

Information Only - No Decision Required

| Report To: | Strategy and Policy Committee |
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| Meeting Date: | 15 August 2024 |
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| Report Number: | RSPC24-08-4 |

1. Summary / Te Tuhinga Whakarāpoto

1.1 This report provides updates on progress with the implementation of the Tasman Climate Response and Resilience Strategy and Action Plan 2024-2035. It also provides climate change updates in brief at the regional, national and international levels.

2. Recommendation/s / Ngā Tūtohunga

That the Strategy and Policy Committee

1. receives the Quarterly Climate Change Update report.

3. Tasman Climate Response and Resilience Strategy and Action Plan – progress update

3.1 An internal working group of 20 Council staff members meets bi-monthly to ensure the Tasman Climate Response and Resilience Strategy 2024-2035 and Action Plan progresses. This section presents highlights from the last quarter (June to August 2024).

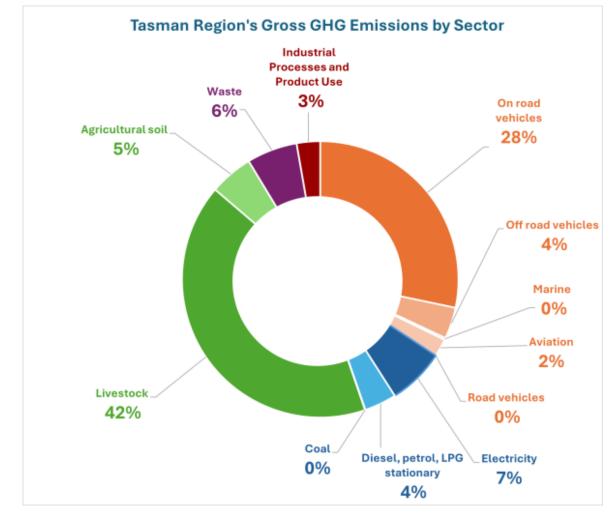
Adoption of Climate Strategy and Action Plan

- 3.2 The Council adopted the initial climate action plan in 2019. We recently completed a review of this plan and on 27 June 2024 the Council adopted the final <u>Tasman Climate Response</u> and <u>Resilience Strategy and Action Plan 2024-2035</u>, to guide our efforts to mitigate and adapt to the impacts of climate change (RCN24-06-3). The budgets included within the Action Plan part of the document show where the Council will invest in climate action over the next 10 years.
- 3.3 We will continue to provide quarterly updates on progress in implementing the Strategy and Action Plan to the Strategy and Policy Committee. Our detailed annual reports on progress will now be presented at the end of each financial year (i.e. in July or August), starting mid-2025.



Measuring Tasman region's community GHG emissions

- 3.4 We work with Nelson City Council and the Nelson Tasman Climate Forum to measure and report on regional greenhouse gas (GHG) emissions. A <u>baseline report</u> has been produced for the financial years 2018/19 and 2019/20 and published on the Council's website.
- 3.5 Key findings include:
 - During the 2018/19 reporting period, the total gross GHG community emissions from the Tasman region were 832,590 tCO₂e, which equates to 15.3 tCO₂e/person.
 - During the 2019/20 reporting period, the total gross GHG community emissions from the Tasman region were 763,389 tCO₂e, which equates to 13.6 tCO₂e/person.



3.6 Emissions by sector for the 2019/2020 period are shown in the infographic below.

3.7 Staff are starting to prepare the inventories for the period mid-2020 to mid-2023.

Local Emissions Data Platform Initiative

3.8 We have been part of key discussions with other councils and Ministry for the Environment (MfE) to progress a pilot project and gain further support for a standardised GHG emissions platform that will include GHG emissions projections.



3.9 The platform provides analysis and reporting of district community emissions, eliminating the need for a separate GHG inventory or community carbon footprint. It also provides spatial presentation of data for localised analysis and response, decarbonisation pathway options, and a reliable communication tool for both internal and external use. Once the project starts, staff will upload the Council's historical community greenhouse gas inventory data into the platform.

Energy Efficiency and Renewable Energy Initiatives

- 3.10 The investigation and prioritisation of potential energy efficiency and renewable energy generation initiatives for Council facilities and assets have resulted in <u>real-time electricity</u> <u>production/consumption monitoring at all sites with solar arrays</u>, including the Richmond main office to monitor EV power draw. Solar panels installed on Tākaka library became operational in late July. The investigation of potential methods for increasing energy efficiency and reducing emissions from the Richmond Aquatic Centre will soon include the installation of electricity monitoring equipment.
- 3.11 A draft solar/renewable energy investment policy is being developed, with a focus on 'behind the metre' and utility-scale possibilities.

Waste Management and Minimisation

- 3.12 The Joint Waste Management and Minimisation Plan includes a target to reduce total waste to landfill by 10% per capita by 2030. Recent progress made towards this includes:
 - a trialling of a new service at the Richmond Recovery Centre to help divert more building material from landfills through reuse and recycling in the region
 - the trial is from July to October 2024 initially and may be extended if successful;
 - the Construction & Demolition (C&D) Working Group has been formed, bringing together key industry stakeholders and Tasman staff representatives; and
 - various community grants and subsidies support waste reduction initiatives.
- 3.13 C&D activities produce 40-50% of our landfill waste, much of which could be recycled or reused. We aim to promote sustainable building practices to change this. Reducing C&D waste conserves resources, lessens landfill strain, lower greenhouse gas emissions, and supports a healthier environment for our community.

