reductions might be set – for example as a percentage of property emissions or a reduction specified as a number.</p> <p>This issue has been canvassed in relation to nitrogen loss modelling within OVERSEER.</p>

Thank you for the opportunity to comment.

Yours sincerely

Stephen Lamb
Manager Natural Resources Policy

