

Zero Carbon Economy A Panel Discussion

John Carnegie

Executive Director

BusinessNZ Energy Council

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I don't know the future

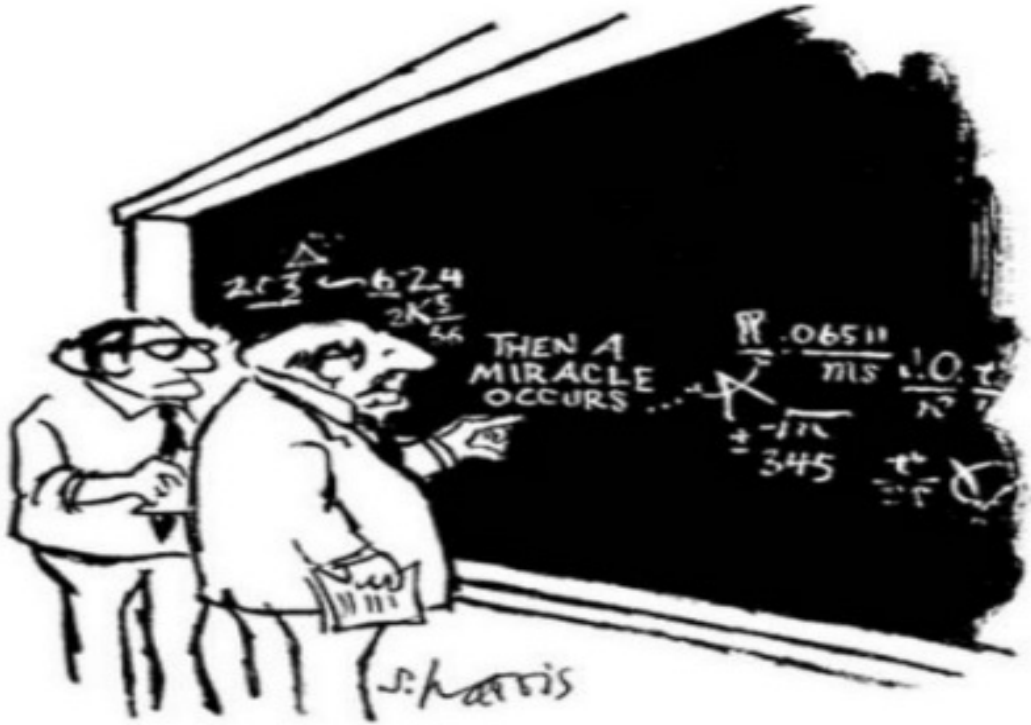
“Prediction is very difficult, especially if it's about the future”

Niels Bohr



Martin Cooper photographed in 2007 with his 1973 handheld mobile phone prototype

Otherwise we get this...



"I think you should be more explicit here in step two."

Certainty

- I hate this word
- business wants policy/framework predictability and stability
- business wants political durability

Scenarios

- what are we doing to help provide business leaders and policy makers with the tools to identify and manage uncertainty?
 - leading a cross sector (private and public) initiative to develop whole of energy sector scenarios
 - collaborating with Auckland University (energy centre)
- goal is to shed light on where the sensible range of resilient policies and business investment choices might lie

Our scenario project investors



Climate change policy developments

- Lots going on.....
 - Zero Carbon Bill proposed
 - establishment of interim Climate Commission
 - 100% renewable electricity target in a mean year by 2035
 - should agriculture be brought into the ETS, and how
 - Productivity Commission's report on transition to a low-emissions economy
 - emission trading scheme review
 - one billion trees by 2027

