

Webinar

Advice: 2050 target & emissions budgets

10 December 2024



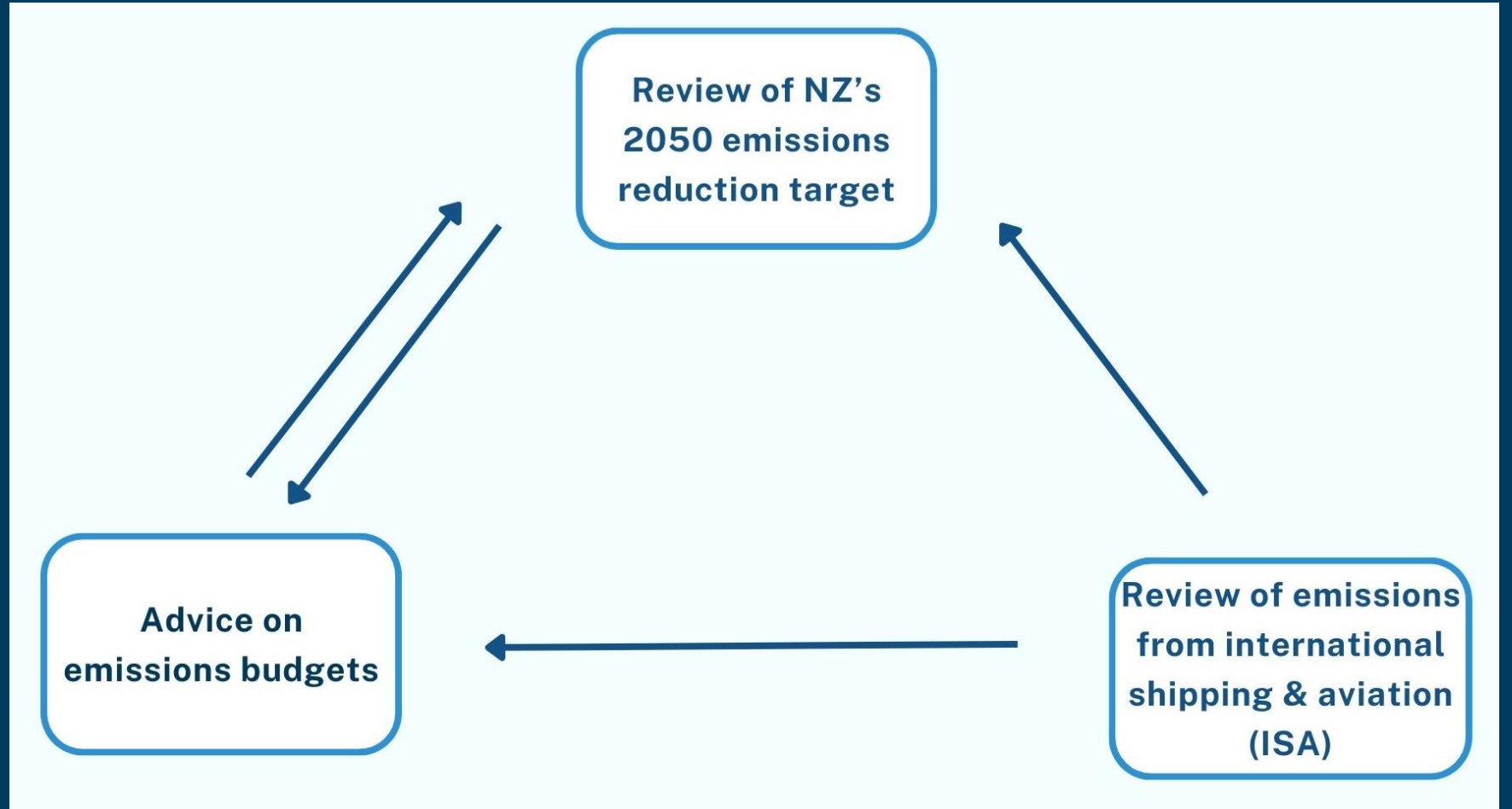
He Pou a Rangi
Climate Change Commission

Our role

**We provide independent,
evidence-based advice to
the Government on climate issues**

Two reports...

