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Climate Change Response (Zero Carbon) Amendment Bill

The New Zealand Association for Impact Assessment (NZAIA) thanks the Select Committee for the opportunity to submit on the Climate Change Response (Zero Carbon) Amendment Bill (the Bill). NZAIA makes the following submission on the Bill.

About the New Zealand Association for Impact Assessment (NZAIA)

The NZAIA is a community of impact assessment specialists and supporters. Our membership comprises 80–100 practitioners of many kinds; academics, researchers and students, and other assorted professionals and interested parties. Our members include many of the leading IA experts in NZ, with longstanding reputations and a wealth of New Zealand, Pacific and international experience. We all share a deep interest in impact assessment, a decision-support method that is one of the most important tools we have for safeguarding the environment, and the people and communities who rely on it.

NZAIA is an affiliate of the International Association for Impact Assessment (IAIA), a professional association with some 1700 members located across 120 countries. NZAIA is also partnered with the Environment Institute of Australia and New Zealand Inc. (EIANZ); and the Secretariat of the Pacific Regional Environment Programme (SPREP).

Submission

NZAIA welcomes the Bill, and overall supports the framework that is proposed for developing and implementing climate change policies that suit Aotearoa New Zealand and also contribute to global efforts to address the causes of climate change.

As an Association that promotes the more effective use of impact assessment methods in policy and plan development, we are more concerned with the processes proposed in the Bill, rather than specific matters such as emission targets and budgets.

There is, naturally, a strong emphasis on understanding the impacts (or effects) of climate change, using the best scientific and technical evidence. The framework then proposes a central role for risk assessment, as a way of establishing priorities for action, especially in terms of adaptation planning. Plans would be developed and implemented, then monitored for their effectiveness.

Our main concern is that too much emphasis is placed on the role of risk assessment in the policy and plan making processes, with too little emphasis on understanding the impacts of the potential mitigation and adaptation strategies and plans. For example, in the Explanatory Note, the purpose of the Bill includes:

- establishing a range of climate change adaptation measures to make sure New Zealand understands the risks we face, and has a plan to address them.

Addressing risks of climate change is important, but the plans for adaptation and mitigation need to be well founded, so that response measures themselves do not create new problems. Impact assessment methods (such as social impact assessment, health impact assessment, and ecological impact assessment) will help to reduce that threat. Moreover, risk assessment tends to encourage a mindset that can be narrowly focused on seeking cost effective responses to specific physical impacts (e.g. inundation). It does not encourage more integrated, strategic thinking about the effects of climate change and appropriate responses, and in particular does not lead to exploring the wider implications of those responses for people, communities and the natural environment. Again, impact assessment methods will meet these needs.

Accordingly, **we recommend** that impact assessment approaches and methods have an equally important role to play as risk assessment, and require a stronger mandate in the Bill. As it stands the Bill contains a number of requirements that would clearly benefit from the use of impact assessment methods. We consider there should be explicit reference to the use of such methods, to ensure more consistent, effective, equitable, and sustainable policy and plan development, particularly with respect to adaptation responses.

Specific comments and suggestions

Part 1A, 5H: *[with regard to appointment of members of the Commission]*

1(d)(i): the environmental, ecological, social, economic, and distributional effects of climate change and climate change policy interventions; and...

The underlined phrase implies Commissioners will need to be able to carry out, or have carried out, investigations into the effects/impacts of policy interventions. **Strategic environmental assessment (SEA)** is the internationally recognised approach to investigating the wider implications of policies and plans. (Note that “environmental” in SEA uses the wide definition of environment, as used in the RMA). We suggest signalling the use of this tool and related approaches at relevant points in the Bill; we identify three such points below.

