

**Climate Change Commission Board Meeting Minutes (Meeting 42)
Tuesday, 21 February & Wednesday, 22 February 2022**

A meeting of the Climate Change Commission Board Members was held in the office of the Climate Change Commission Board Room, Level 21, Aon Centre, 1 Willis Street, Wellington with members also joining via Teleconference Facility. The meeting started on Tuesday 21 February at 9.03am and adjourned at 4.41pm. The meeting reconvened on Wednesday 22 February at 9.01am and concluded at 12.13pm.

Climate Change Commission Attendees:

Dr Rod Carr – Chair
Lisa Tumahai – Deputy Chair
Dr Judy Lawrence
Professor James Renwick
Catherine Leining
Dr Andy Reisinger
Dr Tanira Kingi
Distinguished Professor Steven Ratuva

Invited Attendees:

Jo Hendy – Chief Executive
Anne Jonathan – Executive Assistant
Gemma Lawson – Senior Board Coordinator and Minute Taker

External Guests:

Dylan Shell – virtual Chief Financial Officer, KPMG

Guests:

Alexandra Aimer-Seton – Principal Analyst, Buildings, Industry, Transport and Energy
Alison Cole – Kaiwhakahaere Matua Māori
Amalie Blackman – Analyst, Rautaki Māori
Barry Anderson – General Manager, Sector Analysis
Bevan Hunter – Principal Advisor, Māori Capability
Chris Holland – Principal Analyst, Emissions Budgets
Damian Ryan – Manager, Strategy and Performance
Emily Button - Senior Advisor, Strategy and Performance
Felicia Kolonjari – Senior Scientist
Fran Lovell – Manager, Communications and Engagement
Grant Blackwell – Chief Scientist
Hikurangi Mills – Principal Analyst, Rautaki Māori
Ian Thompson - Build Program Manager

Karen Lavin – Manager, Adaptation
Kerryn Davey – Analyst, Rautaki Māori
Lara Wood – Manager, Corporate Services
Mel Rae – Manager, Emissions Budgets
Sam King – Manager, Land, Agriculture and Waste
Sally Garden – Principal Analyst, Land and Waste
Simon Neale – Manager, Markets
Stephen Walter - General Manager, Emissions Budgets, Adaptation, and Markets
Stuart Dymond – Chief Advisor, Governance and Executive Support
Robin Wilkinson – Senior Advisor, Communications and Engagement
Tia Greenaway – Manager, Rautaki Māori
Paul Young – Senior Analyst, Emissions Budgets

The meeting started at 9.03am on Tuesday 21 February.

Rod Carr, Lisa Tumahai, Judy Lawrence, Andy Reisinger, Tanira Kingi, James Renwick, Catherine Leining, Steven Ratuva, Gemma Lawson and Anne Jonathan joined the meeting at 9.03am.

Agenda Item 1: Board only time

1.0 Board only items

- 1.1 The Board noted the Chief Executive's Performance Review.
- 1.2 The Board noted their concerns about the perceived risk of recreational travel.
- 1.3 The Board noted ongoing discussions on the substantive role of Commissioners.
- 1.4 The Board noted the upcoming dissolution of the National Science Challenges at the Ministry of Business, Innovation and Employment
- 1.5 The Board clarified matters relating to the agenda for the day.

Jo Hendy and Barry Anderson joined the meeting at 9.30am

- 1.6 The Chief Executive noted that a decision is expected on a potential new work stream for the Commission, likely soon.
- 1.7 The Board discussed what might be required if the Commission is tasked with additional workstreams.

Barry Anderson left the meeting at 9.45am

- 1.8 The Board noted the conclusion of the Chief Executive's performance review and remuneration review with the Chief Executive.
- 1.9 The Board noted items raised in the Board Only discussion with the Chief Executive.
- 1.10 The Board noted that external advice is not always shared with Commissioners, but that Commissioners may request access on a case-by-case basis, and when requested, would anticipate that it is subsequently shared with other Commissioners, as appropriate.
- 1.11 The Board noted a discussion on the tone used in artifacts produced by the Commission, particularly as it relates to the broader perception of the role of the commission.

- 1.12 The Board noted a discussion on where the conversation was in terms of offshore mitigation and whether the Commission has a view on this matter.

Barry Anderson, Grant Blackwell, Alison Cole, Simon Neale, Damian Ryan. Lara Wood, Stuart Dymond and Ian Thompson joined the meeting at 9.51am

Agenda Item 2: Welcome and Introductions

The meeting opened with a karakia by Catherine Leining

2.1 Apologies

- 2.1.1 An apology was received from Lisa Tumahai, for the second day of the meeting.
- 2.1.2 No other apologies were received for the meeting.

