

13 June 2018

Mr Murray Sherwin CNZM
Productivity Commission Chair
P O Box 8036
The Terrace
WELLINGTON 6143

Dear Mr Sherwin

Scion's submission to the Productivity Commission's Low-emissions Economy draft report

Scion is the Crown Research Institute whose Statement of Core Purpose includes providing research and solutions to support the ongoing creation of a low-emissions economy in New Zealand. We research options required to establish and support a low-emissions economy for New Zealand using the entire value chain relating to forests, and have decades of experience in doing so. This includes planting trees to offset carbon emissions and using trees as a resource substitute for petroleum and coal.

We endorse the Productivity Commission's draft report and propose that it should be even more definitive and show greater urgency in finding solutions for New Zealand. Investment in the right manner, incentivising change, and uptake of innovations rapidly will be critical for success. As stated in the report, there is an urgent need for swift action on climate change and the challenges presented by the necessary and radical shift to a low-emissions economy in order to meet the Paris Agreement's climate change targets. Our vision out to 2050 is closely aligned with the New Zealand Government's vision for zero carbon emissions. We believe that forestry could be a powerful enabler of significant outcomes for New Zealand, socially, environmentally, and economically.

We echo the Government's wish that, as a small developed country with unique challenges and a strong reputation for research and innovation, New Zealand should be a global leader in providing solutions to New Zealand-critical aspects for transition to a low-emissions economy. These solutions include advanced renewable energy generation, strategies to cope with global geographic isolation and associated trade pressures, the logistical challenges of a low population density, and policies for countries with similarly unusual emissions and land-use profiles. We believe this report has the potential to be a substantial resource for development of government policy.

Scion's response to the Productivity Commission's low-emissions economy draft report is substantive. This reflects both our passion for the challenge presented by the transition to a low-emissions economy and our depth of knowledge in this area. We look forward to discussing our response with the Commission and welcome future and ongoing knowledge exchange. I wish you all the best for the final report delivery and will eagerly follow the report's progress through Government and implementation via the Minister for Climate Change, Hon James Shaw.

Yours sincerely



Rob Trass
Acting Chief Executive Officer