Public Transport and Active Transport

- 3.14 There has been a reduction in overall patronage numbers for eBus routes serving Tasman, with a 17% decrease in June compared to May and a 23% decrease compared to the busiest month of March.
- 3.15 The implementation of the next stage of the Regional Public Transport Plan (RPTP) is uncertain, as NZTA funding for public transport services in 2025/2026 and beyond is not confirmed and will depend on the outcomes of the August 2024 review.
- 3.16 Funding for bus stop infrastructure has been provided in the LTP to improve supporting infrastructure for public transport services, in conjunction with central government and NCC.



- 3.17 NZTA funding for maintaining current active transport networks and investing in new footpaths in urban areas will be confirmed in August, with preliminary indications suggesting that funding may be lower than in previous years.
- 3.18 The Joint Council established a joint speed management plan for Nelson-Tasman on 23 July 2024, subject to NTZA approval, to improve the safety of active transportation modes and reduce vehicle emissions by lowering speed limits.

Climate Adaptation Planning/Motueka Master Plan

3.19 Through the LTP 2024-2034 a 10-year budget was allocated to progress 'community adaptation plans' to ensure our communities are resilient to the effects of climate change over the longer term. Staff are proposing Motueka as the first community to undertake adaptation planning as part of a broader master plan process. Over the remainder of this year, staff will undertake a work programme scoping exercise and will seek direction from the Council and agreement on the work in the first quarter of 2025. More information on this proposed work programme is detailed under the 'Strategic Policy and Environmental Policy Activity Report' also presented at this Committee meeting.

Warmer Healthier Homes

3.20 The Council has granted \$20,000 per annum for years 1-3 of the LTP 2024-2034 to Warmer Healthier Homes (WHH) which provides subsidies for qualifying households to retrofit insulation to their homes. Staff are preparing a funding agreement with the WHH Trust.

Wood Encouragement Policy

- 3.21 A Tasman Wood Encouragement Policy is being drafted by staff. A Wood Encouragement Policy generally requires that responsibly sourced wood be considered, where feasible, as the primary construction material in all new-build and refurbishment projects. This is usually limited to public sector buildings but could be applied across residential and commercial construction.
- 3.22 A wood encouragement policy encourages sustainable use of wood materials, which helps reduce greenhouse gas emissions. Woods act as a carbon sink, storing carbon dioxide absorbed by trees, and its production emits less carbon compared to traditional building materials like concrete and steel, thus, increasing wood use in construction mitigates climate change impacts.
- 3.23 An increasing number of councils in Australia and New Zealand have adopted Wood Encouragement Policies following in the footsteps of other countries such as Canada, France, Finland and the Netherlands.

Educating Youth through Innovative Climate Learning Programme

3.24 Staff work continues on youth climate change projects that inform, educate, and inspire climate action. Progress includes a course for students in the climate change learning programme and an upcoming event to build a local network of young people interested in climate change issues. See Attachment 1 to this report for further details on this programme.



Take the Jump: Staff Planting Day and Ambassador Training

3.25 The Council is hosting a staff planting day at Teapot Valley Reserve on 20 August as part of the Take the Jump campaign. The next Take the Jump Ambassador training commences on 21 August. This training will be published on the intranet for staff to register and learn about making personal behaviour changes.

Climate Resilient Hub

3.26 The Climate Resilient Hub is now fully operational on the Council's intranet. It brings staff insights, ideas, inspiration on work we are doing on climate resilience. This initiative is continuously updated to provide a collaboration framework and encourage engagement.

Updates to Climate Change Webpages

3.27 The Council's website has been updated with relevant information on the local impacts of climate change and the Council's responses, including the recently adopted Tasman Climate Response and Resilience Strategy and Action Plan 2024-2035, greenhouse gas emissions data, and live data on energy generation at Council facilities with solar panels.

LGNZ Climate Change Training for Elected Members

3.28 LGNZ has published an online learning module for elected members on climate change in their Ākona learning hub, which takes around 90 minutes to complete, as part of developing and implementing guidelines for incorporating climate change considerations into decision-making.

4. Regional update

Nelson-Tasman Regional Climate Change Risk Assessment project

4.1 The Nelson Tasman Regional Risk Assessment report and its geospatial tool, the Nelson Tasman Risk/Resilience Explorer, are nearing completion. This tool aims to integrate data across domains, evaluate risk over time, considers various hazard scenarios, and has the potential to support Council's work programmes. Once the work has been received the next steps will be to undertake a period of testing and quality assurance of the geospatial tool's outputs.

Nelson-Tasman Joint Waste Management Minimisation Working Party

4.2 A Joint Waste Management Minimisation Review Working Party has been formed for Nelson Tasman to review the Joint Waste Assessment Plan and make recommendations for future actions. Led by Karen Lee from Nelson City Council, the groups include representatives from both councils. The working party has started to draft the plan, while concurrently finalising the Joint Waste Assessment.

Nelson City Council (NCC) update

4.3 NCC is developing a Climate Change Strategy to set the long-term direction and priorities for action on climate change. The Strategy will be supported by a Climate Action Plan, which



will set out key council and community projects that will help achieve the goals in the Strategy. Both documents will be considered by NCC on 5 September.

