

Submission

FEEDBACK ON APPROACH TO 2019 INTERNATIONAL CLIMATE CHANGE NEGOTIATIONS

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Contents

- Contact Details 3
- Introduction – The submitter 3
- 1 Nationally Determined Contributions..... 3
- 2 Transparency 4
- 3 Agriculture..... 4
- 4 Gender Action Plan 4
- 5 Local Communities and Indigenous Peoples Platform 5
- 6 Climate finance 6
- 7 International carbon markets 6
- 8 Loss and Damage..... 7
- 9 Oceans and Antarctica..... 7
- 10 General Principles..... 8
- Questions for consideration..... 8

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Introduction – The submitter

The New Zealand Forest Owners Association Incorporated (FOA) is the representative membership body for the commercial plantation forest growing industry. FOA members are responsible for the management of approximately 1.2 million hectares of New Zealand's plantation forests and over 80% of the annual harvest. In 2018, the forest growing sector was worth \$6.38 billion in export value and is a 12% share of rural land use.

The Paris Agreement on climate change was agreed in 2015 and its implementing guidelines substantially concluded in 2018. This year, the international climate change negotiations are focused on implementation, particularly driving the transition to a low-emission, climate resilient global economy. Some of the key issues on the agenda are set out below.

Due to time constraints, FOA comments on the consultation questions have been inserted into this document where we have comments.

1 Nationally Determined Contributions

Each country that signed up to the Paris Agreement has set a Nationally Determined Contribution (NDC). New Zealand communicated its NDC in 2016. All countries will be required to revisit their NDCs by 2020. NDCs include targets for reducing greenhouse gas emissions. Each country can choose how to reduce its own emissions. NDCs are not legally binding. Most countries' current NDCs are for 5- or 10-year timeframes. The question is whether a common timeframe should be set and if so, what that timeframe should be. We propose New Zealand should:

- 1.1. advocate for a common 5-year timeframe for NDCs, in order to facilitate greater synchronisation of national responses to the global stocktake and maintain clear upwards pressure on ambition; and

FOA - Supported as it is much easier to quantify the progress.

- 1.2. in the event a single common timeframe does not appear achievable, advocate agreement on restricting NDCs to either 5 or 10 years (in preference to complete national determination).

FOA – Supported and preference is for five years

2 Transparency

The Paris Agreement establishes a comprehensive transparency framework that applies to all countries. The details for the framework were finalised in 2018, including reporting on actions taken to reduce emissions and support for climate action (including financial, technology and capacity building). Under the framework, countries' reports will be reviewed by independent teams of experts, and then go through a process to monitor their individual progress. The transparency framework is an essential part of the Paris Agreement. It will help hold countries accountable to each other for their actions and build confidence that all Parties are implementing their commitments. The negotiations are now focused on the detailed tables countries will use for these reports. These cover both mitigation action and provision of climate finance. We propose New Zealand should:

- 2.1 seek to maintain a robust and efficient transparency framework;
- 2.2 pursue scientific and technical discussion of greenhouse gas metrics by the UNFCCC after completion of the Working Group I component of the IPCC 6th Assessment Report.

FOA Support. Acknowledged if cannot be legally binding but must be transparent.

3 Agriculture

Around half of New Zealand's emissions come from agriculture, which contributes significantly to our economy. New Zealand has an opportunity in the international climate negotiations to encourage emission reductions from agriculture while supporting food security. Through the Koronivia Joint Work on Agriculture ((KWJA) adopted in 2017) and other parts of the negotiations, we can encourage countries to take climate action on agriculture, including by improving the emissions efficiency of agricultural production. The KWJA has an agreed work programme based on a sequence of technical workshops. The negotiation focuses on what is done with the information generated by these workshops. We propose New Zealand will:

- 2.3 in the Koronivia Joint Work on Agriculture, and in other relevant fora, encourage other countries to take mitigation action on agriculture.

FOA Supported. This will be important if New Zealand is to have credibility but also to ensure we are not unfairly disadvantaged by taking actions where others (often less efficient producers) have not.

