

HIGH-LEVEL COMMENT ON THE CCC'S DRAFT REPORT

"If you're going to make progress, you have to challenge the status quo."

Jim Bolger, RNZ National, 10 March 2021

".. we should not shy away from using new accounting methods where there is a strong case for doing so, even if this conflicts with established practice."

Climate Change Commission, January 2021

Introduction

This submission covers two linked areas where the draft report is deficient and recommends how the final report could remedy the shortcomings. These 'by exception' comments, necessarily critical, do not detract from the overall achievement of the draft report which has broken new ground and given stakeholders and the public a good overview of the issues. The emphasis on a strong New Zealand transition towards net zero, favouring real emissions reductions over offsets and international markets, plus the evidence that we don't have to cripple the economy to achieve it, is especially important. All the more reason to bring the two areas here up to the standard of other parts of the report.

Emissions, warming and metrics

- The treatment of metrics is sketchy and does not recognise the importance of the problem affecting short-lived gases like methane, highly relevant to NZ and many developing countries – the misalignment of the commonly-used metric (GWP100) and the warming effect. Notably, it fails to recognize the utility of an alternative metric (GWP*) which overcomes the problem.
- Mistakenly asserts that the Paris Agreement (PA) is about emissions, not warming, missing the point that the only reason the world is concerned about emissions is..... warming.
- Appears unaware that the PA decisions on reporting of inventories and NDCs do not settle metrics for the foreseeable future. On the contrary the issue remains alive and unresolved.
- Or that the decisions don't prevent NZ from making use of a different metric for domestic policy purposes or using it as a supplementary reporting tool.
- Misunderstands GWP*, evidenced by a string of erroneous assertions, which thereby render the conclusions based on them unreliable.

The remedy

- Correct factual errors and misinterpretations of GWP* (co-authors of the main scientific papers on GWP* will assist here in a separate submission).
- Revisit judgements and recommendations accordingly - especially the possible uses of GWP* in policy and reporting.
- Seek expert advice and peer review independent of Commission staff and government officials – readily available in NZ.

NDC, targets and the international dimension

Scant evidential backing or analysis for some major judgements and a failure to explore viable options for government other than the chosen ones. This could make it harder for government to achieve bipartisan political agreement.

- Far too concerned about ‘international expectations’ again without evidence or analysis. Too deferential to European ngos. “If we did X, we would be criticized” seems always to incline the Commission against recommending X, even when X could be justified (but see Bolger and CCC’s own quotes above). Applies to split targets, metrics, level and composition of the NDC etc...
- Poor understanding of the PA in general and how its framing differs from the Kyoto Protocol. Overstates the primacy of the Paris Agreement in the global context.
- Does not fully recognise the discretion available to NZ under the PA and does not distinguish its legally binding and non-legally binding provisions.

Effort-sharing

NB this has been a most contentious area among Parties – there is absolutely no agreement on criteria. To take just one example – a per capita basis opposes the world’s two most populous countries, India and China.

- Oversimplified, too-narrow and almost entirely top - down argument which ignores domestic mitigation potential/costs as a factor in the NDC.
- The method of applying scenarios from the IPCC’s 1.5 degree special report directly to NZ is questionable.
- Does not recognise the importance of the amended burden-sharing principle – the addition of ‘**in light of national circumstances**’ is the result of ten years of negotiation and was brokered by the US and China. It receives only a passing mention.

The NDC

- Fails to note that NZ would be an almost complete outlier if it submitted an NDC mitigation target that is greater than the domestic one. From a brief survey, only Switzerland, at the top end of the OECD ‘rich list’ does this, though Norway may. The EU doesn’t (the EU ‘bubble’ is internal); the UK doesn’t. Australia doesn’t. Russia doesn’t.
- Assumes that part of a country’s contribution to international mitigation must fall within an NDC target.
- Fails to offer and explore options – e.g., could we table the 2050 net zero target as the NDC?
- Confusing and inadequate set of options for reporting the NDC.

The remedy (I will submit further suggestions later)

- Redo analysis with a greater focus on NZ’s autonomous decisions and our national interest
- Emphasize that it is for NZ to determine and if necessary, explain the alignment of its NDC with the PA.
- More rigorous identification of what are *requirements* of the PA (i.e., legal obligations) and what discretion NZ has.
- Exploration of more options (general point applying to several areas mentioned above).
- Flag some other policy-relevant points for the govt to consider -- such as whether NZ’s NDC would have any conditionality attached to it – as all previous equivalents have.
- Seek independent expert advice and peer review.

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