... three interconnected pieces of advice

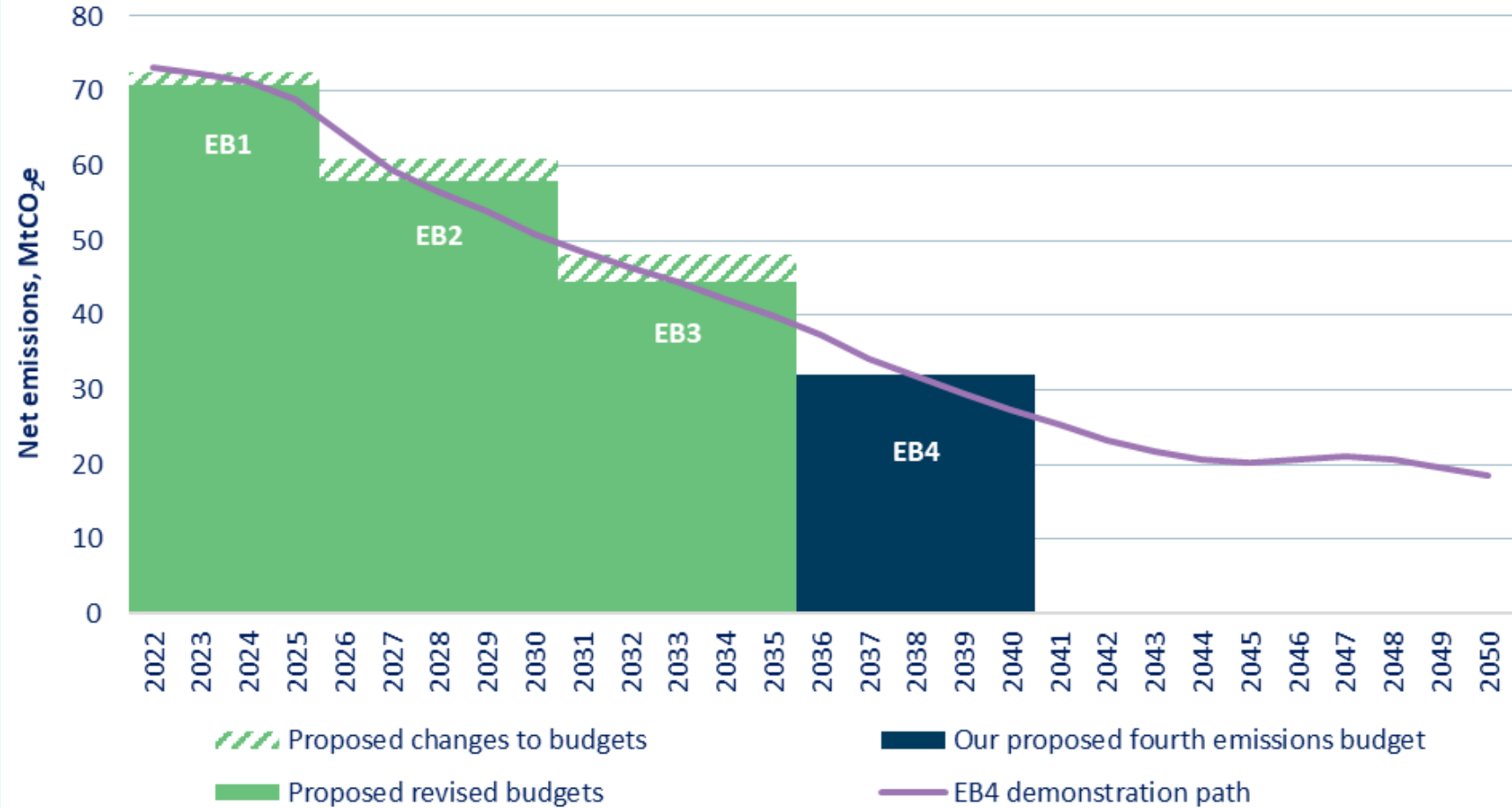


Advice on Aotearoa New Zealand's fourth emissions budget (2036–2040)

And whether the first, second and third budgets should be revised

What are we recommending?