- 4.4 In June, NCC awarded the first of four \$50,000 climate change grants. The three recipients of the first grant round (the Climate Change Business Grant) were: Nelson Sustainable Transport, for a bus advertising campaign; Mission Zero, for a programme to reduce employee transport emissions; and Bike Hub for an e-bike that is loaned to businesses and community members.
- 4.5 NCC's 6th annual operational footprint for the year 2022/2023 has been completed and shows a decline in GHG emissions, driven by York Valley landfill improvements over the last five years. This reduction has been driven in large part by infrastructure improvements at the York Valley landfill, such as methane collection and flaring. Community GHG emissions data reveals transport as the highest source at 60% in the base year 2018/2019.
- 4.6 Carbon footprint training has been provided for the Nelson Centre for Musical Arts and The Suter. NCC secured 75% co-funding from EECA for energy audits for the two organisations and will be supporting the organisations to find external funding to implement the recommendations.

Nelson Tasman Climate Forum update

- 4.7 Staff and Councillor representatives continue to attend monthly Leadership Group hui of the Nelson Tasman Climate Forum.
- 4.8 Climate Action Week 2024, with a theme of "Grounded Community", was held from 24 May to 2 June. With 20+ events, the festival celebrated climate-related initiatives happening in the Tasman-Nelson region.
- 4.9 Work on the Motueka Repair Café, held at the Motueka Library (Te Noninga Kumu), continues as it proves to be a successful project attracting the community, particularly the elderly. The Repair Café recruits volunteers at the grass-root level, supported by our Council.
- 4.10 On 14 July, the Mohua/Golden Bay Repair Café was launched, modelled after the successful Motueka Repair Café. This event brings skilled volunteers together to repair various items that might otherwise end up in the landfill. The goal is to hold this café every two months, rotating locations from Tākaka to Collingwood, with the support of a dedicated group of volunteers and staff. The Nelson Tasman Climate Forum has secured \$1,000 from our Waste Minimisation grant for this project.

Te Uru Kahika

- 4.11 Councils are collaborating on climate change adaptation across four strategic sub-priorities to support a prioritised regional work programme. Sub-priorities include:
 - co-investment to protect essential infrastructure;
 - influencing climate adaptation legislation;
 - improving community resilience to flooding; and
 - supporting the resilience of our environment.



4.12 A forum of regional CEs and staff leaders has been formed to begin working through matters of risk and liability and consider options for a coordinated sector programme.

5. National update

Government unveils five-point Climate Strategy

- 5.1 On 10 July 2024, the Government has launched its <u>Climate Change Strategy</u>, setting out its approach to how it will deliver on New Zealand's climate goals.
- 5.2 Climate Change Minister Simon Watts highlighted five core pillars: resilient infrastructure and prepared communities, supporting climate markets, abundant and affordable clean energy, economic boost from climate innovation, and nature-based solutions.

The Government's Climate Strategy

Five priority areas to reduce the impact of climate change and prepare for its future effects



5.3 The Government's Climate Strategy includes several key plans under each pillar: developing a fair adaptation system for climate readiness, pricing emissions to encourage reductions, doubling renewable energy by 2050, installing 10,000 public EV charging points, aiding business innovation, and restoring biodiversity while exploring new emission removal methods. Enablers for implementation include private investment, access to top data and evidence, international collaboration, and competitive markets.

Consultation on New Zealand's second Emissions Reduction Plan

- 5.4 Following the release of the Government's climate change strategy, the Ministry for the Environment is consulting on policy proposals and initiatives to inform <u>New Zealand's</u> <u>Second Emissions Reduction Plan (ERP2)</u>. These proposals sit across the Government's five priority areas and focus on key sectors: energy, transport, agriculture, forestry and waste.
- 5.5 Emissions reduction plans are produced every five years. The first emissions reduction plan was released in 2022, for the years 2022 to 2025. The ERP2 will outline the actions to



reduce emissions in New Zealand during the second emissions budget period (2026 – 2030).

- 5.6 The consultation document highlights seven key policies aimed at reducing emissions: increasing renewable energy by easing consenting through Electrify NZ, installing 10,000 public EV chargers by 2030, lowering agricultural emissions with tools and fair pricing by 2030, investing in resource recovery via the Waste Minimisation Fund, enhancing organic waste and landfill gas capture, improving public transport, and investigating carbon capture, utilisation, and storage.
- 5.7 The document details actions to reduce emissions and emphasises the central role of government of emissions pricing and the NZ Emissions Trading Scheme. The final Emissions Reduction Plan for 2026-2030 incorporating public feedback and Climate Change Commission advice, will be completed by year-end.
- 5.8 Consultation is open until 21 August 2024. Staff are preparing a draft submission from the Council.

2024 Emissions Reduction Report Released: Progress, Challenges, and Insights

- 5.9 On 31 July 2024, the Minister of Climate Change released the 2024 Emissions Reduction Monitoring Report by He Pou a Rangi Climate Change Commission. This report evaluates Aotearoa New Zealand's progress toward its emissions budgets and targets, offering an evidence-based, impartial assessment.
- 5.10 The Commission's role is to provide independent advice to the government on climate mitigation and adaptation while monitoring progress. This dual approach ensures both effective planning and accountability. The report highlights progress, challenges, opportunities, and risks, offering valuable insights for various stakeholders across the country.
- 5.11 The report provides insight into the progress made, challenges experienced, and opportunities and risks that need to be considered.
- 5.12 Key takeaways from the report are:
 - this is the first monitoring report the Commission has produced, and reports will now be delivered to the Minister of Climate Change annually;
 - the report shows emissions have declined in recent years, however it also shows more work is needed to meet Aotearoa New Zealand's climate goals and international commitments.
 - 5.13 Coming up in early August, the Commission will also deliver its first national adaptation plan progress report to the Minister of Climate Change. The report looks at the first adaptation plan (released in 2022) to assess how effective it is and how its implementation is progressing. That report will be delivered every two years.
 - 5.14 Together, the two reports provide valuable information that support the efforts of New Zealanders across the motu to transition to a climate resilient low emissions future.