2.2 New Staff Introductions

- 2.2.1 The Chief Scientist introduced Ian Thompson, the Build Program Manager, to the Board.
- 2.2.2 The Board welcomed new staff to the Commission.

Ian Thompson left the meeting at 9.57am

2.3 Call for Additional Items

- 2.3.1 No additional items were raised.

2.4 Review of Interests

- 2.4.1 The Board noted receipt of the *Interests Agenda Memo*, and the Permissions and Removals Letters, dated 16 and 17 February 2023.
- 2.4.2 The Board noted that details around the interest set out in the letter dated 13 February were still being confirmed and resolved not to note the related letter.
- 2.4.3 The Board noted no conflicts of interest on the meeting agenda.
- 2.4.4 The Board noted and approved the *Public Interests Register as at 14 February 2023*, subject to two minor amendments.
- 2.4.5 The Board noted that a new interest for Andy Reisinger is in the process of being declared, and that Catherine Leining would confirm a minor amendment to an existing interest following the meeting.

2.5 Approve Draft Board Meeting Minutes

- 2.5.1 The Board reviewed the draft Board meeting minutes from 16 November 2022.
- 2.5.2 The Board agreed that subject to the changes discussed, the minutes from 16 November 2022 are confirmed as a true and accurate record of the meeting.
- 2.5.3 The Board reviewed the draft Board meeting minutes from 14 December 2022.

2.5.4 The Board agreed that subject to the changes discussed, the minutes from 14 December 2022 are confirmed as a true and accurate record of the meeting.

2.6 Approve Draft Special Board Meeting Minutes

2.6.1 The Board reviewed the draft special Board meeting minutes from 25 November 2022.

2.6.2 The Board agreed that the minutes from 25 November 2022 are confirmed as a true and accurate record of the meeting.

2.7 Note approved Risk Audit Safety and Health Committee minutes

2.7.1 The Board noted the Risk Audit Safety and Health Committee meeting minutes from 16 August 2022.

2.8 Letters for noting

2.8.1 The Board noted the letter from the Chairperson to the Minister of Climate Change regarding NZ ETS Unit Limits and Price Control Settings, dated 16 December 2022.

2.8.2 The Board noted the letter from the Chief Executive to the Minister of Climate Change re: addendum to 2022 Annual Report, dated 17 February 2023.

2.8.3 The Board noted the letter from the Chief Executive to the Chairperson of Environment Select Committee re: addendum to 2022 Annual Report, dated 17 February 2023.

2.8.4 The Board noted the letter from the Chairperson to the Minister of Climate Change re: response to 2022 advice on ETS settings, dated 17 February 2023

2.9 Other Items - for noting

2.9.1 The Board noted the Budget 2023 documents provided.

2.9.2 The Board noted the submission to the Environment Select Committee from the Chairperson, on the Natural and Built Environment Bill, dated 2 February 2023.

Stephen Walter, Fran Lovell, and Tia Greenaway joined the meeting at 10.15am

2.10 Actions Register

2.10.1 The Chief Executive updated the Board on the actions that were in progress and/or completed.

2.10.2 The Board discussed the closure of 377/2022 and requested it be replaced by a new action, outlining the remaining work (*refer to action item 440/2023*).

2.10.3 The Board discussed the closure of 429/2022 and noted that this can be closed as long as the updated delegations paper is included in the Board Meeting Agenda Horizon report, as a paper for the March meeting.

2.10.4 The Board noted the completed actions and thanked Commission staff for managing the Actions Register.

2.10.5 The Board discussed the ongoing work under action 430/2022.

2.11 Board Meeting Agenda Horizon Report

- 2.11.1 The Chief Executive presented the *Board Meeting Agenda Horizon report* to the Board.
- 2.11.2 The Board noted and discussed the *Board Meeting Agenda Horizon report*.
- 2.11.3 The Board directed that Commission staff provide a proposal on the Board's performance review (*refer to action item 441/2023*).
- 2.11.4 The Board requested that the format of the Board Meeting Agenda Horizon Report be reviewed (*refer to action item 442/2023*).
- 2.11.4 The Board noted the engagements calendar.

Stuart Dymond and Simon Neale left the meeting at 10.27am

The meeting adjourned from 10.30am to 10.37am

The Board Chair and Chief Executive advised that agenda items 4 and 6 would be swapped.

Agenda Item 3: Chief Executive Report

- 3.1 The *Chief Executive Report: 1 December 2022 - 31 January 2023* was taken as read.
- 3.2 The Chief Executive provided the Board with an overview of the Commission's performance during December 2022 and January 2023.
- 3.3 The Board noted a recent development related to item 5 in the Chief Executive's update.
- 3.4 The Board noted and discussed the Chief Executive's Report.
- 3.5 The Board noted that the Board Manual has been finalised and requested that this be updated into Diligent Board resources (*refer to action item 443/2023*).