- Fourth emissions budget: 160 MtCO₂e
- Technical changes to the first, second and third emissions budget
 - methodological change
 - significant change

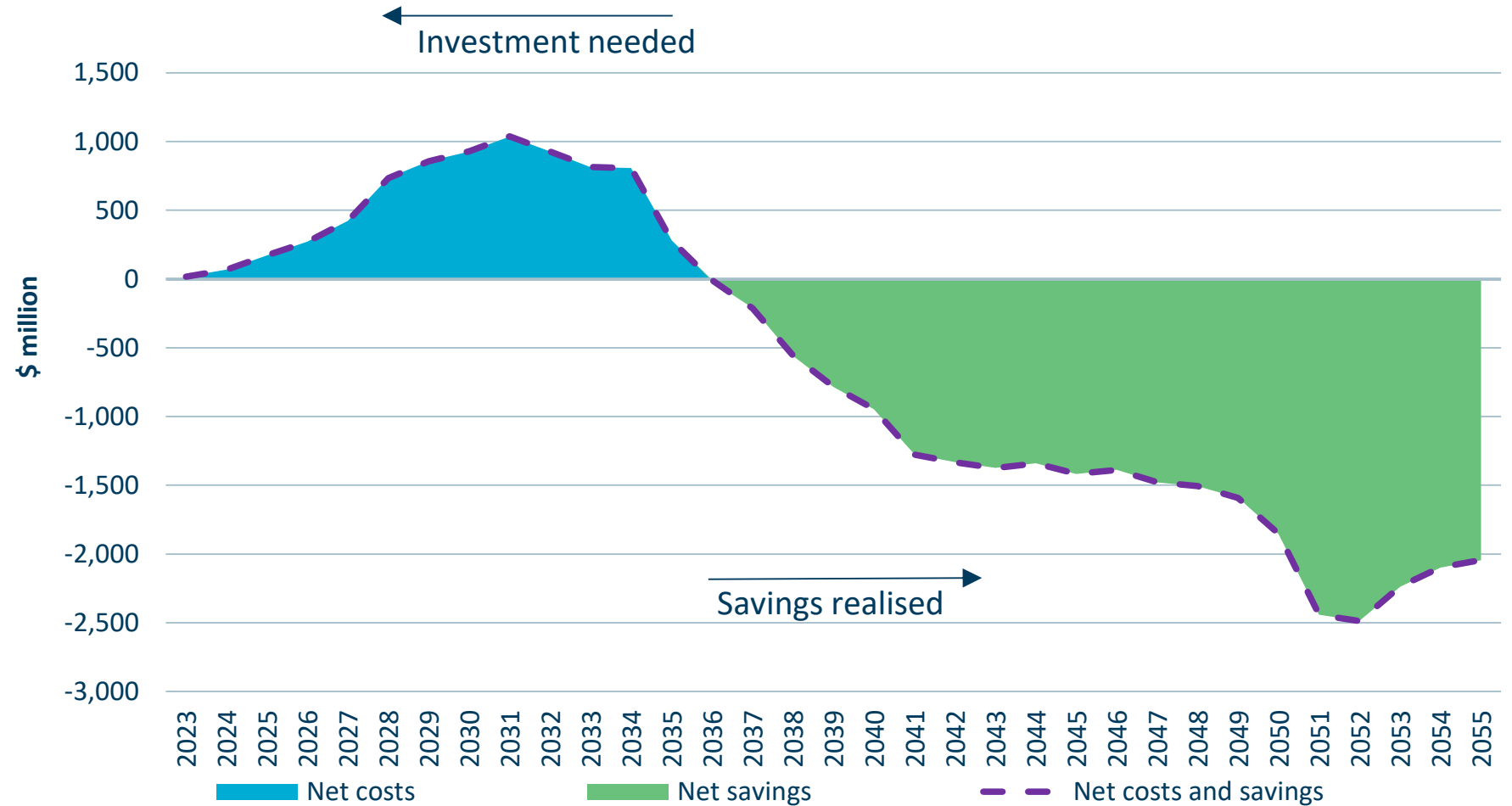


Why are we recommending this level for the fourth emissions budget?

Brings overall benefits.