Resource management reform update



- 5.15 The Resource Management (Freshwater and Other Matters) Amendment Bill has been referred to the Primary Production Select Committee. Submissions on the bill closed on 30 June 2024.
- 5.16 The bill is the first of two bills that propose targeted changes to the resource management system during phase two of the Government's RMA reform. Phase two began when the Government introduced the Fast-track Approvals Bill in March. The Government also plans to amend or develop new RMA national direction as part of phase two to make it easier to consent new infrastructure, get more houses built and enhance the primary sector.
- 5.17 Select committees are expected to report back to the House on or around the following dates (noting that these can change):
 - i. 5 September 2024 report back on the Finance and Expenditure Committee's <u>inquiry</u> <u>into climate adaptation</u>
 - ii. 30 September 2024 report back on the Resource Management (Freshwater and Other Matters) Amendment Bill (Primary Production Committee);
 - iii. 18 October 2024 report back on the Fast-track Approvals Bill (Environment Committee). Note this date has changed; it was previously 5 September.
- 5.18 In phase three, the Government intends to replace the RMA with new resource management legislation. The Government is aiming to introduce legislation to achieve this in mid-2025.

Natural Hazards Insurance Act 2023

- 5.19 On 1 July 2024, EQC Toka Tū Ake changed its name to **Natural Hazards Commission Toka Tū Ake** (the Commission). This name is intended to help New Zealanders better understand the full range of protection the scheme provides for a range of natural hazards, not just earthquakes.
- 5.20 This is one of the changes that took effect on 1 July 2024 as part of the Natural Hazards Insurance Act. The Act's primary objective is to reduce the impact of natural hazards on people, property, and the community.
- 5.21 While the cover provided by the scheme remains similar under the new Act, a number of changes have now taken effect:
 - the <u>Natural Hazards Insurance Act</u> provides a clearer statement of purpose (section 3), objectives (section 128) and functions (section 129) of the Natural Hazards Commission;
 - clarity on the cover provided by the Act, for example with simplified excesses and calculations for retaining walls, bridges, and culverts;
 - access to Fair Way Resolution for disputes about claims; and
 - a Code of Insured Persons' Rights and complaints process for any alleged breaches.
- 5.22 The Act strengthens the Commission's role in building resilience to natural hazards, which includes sharing more of the information, knowledge, and expertise they have on natural hazard risks and impacts, and in natural hazard risk management. While they've been on



this journey for a number of years, our changing environment makes the Commission's research and resilience programme of work more important than ever.

5.23 The Commission has updated its website <u>www.natrualhazards.govt.nz</u> to reflect these changes. An information pack with further details about the changes is appended as Attachment 2 to this report.

Climate Projections 2024 – Core Public Dataset

- 5.24 On 2 July 2024, the Ministry for the Environment released updated climate projection data for New Zealand, developed by NIWA, the National Institute of Water and Atmospheric Research, using the latest global science by the Intergovernmental Panel on Climate Change (IPCC) and six global climate models.
- 5.25 The data includes projections of key climate variables such as temperature, rainfall, wind, and drought for every 5km square of New Zealand, showing potential changes into the future. For instance, it predicts what average temperatures in Invercargill might be in 50 years or expected rainfall in Taranaki by 2100.
- 5.26 The data helps New Zealanders understand local climate change impacts and inform adaptation plans. The core dataset is publicly downloadable, useful for technical users. MfE is creating tools, including a map display, to make projections accessible for everyone, available later in 2024.
- 5.27 Staff will begin updating the information across the Council, replacing the climate projections for Tasman District previously commissioned from NIWA in 2015 and 2019.
 Both reports are <u>available online</u>.

Changes to Waste Disposal Levy

- 5.28 Changes to the Waste Disposal Levy were announced during Budget 2024, which enable the share of the revenue that the government receives to be spent on a wider range of projects supporting the environment and climate change mitigation and adaptation in addition to minimising waste. On 4 June 2024, the Waste Minimisation (Waste Disposal Levy) Amendment Bill was assented to broaden the scope of activities funded via the waste disposal levy by the government.
- 5.29 The share of the levy revenue distributed to local government authorities remains at 50%. The levy will also increase a further \$15 per tonne for Class 1 Landfills over the next three years with increased levies for other waste disposal facilities also (e.g. managed fills).The Ministry for the Environment has provided <u>information about the changes</u> on its website.

Energy Outlook 2024

- 5.30 Simpson Grierson have released its second <u>Energy Outlook report (June 2024) report</u>. The report includes:
 - the new Government's impact on the renewables sector seven months in
 - the Fast-Track Approvals Bill and industry response to it
 - potential of offshore wind farms
 - map updates showing current and future clean energy developments.