4 Gender Action Plan

The Paris Agreement calls for countries, when taking climate action, to consider human rights, the rights of indigenous peoples, local communities, persons with disabilities and people in vulnerable

situations, as well as gender equality and the empowerment of women. To implement this, in 2017 countries agreed on a Gender Action Plan. New Zealand has an opportunity to promote outcomes in the international climate negotiations that encourage and facilitate the participation of women in the process, including in leadership roles. The negotiations are focused on reviewing implementation of the Action Plan. We propose New Zealand's approach is to:

- 4.1 support calls for Parties, when taking action to address climate change, to respect, promote and consider their obligations to, amongst other things, human rights, and the rights of indigenous peoples, local communities, persons with disabilities and people in vulnerable situations, as well as on gender equality and the empowerment of women;
- 4.2 support actions to advance women's full, equal and meaningful participation and promote gender-responsive climate policy in implementing the Paris Agreement.

FOA - Support – but note the goal of 1.5 degrees or less of global warming cannot be traded off against other objectives.

5 Local Communities and Indigenous Peoples Platform

A Local Communities and Indigenous Peoples Platform has been established as part of the international negotiations. The negotiations are focused on governance around the work plan for the Platform. New Zealand has an opportunity to contribute to decisions on how the Platform operates to enable indigenous peoples and local communities to exchange knowledge, and encourage countries to respect indigenous rights when they take climate action. In the ongoing discussions, we propose New Zealand will advocate for:

- 5.2 the Local Communities and Indigenous Peoples Platform operating to support respect for the rights and interests of indigenous peoples in international and national climate change actions, programmes and policies;
- 5.3 the Local Communities and Indigenous Peoples Platform enabling indigenous peoples and local communities to exchange experience, best practice and knowledge, build their capacity to engage in the UNFCCC;
- 5.4 Indigenous peoples having access to the Platform regardless of their country's involvement.

FOA Support. We support global action requires the participants of all groups particularly those with additional knowledge that can assist the goals.

6 Climate finance

The Paris Agreement anticipates that financial resources will be provided for developing countries' climate action. New Zealand's climate-related support is provided via Overseas Development Assistance. New Zealand has committed to delivering at least \$300 million in climate-related support from 2019 to 2022, with at least two thirds of that funding being provided to Pacific Island countries.

The Paris Agreement's transparency framework includes reporting on climate finance that countries provide or receive. The Agreement also anticipates developed countries providing information on projected future support. New Zealand has an opportunity to help improve predictability and transparency of climate finance flows, consistent with countries' national systems for tracking and reporting this information. From 2020, countries will be working to agree a new collective climate finance goal. In the climate finance negotiations, we propose New Zealand will:

- 6.1 seek agreement on tables for reporting climate finance that preserves New Zealand's ability to report in line with our domestic tracking and accounting practices;
- 6.2 advocate for as much transparency and predictability of climate finance as possible within the limitations of national systems;
- 6.3 join with other donor countries in any restatement of the shared commitment to delivering on the collective goal to mobilise USD 100 billion per year in climate finance until 2025 from a variety of public and private sources in the context of meaningful mitigation action and transparent implementation by developing countries;
- 6.4 participate in the negotiation of a new collective quantified goal on climate finance, scheduled to commence in November 2020;
- 6.5 advocate for any new collective quantified goal to be contributed to by all Parties in a position to do so.

FOA. Support the generally cautious approach being proposed. Ideally climate change financial support should be separable from general development support; but it is important that a consistent, internationally agreed methodology is used. Commitments in this area have traditionally fallen well short of actual provisions.

7 International carbon markets

The Paris Agreement recognises that some countries will use carbon markets to help achieve their NDCs. This form of cooperation between countries is likely to occur through linking carbon markets (such as emission trading schemes) and other government-to-government arrangements, and/or through a new central system. The negotiations are now focused on issues relating to the environmental integrity of cooperation between countries to support global efforts to reduce emissions. In these negotiations, we propose New Zealand will:

- 7.1 Seek guidelines for the use of carbon markets that promote environmental integrity through robust accounting, the avoidance of double counting, and strong transparency (reporting and review);

- 7.2 advocate for accounting rules that do not recognise the use of pre-2020 units toward mitigation targets under the Paris Agreement.

