

ER 6 April 2018

Simon Upton  
Parliamentary Commissioner for the Environment  
PO Box 10241  
WELLINGTON 6143

Dear Simon

**Your commentary on *Our Atmosphere and Climate 2017***

Thank you for your recent commentary on the atmosphere and climate report (the report) and recommendations on areas of focus for future reporting under the Environmental Reporting Act 2015.

I agree that the report's key findings on New Zealand's domestic greenhouse gas emissions are concerning. The development of a Zero Carbon Act and climate change commission will be critical initiatives for ensuring emissions trend downwards. As discussed in our meeting on 6 March, we are currently undertaking economic modelling to identify where policies can have the best impact in reducing emissions. I am very pleased that you are providing Parliament with advice on aspects of the Government's climate change policy including the merits of options on agricultural greenhouse gases, as signalled in your strategic intentions for 2017-2021. We need enduring solutions and the contribution of your office to thinking through those solutions will be invaluable.

*Your approach and my overarching response*

From my perspective, the approach you have taken here in your review of our Atmosphere and Climate Report a very positive evolution of your statutory role in the reporting programme. This approach enables us to receive timely feedback that we can respond to given the short timeframes that currently exist between the release of Domain Reports.

I can assure you that we will be considering your recommendations for further work alongside other priorities we have for the programme. In particular, we need to find efficiencies that will free up staff and resources for the kind of development work you have identified. This will be an important focus for the programme over the next 18 months.

I understand you are also writing to relevant Ministers highlighting their respective responsibilities with regard to climate change and encouraging them

to take action about the aspects raised in the report. It highlights the roles and responsibilities between different Ministers and portfolios to address this complex issue.

#### *Review of the environmental reporting system in 2019*

In your letter you confirmed your intention to review the environmental reporting programme in 2019, following the completion of a full reporting cycle. The Ministry warmly welcomes such a review. We look forward to engaging with your office on options for improving the programme and legislative settings in due course.

#### *The structure and content of Our Atmosphere and Climate 2017*

I am delighted that generally you found that the report performs well against earlier recommendations from your office.

I agree that it would be valuable to provide a more nuanced narrative on the causes of our increase in domestic gross and net emissions since 1990. As you point out, focusing more on the causes of increases in emissions and the relationships between them will highlight where action is most needed. Some of this information is available through the *New Zealand Greenhouse Gas Inventory* which is submitted to the United Nations Framework Convention on Climate Change on a regular basis. Stats NZ's reports under the System of Environmental Economic Accounting (SEEA) also provide information on emissions data by sectors and industries.

#### *Recommendation to develop criteria for the selection of social and economic pressure indicators*

While I would love to see a broader range of indicators on pressures across all domains, we are not in a position to keep expanding the number of indicators for each domain on a three-yearly cycle. Streamlining our processes may allow for some expansion and improvements of indicators over time, but not perhaps to the extent that your commentary suggests would be desirable. We look forward to working through such administrative realities when you review the programme in 2019.

Putting aside practical constraints, from our perspective there are no legislative impediments to expanding the indicators for pressure topics in the atmosphere and climate domain relating to "human activities", for example by developing indicators focused on emissions from transport, agriculture, and so on. However, we would consider social and economic drivers of such activities to be out of scope of the topics set in regulation.

We have not yet assessed your recommendation in relation to topics in other domains or re-considered what room we might have to move within regulatory requirements. Generally, we consider drivers such as population and economic growth to be out of scope of the pressure-state-impact framework. Stats NZ's reporting under the under the SEEA will go some way to fill this gap.

*Recommendation on developing principles and guidance on modelling*

We have modelling on our horizon, and I agree that universities and Crown Research Institutes are critical partners for providing the expertise we need for such analysis. However, as you acknowledge, there will always be a trade-off between commissioning specific models and developing other indicators or aspects of the programme.

I suggest that this is an area where our offices could continue an active dialogue. For example, it would be good to know what modelling gaps your staff would give priority to.

*Recommendation to use science-based in preference to policy-based performance indicators and develop associated protocols on threshold levels*

Our programme will always use science-based performance indicators in preference to policy-based ones. However, identifying suitable performance frameworks and communicating their relevance is not straightforward. I would be keen to see our offices working together to identify a way forward in this area.

Thank you again for such useful feedback on the reporting programme. I really value the ongoing cooperation that exists between our offices in this area.

Yours sincerely

A handwritten signature in black ink, appearing to read 'V Robertson', with a stylized, flowing script.

Vicky Robertson  
**Chief Executive**  
**Secretary for the Environment**