Climate Litigation Predictions

- 5.31 According to Simpson Grierson's most <u>recent projections</u>, more claims against large corporations and their directors and senior management will be filed on the coming year for greenwashing and/or environmental damage caused by their operations and value chains.
- 5.32 Environmental regulations, compliance, and lawsuit risk are on the rise. For instance, the Financial Markets Conduct Act 2013 requires mandatory climate-related disclosures by 2024. Climate Reporting Entities' disclosures may be the first opportunity for the public and stakeholders to assess whether their activities align with their stated climate/sustainability goals. Current claims in New Zealand and around the world, as well as media interest, may encourage additional claimants.
- 5.33 Over the coming year (and beyond), corporates in a variety of industries will face an increased risk of environmental, social, and governance (ESG) civil claims and reputational damage. To avoid claims, entities should:
 - Be aware of the increasing risk of litigation (including against directors) related to their emissions and/or climate change strategy.
 - Ensure clear and quantifiable evidence supports company statements on climate change strategies.
 - Review ESG commitments regularly to ensure alignment with company actions and make any modifications.
 - Seek stakeholder support for climate change strategy to demonstrate active risk assessment and ensure effective implementation.

Changing Land Uses to Fit a Changing Landscape

- 5.34 The Parliamentary Commissioner of the Environment, Hon Simon Upton latest report 'Going with the grain: Changing land uses to fit a changing landscape' sets out the multiple environmental problems facing rural New Zealand and makes suggestions on how to approach the land use change needed to prevent further degradation. In his report, the Commissioner's makes five key recommendations:
- 5.35 The report emphasises the need for an integrated environmental management approach focused on catchments rather than one-size-fits-all national regulations, to better understand the interaction between water, climate, and biodiversity policies.
- 5.36 It advocates rethinking the roles of central government, regional councils, mana whenua, and communities in decision-making, involving catchment groups more in environmental management.
- 5.37 The central government should provide farmers and regulators with affordable, high-quality environmental information as a public good.



- 5.38 Alternative financial tools, like loans, grants, resource rentals, and pricing biogenic methane, can fund land use transitions. Removing barriers, such as forestry from the NZ ETS and creating a separate mechanism (or ETS), would reduce transition costs.
- 5.39 A summary of the report has also been published.

Agriculture and the Emissions Trading Scheme

- 5.40 On 11 June 2024, the Agriculture and Climate Change Ministers <u>announced</u> that the Government will take agriculture out of the New Zealand Emissions Trading Scheme (NZ ETS) and will establish a new Pastoral Sector Group to constructively tackle biogenic methane.
- 5.41 Later in June, the Government introduced legislation amending the Climate Change Response Act 2002 (the CCRA) to ensure agriculture does not enter the NZ ETS. The amendment to the CCRA will remove agriculture, animal processors and fertiliser companies from the ETS before 1 January 2025. For these organisations, their emissions associated with non-farm activities will continue to be covered by the NZ ETS.
- 5.42 He Waka Eke Noa has been disbanded. The Government will engage directly with levy bodies and sector organisations that represent the pastoral sector DairyNZ, Beef + Lamb New Zealand, Deer Industry New Zealand, Federated Farmers, Dairy Companies Association of New Zealand, and the Meat Industry Association. Terms of reference for the Pasture Sector Group will be developed and agreed with the group.

Oceanic and Coastal Water Temperatures

- 5.43 Between 2022 and 2023, oceanic and coastal waters around Aotearoa New Zealand reached their warmest annual temperatures since the series began in 1982, according to <u>data released by Stats NZ</u> on 9 July. Stats NZ has updated its <u>Sea-surface temperature:</u> <u>Data to 2023</u> and <u>Marine primary productivity: Data to 2023</u> environmental indicators, using data from the National Institute of Water and Atmospheric Research (NIWA).
- 5.44 "Measuring sea-surface temperature tells us how rapidly the ocean's uppermost productive layers are warming," environment and agricultural statistics senior manager Stuart Jones said.
- 5.45 Since 1982, sea-surface temperatures increased on average by between 0.16 to 0.26°C per decade (equivalent to 0.63 to 1.05°C during the recorded period) across oceanic regions, with the Tasman Sea having the highest average rate. Meanwhile, coastal regions warmed on average by between 0.19 to 0.34°C per decade (equivalent to 0.74 to 1.35°C during the recorded period), with East Coast South Island having the highest average rate.
- 5.46 Each oceanic and coastal region experienced their hottest years ever recorded in either 2022 or 2023. "Even small rises in temperature can disrupt marine ecosystems, cause some species to relocate, and increase disease risks," Jones said. "It also contributes to sea-level rise as the warmer water expands."
- 5.47 Marine heatwaves prolonged periods of unusual seawater warmth also reached new levels. The Tasman Sea spent 61 per cent of the 2022 year in a marine heatwave, the highest among oceanic regions. Western North Island experienced heatwave conditions for 89 per cent of the year, the highest among coastal regions.



5.48 Warming seas can influence primary production through the generation of organic matter by phytoplankton (microscopic algae), which supports the marine food chain. In the ocean surrounding New Zealand, between 1998 and 2022, marine primary productivity has tended to decrease with rising sea temperature in the warmer northern waters, while increasing with rising sea temperature in the cooler southern waters.

Officials Warn Minister of Cost Blowout from Delayed Climate Deals

5.1 Officials have warned Climate Change Minister Simon Watts of a <u>potential cost blowout</u> if the government delays signing international climate deals. The government needs to secure nearly 100 million tonnes of carbon dioxide offsets under the Paris Agreement from other countries by 2030. Delaying these purchases could increase costs up to fivefold, with the price of offsets ranging from \$41 to \$227 per tonne. Treasury warned that delaying international climate deals could cost the government up to \$23 billion due to rising offset prices.