Examples

- **\$1 billion/year** energy + transport savings (by end of EB4 period) – see *graph*
- **\$2.1 billion/year** health benefits from cleaner air (across EB4 period)

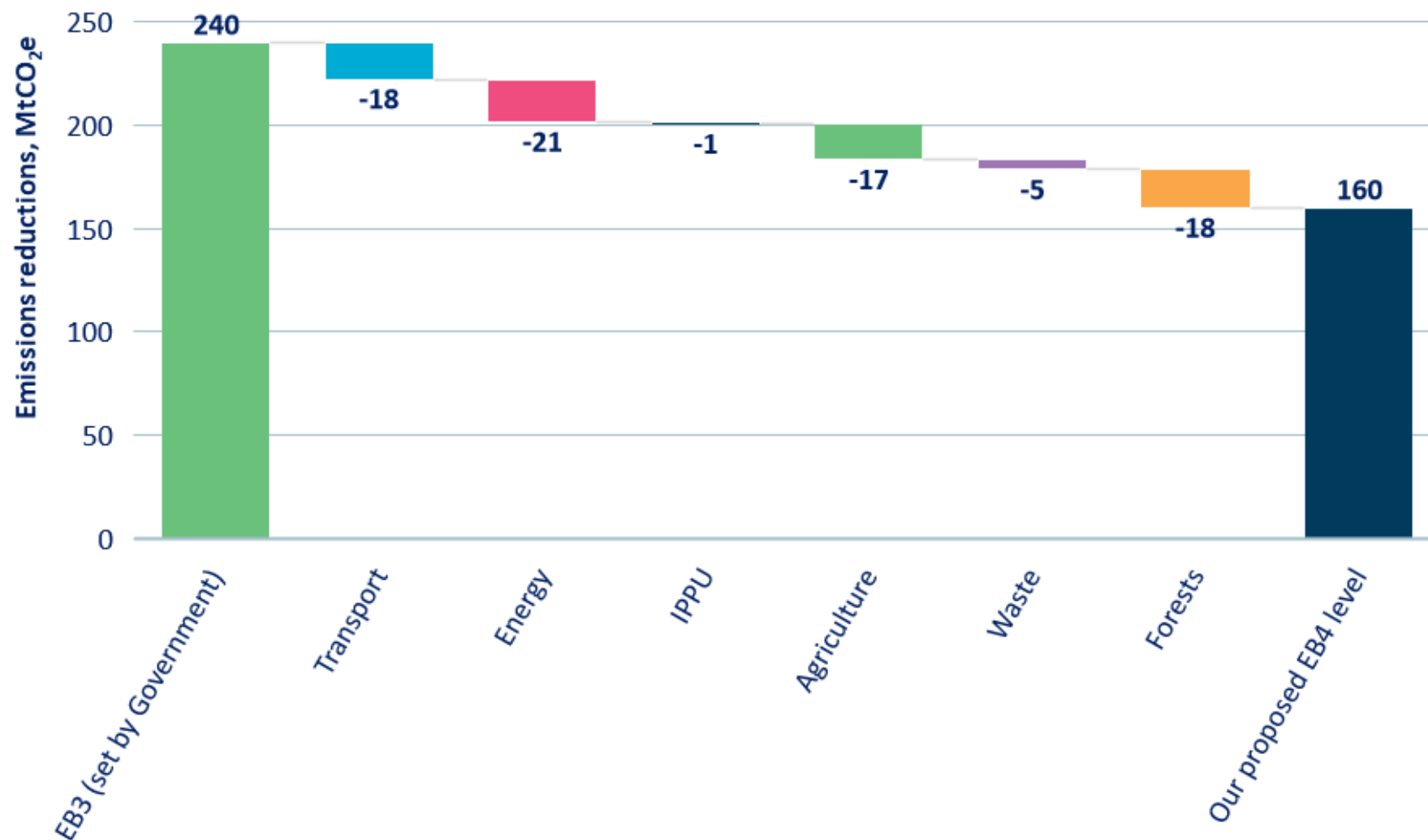


How could the fourth emissions budget be achieved?

Our 'demo path' shows the recommended level for EB4 is **achievable and affordable**.

Under the demo path, most emissions reductions would come from action across 4 sectors.

However, the demo path is not a forecast – there are multiple ways the Government could choose to achieve the recommended EB4 level.



What we heard from consultation

We heard about...

Values and priorities in decisions about climate change response

Areas to consider while reducing greenhouse gas emissions

The role of government in reducing emissions

Practical options the country has to reduce greenhouse gas emissions

We responded by...