FOA support. New Zealand will have a strong reliance on carbon markets, and it is important that these have integrity and transparency. New Zealand itself has experience an undermining of confidence where units have been managed in an uncontrolled and unqualified way. With Paris Agreement targets focusing on mitigation post 2020 we agree that units that relate to earlier periods are not relevant.

8 Loss and Damage

In 2013, the UNFCCC established the Warsaw International Mechanism on Loss and Damage Associated with the Impacts of Climate Change (WIM). The Paris Agreement affirms the WIM as the permanent vehicle for this purpose (Article 8). This year the operation of the WIM will be reviewed with a view to informing its ongoing work programme. In approaching this review, we propose New Zealand will:

- 8.1 continue to support the work of the Warsaw International Mechanism on Loss and Damage in fulfilling its mandate to address loss and damage in developing countries, and will resist efforts to pursue development of compensation mechanisms;
- 8.2 continue work to respond to the threat of loss and damage, particularly in the Pacific, including through the provision of climate-related support, delivered bilaterally and through regional or multilateral mechanisms.

FOA supports. It is important to separate actual loss and damage from compensation mechanisms that are based on other arguments and may not be qualitative.

9 Oceans and Antarctica

This year's host Chile have announced COP25 will be a 'Blue COP', with a thematic emphasis on the impact of climate change on oceans and Antarctica. New Zealand stands with the Pacific Islands in recognising the importance of oceans in our region. There are not specific oceans or Antarctic related negotiations under way in the UNFCCC, however there is potential for new oceans related initiatives to be considered at the COP. In respect of Oceans and Antarctic discussions in the UNFCCC, we propose New Zealand will seek to ensure:

- 9.1 action on oceans and climate change is meaningful while upholding the existing international legal frameworks governing oceans and Antarctic issues;
- 9.2 robust science underpins mitigation claims and accounting practices relating to oceans initiatives where needed to safeguard the environmental integrity of the Paris Agreement;
- 9.3 UNFCCC takes a precautionary approach to proposals for ocean-based solutions to climate change.

FOA supports. This is not very ambitious in terms of proposed additional actions that New Zealand could support, but given the volumes potentially involved it is important that any recognition of contribution to Paris targets is quantifiable and based on a net impact.

10 General Principles

The mandate provides guidance for negotiators – however it is impossible to predict all circumstances and emerging issues. Therefore we propose to adopt a set of general principles to guide negotiators in the absence of other instructions:

- 10.1 New Zealand will advocate for UNFCCC parties and other entities to align their climate action with the objective of limiting temperature increase to 1.5 degrees over pre-industrial levels;
- 10.2 New Zealand should participate actively and constructively in the international negotiations *to support* the credibility and robustness of the Paris Agreement *and its implementation*;
- 10.3 New Zealand will resist any development in *implementation of the Agreement* that undermines either the Agreement’s applicability to all countries or its principles of environmental integrity, progressive ambition, and continuous improvement in transparency;
- 10.4 New Zealand will advocate for outcomes that support the interests of Pacific Island countries, to the extent possible, *in ways consistent with* New Zealand’s national interest;
- 10.5 New Zealand will seek effective and efficient outcomes, including avoiding duplication of existing multilateral processes;
- 10.6 New Zealand will seek outcomes that are consistent with the letter and spirit of the Paris Agreement and associated decisions by Parties to the Agreement.

Questions for consideration

- What outcomes should New Zealand prioritise in 2019’s international climate change negotiations?
- Are there specific considerations we should take account of in responding to the issues being negotiated this year?
- Are there specific positions above, you agree or do not agree with and why?

FOA - Achieving the goal of not more than 1.5 degrees Celsius. Support for market-based mechanisms particularly Global Warming.

Carbon markets and their integration where possible.

Acceptance and support for sequestration, particularly by forestry while recognizing it is not a substitute for action on emissions.

Global Progress on agricultural emission with New Zealand providing leadership.

Thank you for the opportunity to provide feedback on this process.



David Rhodes, CE, Forest Owners Association