6. International update

NZ and Australia Ministers Unite for Joint Climate Action and Resilience Efforts

- 6.1 On 30 July, finance Minister Nicola Willis and Climate Change Minister Simon Watts met with Australian counterparts in Brisbane to discuss joint climate action (<u>Australia-New</u> <u>Zealand 2+2 Climate and Finance Dialogue Joint Statement</u>), Pacific region climate resilience, mobilising investment for climate action, and improving responses to future severe weather events.
 - 6.2 Ministers agreed to a joint statement, outlining their plans for greater bilateral collaboration. These include:
 - conducting a joint regulatory barrier review, initially focusing on batteries and electric vehicle charging;
 - convening roundtables with the maritime sector to identify the conditions required for green shipping routes between countries;
 - inviting New Zealand aviation companies and representatives to join the Jet Zero Council, and investigating the conditions required to develop a regional sustainable aviation fuel industry;
 - engaging collaboratively in the development of a Guarantee of Origin scheme for green hydrogen, sustainable fuels, and green metals;
 - coordinating approaches to sustainable finance, starting with the development of a taxonomy rulebook;
 - exploring alignment on wider sustainable finance policy and legislation;
 - New Zealand joining Australia in the Climate Club to support industry decarbonisation on both sides of the Tasman;
 - further deepening collaboration to deliver outcomes under the Paris Agreement; and
 - investing in long-term emissions reduction opportunities for the agricultural sector.



Simpson Grierson: Global Trends in Climate Litigation

- 6.3 On June 27, the Grantham Research Institute and the Sabin Centre for Climate Change Law published their sixth annual <u>'Global Trends in Climate Change Litigation: 2024</u> <u>Snapshot'</u> Report, analysing 230 climate litigation cases from 2023. Key findings include:
 - the number of annual climate cases peaked in 2021, but litigation remains a significant risk for corporates;
 - climate litigation now targets a broader range of sectors beyond fossil fuels, including airlines, food and beverage, e-commerce, and financial services;
 - human rights-based cases rose in 2023, indicating a trend in using human rights arguments in climate litigation;
 - over 70% of cases were filed by individuals or non-government organisations, reflecting increased civil society engagement and the rise of "strategic" climate litigation aimed at influencing corporate governance and policy;
 - key strategies in these cases include targeting misleading green claims ("greenwashing"), integrating climate considerations into corporate decisions, compensating for high-emitting activities, and adapting to a low-carbon economy;
 - personal responsibility for climate risk management is increasingly attributed to directors and officers, with anticipated growth in this area; and
 - the Smith v Fonterra case, set for trial following a New Zealand Supreme Court decision, exemplifies such litigation risk.
 - 6.4 Between June 2023 and May 2024, every month was its <u>hottest</u> on record globally. It is in this context that more civil society actors are raising questions about their governments' inadequate measures to combat climate change. Climate litigation has become a mechanism to compel governments to enact stronger climate action and to uphold existing environmental legislation. It has also pushed companies to respect the rule of law and comply with environmental regulations.
 - 6.5 Globally, the number of climate-litigation cases almost tripled between <u>2017</u> (884 cases) and <u>2023</u> (2,540)¹ This demonstrates the increasing importance of climate law in international and domestic legislation.
 - 6.6 Earlier last month, The <u>UK Supreme Court</u> ruled that Surrey County Council must consider the full climate impact of proposed oil wells near Horley, including emissions from burning the oil. Environmental campaigners argued that as part of the Council's environmental impact assessment the council should have not just considered greenhouse gas emissions from building of the wells but also from the burning of the oil that they contained.
 - 6.7 While the decision does not mean that future fossil fuel projects will be rejected, it does mean that local councils who make planning decisions in the UK will have to consider the broader environmental footprint of oil and gas developments. While the decision only applies to the UK, it will likely be considered closely by other courts around the world.

¹ according to the Sabin Center's US and global databases



7. Attachments / Tuhinga tāpiri

- 1. Climate Change Learning Programme information August 2024
- 2. Changes under the Natural Hazards Insurance Act 2023

Climate Change Learning Programme update

August 2024

Authored by Jessie Cross, Partnerships & Environmental Education Officer

What is the Climate Change Learning Programme?

The Climate Change Learning Programme is a comprehensive 8-module programme targeted at year 7 and 8 students (ages 11–13). The programme was developed by Sian Carvell of Future Curious Limited in collaboration with Christchurch City Council and Ministry of Education and piloted in Christchurch schools in 2018.¹

The programme fills a large gap in the current curriculum by teaching students about the science of climate change, how we can respond and adapt, mitigating the impacts of climate change, the role of science and indigenous knowledge, critical thinking and taking action. The 'adapting to change' session features a guest speaker from Council talking about what we are doing in Tasman to adapt to climate change, and highlights ways that young people can have their voices heard.

We have engaged a contractor, Dr Will Stovall, to deliver the programme in year 7 & 8 classrooms across Tasman. In Term 2 2024 Dr Stovall taught the programme at Lower Moutere, Mahana and Wakefield Schools. In Term 3 2024 he is teaching it at Upper Moutere and Motueka South Schools.

The programme involves working closely alongside classroom teachers to boost their understanding and confidence to teach climate change, so that they can take the lead on teaching the programme in future years.

After completing the in-class teaching aspect of the programme, Dr Stovall works with our Enviroschools facilitators to support students with climate action projects of their choosing.