Part 1A, 5L: *[with regard to matters the Commission must consider]*

(c) the likely economic effects; and

(d) social, cultural, environmental, and ecological circumstances, including differences between sectors and regions; and

(e) the distribution of benefits, costs, and risks between generations; and

The wording in these sub-clauses is ambiguous. In (c), the word ‘effects’ might refer to the impacts of climate change itself, but as it stands could also mean the effects of the functions and duties carried out by the Commission. The later interpretation would provide a mandate for considering the effects/impacts of possible mitigation and adaptation responses. However, we assume the first meaning was the one intended.

Similarly, a literal reading of (d) could imply a role for impact assessment methods (such as social impact assessment, cultural impact assessment, ecological impact assessment, etc.) in assisting the Commission to perform its functions and duties. However, the economic emphasis of (c) may well lead to (d) and (e) being interpreted in narrower economic terms.

We recommend that all three sub-clauses be reworded to make clear that ‘effects’ includes not just the effects of climate change, but also the effects of proposed policies and plans developed under the legislation; and that wider, non-economic effects of proposed policies and plans should

be considered by the Commission. More broadly, It may be useful to make the definition of effects consistent with that used in the RMA.

Part 1B, 5Z: *[with regard to the Commission advising on/Minister determining emission budgets, both having regard for:]*

(2)(b)....

(vi) the impact of the actions taken to achieve the 2050 target:

(vii) the distribution of those impacts across the regions and communities of New Zealand, and from generation to generation:

(viii) the implications of that distribution for mitigating, and adapting to, climate change:

....

It is unclear what type of impacts are meant in (vi), but it is likely that the drafters have intended the focus be on economic impacts, given (vii) and wording in other parts of the Bill.

We recommend that 'impact' be more clearly defined for clarity; but also that it be defined to include the wider, non-economic impacts, which are important considerations in decision-making for truly equitable and sustainable outcomes.

Part 1B, 5D: *[with regard to the Minister preparing emissions reduction plan, the plan must include]*

(3)....

(c) a strategy to mitigate the impacts that reducing emissions and increasing removals will have on workers, regions, iwi and Māori, and wider communities, including the funding for any mitigation action; and

.....

We recognise this requirement embeds the "Just Transitions" philosophy, to deal with economic impact on those sectors of the economy that may be more strongly affected by emission reduction policies than other sectors. However, we feel the impacts on those sectors should also recognise social, cultural and health impacts, as a minimum, to fully understand sectoral consequences of the policies and plans. There are impact assessment methods highly appropriate to such tasks, and **we recommend** that a clear mandate be provided for the use of such methods where relevant and appropriate.

Part 1C, 5ZQ: *[with regard to the Minister preparing national adaptation plan]*

The national adaptation plan is prepared in response to each national climate change risk assessment. Understandably, the requirements for risk assessment (5ZM-5ZP) do not include any provisions for considering the implications of possible risk response strategies; what is less understandable is the absence of such provisions in the requirements for preparing the national adaptation plan.

We recommend adding an extra clause to 5ZQ (2) which would require evidence that strategic environmental assessment (akin to an s32 evaluation under the RMA) has been carried out on policy and plan options, before identifying the preferred option(s).

Similarly, **we recommend** adding extra clauses to 5ZQ (4) to require the Minister to take into account:

economic, social, health, environmental, ecological, and cultural effects of Government strategies, policies and proposals, including effects on iwi and Māori:

and

the distribution of the effects of Government strategies, policies and proposals across society, taking particular account of vulnerable groups or sectors:

Concluding comment

In recommending more explicit reference to addressing the impacts of climate change mitigation and adaptation response measures, we are not seeking to create bureaucratic hurdles or unnecessary paperwork. These considerations will inevitably arise; but without a mandate, and clear direction, in the legislation, policies and plans will be formulated without proper investigation of unintended consequences. It will be later, once problems become evident, that the price (both literal and metaphorical) will be paid, often by local communities not involved in the original policy and plan development processes. Bringing impact assessment into those processes will make for better, and more cost effective, policies and plans in the long term, and greater buy-in from both the public as a whole and affected communities.

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Chair, New Zealand Association for Impact Assessment

Submission prepared by members of the NZAIA Core Group