Revisiting and adjusting our assumptions where there was new evidence

Redoing the analysis including the assessment of impacts

Remodelling the budget level and proposed revisions

Review of the 2050 emissions target

including whether emissions from international shipping and aviation should be included

2050 emissions reduction target

Current 2050 target
requires at least:



emissions of all greenhouse gases other than biogenic methane by 2050 – **excludes** emissions from international shipping and aviation



reduction below 2017 biogenic methane emissions by 2030



reduction below 2017 biogenic methane emissions by 2050

Target remains at these levels beyond 2050.

Recommended 2050 target
requires at least:



emissions of all greenhouse gases other than biogenic methane by 2050 – **includes** emissions from international shipping and aviation



reduction below 2017 biogenic methane emissions by 2030



reduction below 2017 biogenic methane emissions by 2050

There are further reductions and removals of greenhouse gases beyond these levels after 2050.

Significant changes since 2019

Global action

World is not on track for 1.5C
Other countries are doing
and expecting more.

Scientific understanding

Impacts happening
sooner and more
intense than expected
in 2019.

Intergenerational equity

Increased climate risks and
impacts have implications
for NZ's future. Delaying
action transfers costs and
risks to future generations.

How – everyone plays a role



Every sector has challenges, options and opportunities



Technology use and system shifts



Options are available now, and research and innovation is important for future options



Transport, Energy, IPPU, Agriculture, Waste, Land use

What we heard on the target review

We heard about...

Our significant change process and findings

Practical options for reducing emissions

Aotearoa NZ contribution to limiting warming

Split-gas structure of the target

We responded by...

Revising some of our significant change findings

Added sections on options for reducing emissions and impacts

Recommending strengthened target without changing the structure

Whether to include international shipping and aviation emissions

Recommendation:
the Government should **include** international shipping and aviation emissions in the 2050 target



Reasons:

Equivalent to ~9% net domestic emissions

Feasible, makes part of emissions planning

Align with trading partners

International shipping and aviation: 'how' recommendations

1. How to count

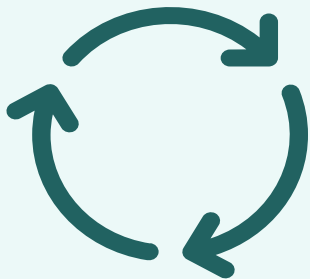


Refuelling



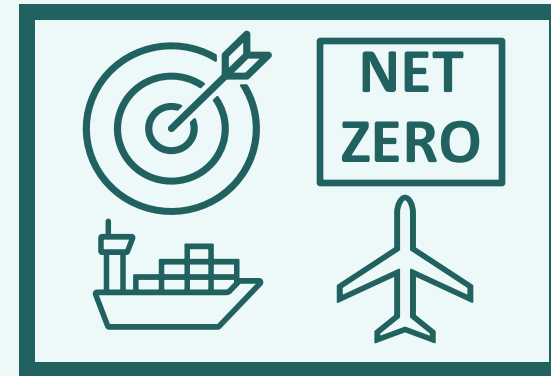
50% to/from
next port

2. Other climate impacts

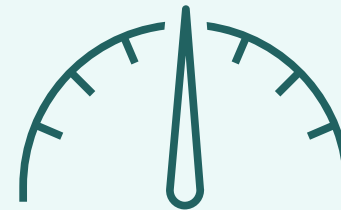


Reconsider

3. Target structure



4. Level of emissions reductions



Include measures for gross
emissions reduction

No change to emissions
reduction level when
including ISA emissions

What we heard – international shipping and aviation

We heard about...

Aotearoa New Zealand should take responsibility

Alignment with global action, policy, role of Government

Alternative fuels and feedstock availability

How to count international shipping and aviation emissions

We responded by...

Recommended action to reduce these emissions

Recognised importance of alignment

Strengthened analysis for alternative fuels, impacts, how

Change is already happening

80% of NZ's exports are to markets that require/will require emissions reporting
(Aotearoa Circle)

newsroom.

UK to slash climate pollution by 81%.
Could NZ do the same?

 **Cyclone Gabrielle the 'new benchmark' for future storms in New Zealand - researcher**

NZ needs to course correct to get on track.

Every year counts

The more that is done now to ensure a smooth transition for sectors, communities and households, the better off the country and New Zealanders as a whole will end up.

NZ's best interest overall

Evidence shows it's possible to reduce domestic gross emissions while still:

- Growing the economy
- Reducing energy costs
- Increasing energy security
- Improving public health
- Improving our local environments

Pātai?