On Thursday 1 August 2024 we hosted **18 students** and 6 parents after school at our Richmond office to celebrate the end of the first term of the programme and support the students to make plans for their climate action projects for the end of the year. It is testament to the students' passion for the subject that so many of them travelled into Richmond, after school, to be part of this event.

There was a strong desire among this group of motivated students to make their voices heard, for example through submissions and sending letters to big businesses. There was also strong interest in gardening, litter clean ups and making art or murals to spread positive messages about caring for our environment. Our environmental education team and Dr Stovall will work together for the remainder of the year to support students with these projects. In particular, we intend to support them with providing their feedback on Tasman's Natural Hazards Plan Change.

What are the benefits to Council of supporting this programme?

Ask any policy planner at Council and they will tell you it is extremely difficult to capture the youth voice in Council's planning processes. In the case of climate change, it is our young people that are going to have to deal with the impacts of climate change in the future. It is crucial that they are educated about the issues and given meaningful, age-appropriate opportunities to have their voices heard.

¹ For more information about the programme, including videos showcasing how the programme has succeeded in Christchurch, visit: <u>Climate Change Learning Programme | Resources by NZAEE</u>

Not only is this the responsible thing for Council to do, but it is also our legislated responsibility.² It will also result in more robust and future-focused climate and natural hazard plans. The programme also helps the Council meet its legislated responsibility to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future.³

Christchurch City Council supported the development of the Climate Change Learning Programme because they wanted to seek input from young people on their coastal hazards framework, and they knew that they would not be able to get meaningful feedback without first educating young people about the causes and consequences of climate change.

An environmental advocacy group of young people who call themselves "Next Generation Conversation" grew out of the programme in Christchurch. That group still exists today and over the past three years has provided submissions on several local and national plans and policies relating to climate change, providing a strong youth voice on matters that will directly impact their futures.⁴ We aim to support the establishment of a similar group here in Tasman. We already have 18 students keen to be part of such a group, after just one term of teaching the programme.

The programme also aligns with our goals in the Tasman Climate Action Plan.⁵

After seeing our success with the programme in Term 2, Nelson City Council has decided to begin teaching the programme in some of their intermediate schools this term. The programme is also now being taught in Waikato. We are proud to have been the first Council outside of Christchurch to support the programme, and look forward to seeing how it continues to grow across Aotearoa.

What does it cost?

The pilot of the programme in Term 2 2024 cost \$10,000. This covered the cost of Dr Stovall's time to learn the programme, build relationships with teachers and deliver the programme in four classrooms. Based on our learnings we have been able to refine and improve the programme, with Tasman-specific content in some modules.

³ Section 10(b) of the Local Government Act 2002.

² Resource management plan making responds to natural hazards and climate change effects. Under Schedule 1 of the Resource Management Act 1991, Council is required to follow the principles of consultation set out in the Local Government Act 2002 (LGA). Section 82 of the LGA provides: *Consultation that a local authority undertakes in relation to any decision or other matter must be undertaken, subject to subsections (3) to (5), in accordance with the following principles:*

⁽a) that persons **who will or may be affected by**, or have an interest in, the decision or matter should be provided by the local authority with **reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of those persons**:

⁽b) that persons who will or may be affected by, or have an interest in, the decision or matter **should be** encouraged by the local authority to present their views to the local authority

⁴ This video shows the submissions made by these young people on Christchurch's coastal hazards framework: <u>https://youtu.be/GWeG_UEMf-E</u>

⁵Tasman Climate Action Plan Key Outcome 4 states: *Our communities are informed and enabled to undertake climate action*

Key success measure:

^{4.}a. Meaningful collaboration and involvement in climate mitigation and adaptation initiatives. Priority actions:

Data, information and guidance are made available to help communities and Council work together to assess and reduce their own climate risks.

Support our businesses and communities through the low-carbon transition and reduce their emissions.

The ongoing cost to deliver the programme is \$3,500 per classroom. This covers Will's fees for teaching the eight classroom-based sessions, and an additional action planning session at the end of term.

This is very good value for money when compared to similar environmental education programmes that we have supported in the past, such as Whitebait Connections delivered by Tasman Bay Guardians which cost \$5,100 per classroom in 2023.

There is some additional cost associated with supporting students' climate action projects. This is currently priced at \$3000 for Term 3 and 4 of 2024, and will be reviewed at the end of the year.

The programme is fully funded out of our existing environmental education budget.

What are the benefits to students?

As part of the programme, we have undertaken pre and post-programme surveys of teachers and students, to understand the impact of the programme and how it can be improved.

Feedback so far has been extremely positive. The vast majority of students reported enjoying participating in the programme. Students' confidence in their knowledge of climate change increased as a result of the programme. The majority of students expressed the opinion that climate change was important to care about (average score 8/10) at the end of the programme, compared to generally low levels of understanding and caring at the start of the programme.

Teachers really appreciate having an expert in their classroom to support with teaching this important and challenging topic. For students it is a real highlight of their week to have an engaging expert in their classroom sharing knowledge and experience with them.

The key difference between this programme and other environmental education programmes is that the benefits are longer-lasting. With approximately a quarter of the students who participated in the programme in Term 2 choosing to be part of an ongoing after-school group, this programme has clearly captured the passions of these students. With some ongoing support they will be able to turn their learning into taking positive action for our environment, taking the benefits of this programme well beyond the classroom walls.