Determining what action we take

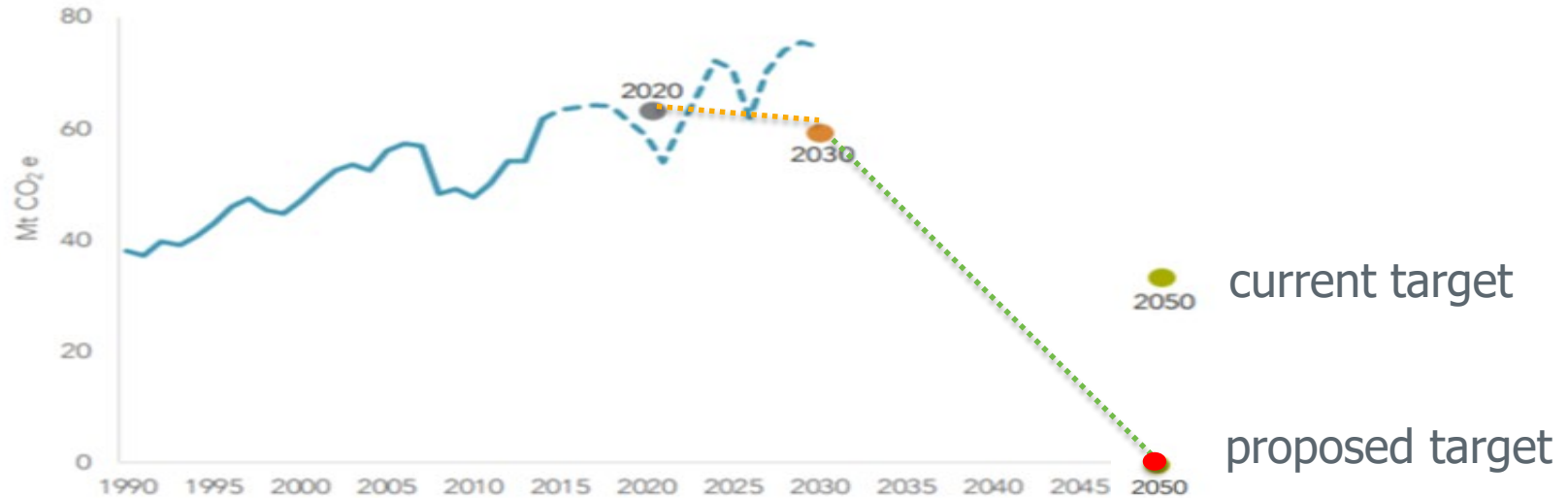
- action needs to address some key questions:
 - what does keeping global temperature increases below 2° mean for New Zealand?
 - how do we determine what New Zealand's share of action should be?
 - what environmental gains should we pursue and at what cost?
- action needs to take New Zealand's unique circumstances into account

Our context

- the lucky country....
 - 3% annual growth path
 - rapidly growing population (inward migration)
 - 80%+ renewable electricity
 - 40% renewable energy
 - ETS (all sectors, most gases) since 2010
 - gross emissions falling (yes, really!)
 - considered policy making (mostly!)