Feedback from a teacher:

Will is really good at pitching the science of climate change at the level of the students. They feel like they are learning some really hardcore stuff from a really hardcore expert, but none of it is too difficult or over their head. Will is also good at balancing the hard hitting and sometimes difficult to hear facts about climate change with the hopeful. The programme is also great at providing further reading and videos which I feel much more confident and inspired to explore once I've had the sessions with Will. – Ellie (teacher), Mahana

Feedback from students:

He teaches us things that can help us stop climate change, and teaches us about the effects of climate change. He also makes it fun! – Tai, Lower Moutere

Since he has come in, he has taught us A LOT about greenhouse gases, different elements and what is happening. – Tyler, Wakefield

They do a really good job at explaining what climate change is while still involving the class. – Madeline, Lower Moutere



Dr Stovall demonstrating a greenhouse gases experiment with students at Mahana school

The Natural Hazards Insurance Act 2023



Our new name and new Act

On 1 July 2024, our name is changing from EQC Toka Tū Ake to Natural Hazards Commission Toka Tū Ake.

Our new name will help New Zealanders better understand the full range of protection our scheme provides for a range of natural hazards, not just earthquakes.

Our new legislation, the Natural Hazards Insurance Act 2023, also takes effect.

The Act modernises and replaces the Earthquake Commission Act 1993 and sets out our organisation's primary objective - to reduce the impact of natural hazards on people, property, and the community.

Our four strategic priorities outline the work we do towards this goal:

- Strengthen <u>resilience</u> by building understanding of natural hazard risk to improve decision-making
- Continuously enhance New Zealand's <u>readiness</u> for natural hazard events
- Use our **risk financing** expertise to manage the fiscal risks of providing natural hazards cover
- Support homeowner and community <u>recovery</u> by working with our insurer partners to deliver a transparent, timely, high-quality and responsive process for natural hazards insurance claims.

These are the key changes in the Natural Hazards Insurance Act:

Clarify our role and the cover provided by the Act

The Act clarifies some of the technical provisions on cover and improves understanding of our role across all of our functions and the natural hazards we cover. Improve the homeowner experience through claims and complaints management

The Act introduces a Code of Insured Persons' Rights, a complaint process that supports the Code, and an external dispute resolution scheme. Enhance future durability and flexibility of legislation

The Act brings our organisation into line with governance and reporting for other Crown entities and supports more consistent decision-making for funding and financing. This includes the introduction of a Funding and Risk Management Statement (FRMS) from the Minister.

Insurance cover and claims overview

Our scheme provides a contribution to damage to homes and certain types of land resulting from:

- earthquakes
- landslides
- volcanic activity
- tsunami
- hydrothermal activity
- fire as a consequence of these hazards.

It also provides limited cover to certain types of land cover for storm or flood damage.

Since 30 June 2021, private insurers have been assessing, managing and settling claims on our behalf. This means homeowners have a single point of contact for their claim.

We will continue to directly manage any NHCover claims that fall outside this model.

Insurance cover and claims – key changes

The cover provided by the scheme remains similar but some areas have been adjusted for clarity and to make calculations simpler.

This includes:

- making the rules for mixed-use buildings clearer
- simplifying excesses for claims
- changed cover for retaining walls, bridges and culverts
- a wider range of terms have been defined or redefined.

As we transition to the new Act, we will have two names for our insurance cover - our existing *EQCover* and the new *NHCover* (Natural Hazards Cover).

| EQCover | NHCover |
|--|---|
| For damage (from a natural hazard event) that occurs before 1 July 2024. EQC Act. | For natural hazard damage that occurs on or after 1 July 2024. NHI Act. |

Information on the changes will be available on our website and in our homeowner communications material from 1 July.

Supporting homeowners

The NHI Act will improve the homeowner experience through claims and complaints management.

| Requirement | How it works |
|--------------------------------------|--|
| Code of Insured Persons' Rights | Sets the standard of service that homeowners can expect from us and anyone representing us. The Code outlines the homeowner's rights and our obligations. The Code applies to any interactions about new or existing natural hazards insurance claims from 1 July 2024. |
| Complaint management procedure | From 1 July there will be additional processes in place to address Code-related complaints.If a homeowner thinks there has been a breach of the rights or obligations set out in the Code, they can make a complaint to the insurer managing their claim (or us). We will investigate the complaint and offer one of the remedies in the Code if a breach is found. |
| Independent review procedure | If the homeowner is not satisfied with the outcome of a Code complaint, they can apply for an independent review of the decision. We will refer the application to Fair Way Resolution, who will independently assess the Code complaint and produce a written report outlining their decision. |

More information will be on our website **naturalhazards.govt.nz** from 1 July 2024.

Supporting homeowners

| Requirement | How it works |
|------------------------------|---|
| Dispute resolution scheme | Insured homeowners will be able to access an independent dispute resolution service to help resolve disputes about: whether the claim is valid, for example whether damage has been caused by a natural hazard event, such as an earthquake or landslide, or the extent of the claim settlement, for example the cest |
| | the extent of the claim settlement, for example the cost to repair the damage. The service will be available through Fair Way Resolution for disputes about claims from natural hazard events after 1 July 2024. |

More information will be on our website **naturalhazards.govt.nz** and **fairwayresolution.com** from 1 July 2024.

Information and resources for homeowners from 1 July



Refreshed guides

- Two core guides: our cover and making a claim
- Improved land cover diagram, and factsheet
- New videos explaining NHCover, land cover and claims process

These will be available on our website but we are also very happy to provide to you from July.

Please contact us if you want to know more:

nhiaimplementation@eqc.govt.nz