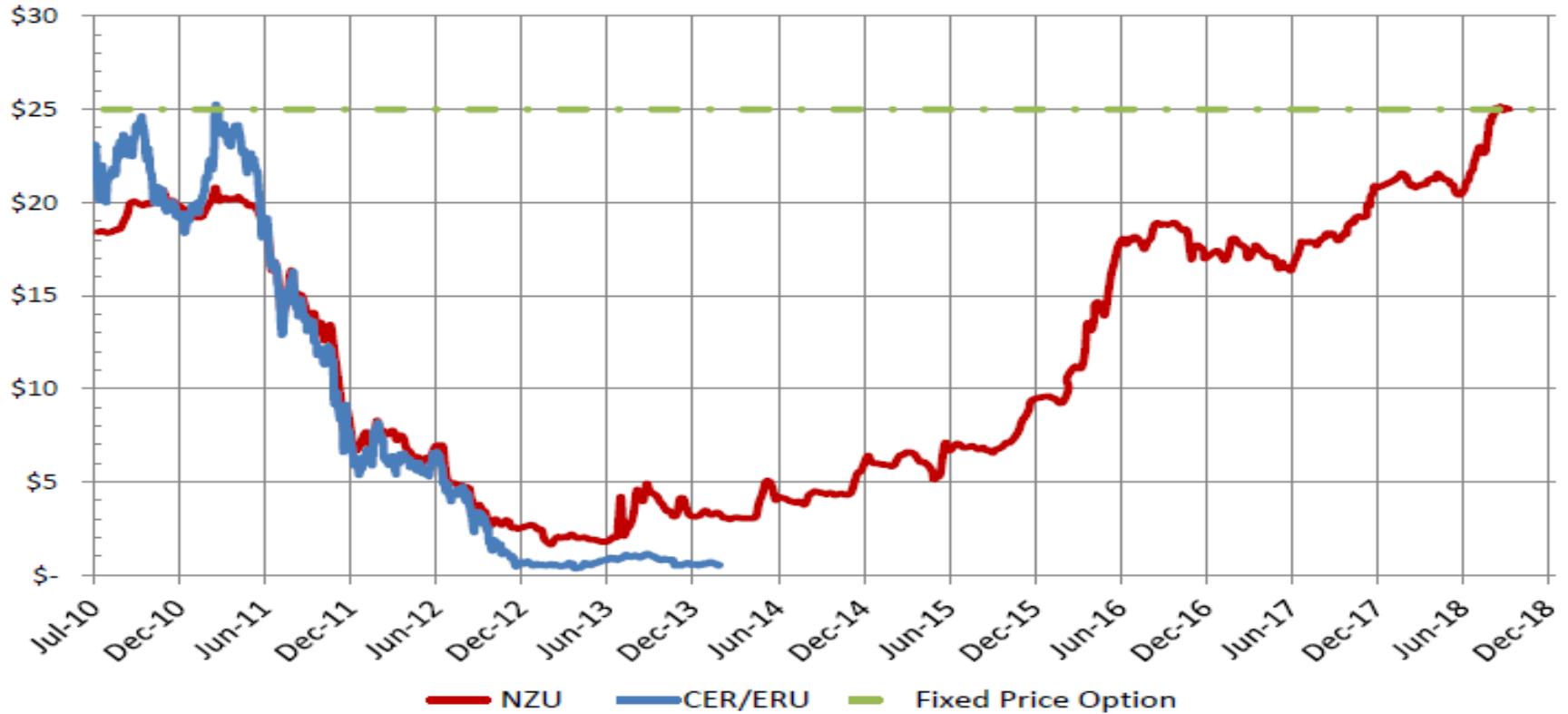
Ambitious targets

New Zealand's net emission from 1990 to 2013, current emission targets for 2020, 2030 & 2050, as well as new proposed net target (red dot)



Source: Ministry for Environment (2015)

NZ ETS Price History (NZD)



Source: FrazerLindstrom Ltd

Business sees...

- both risks and opportunities, more awareness of the 'window of opportunity'
 - it makes good business sense
 - good for NZ-inc brand
- low-CO₂ economy ≠ ETS alone
 - CO₂ pricing only a part of the sustainable business story
 - other factors relevant - changing consumer preferences
 - most New Zealand businesses in the global supply chain

The business challenge

- adjusting to an increasingly emissions-constrained (priced) world while:
 - staying internationally competitive
 - avoiding investment & carbon leakage
- in the face of:
 - moderate and on-going progress at the international negotiations
 - asymmetric implementation of climate change policies across countries

The Climate Leaders Coalition

- initiated in October 2017 by a Founding Group of 14 of NZ's leading CEOs
- launched July 2018 with 60 signatories representing almost half of NZ's emissions
- purpose:
 - a leadership beacon for collective voluntary action & ambitious solutions
 - introduce a positive, opportunities-centric narrative
 - reduce emissions by:
 - holding one another to account for achieving the commitments
 - sharing best practice and leverage existing knowledge
 - growing collective cross-sectoral action
 - building business action through sign up to the Climate Change Statement
- now open to all organisations, not just business
- membership at 69



CLIMATE
LEADERS
COALITION

ON A MISSION TO REDUCE
EMISSIONS IN NEW ZEALAND

WORLD
ENERGY
COUNCIL

BusinessNZ
Energy Council

What business wants

- business is the key solution provider
 - it will be the business community that delivers on targets
- business wants
 - a deeper more mature conversation with Government
 - a more predictable environment that supports business to accelerate change
 - a clear goal, setting out NZ's ambition on climate change

Government's role

- overall policy coherence (puzzle pieces that 'fit')
- signal ambition and provide leadership
 - help catalyse greater effort by business
 - cross-agency collaboration at Ministerial and official level to drive strategically coherent change
- don't fixate on the ETS
 - focus on a wide range of measures
- be the credible provider of data & information
- practice what it preaches
 - require sustainable procurement



@2018APELS #EnergyLeadersSummit2018



2018 Asia Pacific Energy Leaders' Summit 3D Vision - New Energy Perspectives 31 October - 1 November 2018

In conjunction with



About

Programme

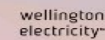
Speakers

Register

Accommodation

Contact

Investment Partners



SUMMIT 2016



TESTIMONIALS 2018



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EXHIBITORS