Agenda Item 4: Maui.Tech - Lunchtime presentation and Q&A

- 4.1 The Manager of the Rautaki Māori team provided an update on the ongoing development of the Maui.Tech website.

Bevan Hunter and Hikurangi Mills joined the meeting at 11.43am

- 4.2 The Board noted and discussed the update on Maui.Tech.

Lara Wood, Fran Lovell and Damian Ryan left the meeting at 11.55am

Kerryn Davey and Amalie Blackman joined the meeting at 11.59am

Agenda Item 5: Mihi whakamanahau for Hikurangi Mills

- 5.1 The Board acknowledged Hikurangi Mills' promotion to a new role as Principal Advisor in Rautaki Maori with a mihi whakamanahau.

Tia Greenaway, Kerryn Davey, and Amalie Blackman left the meeting at 12.15pm

The meeting adjourned from 12.15pm until 12.48pm

Alison Cole, Bevan Hunter and Hikurangi Mills left the meeting at 12.48pm

Agenda Item 6: Progress Update on Statutory Deliverables

- 6.1 The General Manager, Emissions Budgets, Adaptation, and Markets, introduced the attached dashboard reports on ERP2 and ETS.
- 6.2 The Board noted that once an approved scope of work is in place further deliverables will be included in this reporting.
- 6.3 The Board noted and discussed the attached dashboard reports.

Sam King, Felicia Kolonjari and Chis Holland joined the meeting at 1.02pm

Agenda Item 7: Introduction to the 2050 Pathways Projects: the 2050 target Review, Emissions Budget 4, and the International Aviation and Shipping Review

- 7.1 The Chief Scientist presented the Introduction to the 2050 Pathways Projects paper.
- 7.2 The Board noted the Climate Change Response Act 2002 (the Act) requires the Commission to provide advice on Emissions Budget for the period 2036-2040, a review of the 2050 target, on the inclusion of emissions from international aviation and shipping in the 2050 target.
- 7.3 The Board noted that this package of projects has several common features.
- 7.4 The Board discussed and gave feedback on the timeline and on the process of calling for evidence.

Mel Rae, and Paul Young joined the meeting at 1.11pm

Lisa Tumahai left the meeting at 1.18pm

- 7.5 The Board endorsed a call for evidence for the three projects starting in March 2023.

Alexandra Aimer-Seton and Robin Wilkinson joined the meeting at 1.26pm

Agenda Item 8: Initial scoping discussion for 2050 target review advice

- 8.1 The Manager, Land, Agriculture and Waste introduced the initial scoping discussion for 2050 target review advice.
- 8.2 The Board noted the Act requires the Commission to review the 2050 target and recommend changes, if justified.
- 8.3 The Board noted the Act sets out parameters for the review as well as matters that the Commission must consider.
- 8.4 The Board noted that the Commission has some discretion to define the scope of the project within those parameters.
- 8.5 The Board noted the approach proposed in this paper is intended to meet the requirements of the Act.
- 8.6 The Board discussed and provided feedback on the proposed scope of the 2050 Target review, particularly on whether the review include a first principles review of the current 2050 target.

Fran Lovell joined the meeting at 1.39pm

- 8.7 The Board agreed that work begin in line with the proposed scope and direction given in this meeting.
- 8.8 The Board noted that they will be asked to approve the final scope of the 2050 Project review in May 2023.

Lisa Tumahai joined the meeting at 2.18pm

- 8.9 The Board noted that should the call for evidence impact the scope, proposed changes will be brought to the Board.

The meeting adjourned from 2.25pm – 2.30pm
Alison Cole joined the meeting at 2.30pm

Agenda Item 9: Initial scoping discussion for international shipping and aviation inclusion

- 9.1 The General Manager, Sector Analysis introduced the initial scoping discussion for 2050 target review advice.
- 9.2 The Board noted that the Act requires the Commission to advise on whether the 2050 target should be amended to include emissions from international shipping and aviation.
- 9.3 The Board noted that the Act sets out parameters for the advice as well as matters that the Commission must consider.
- 9.4 The Board noted that the Commission has some discretion to define the scope of the project within those parameters.
- 9.5 The Board noted that the approach proposed in this paper is intended to meet the requirements of the Act.
- 9.6 The Board discussed and provided feedback on the scope of the international aviation and shipping project proposed in this paper.
- 9.7 The Board agreed that work will continue in line with the proposed scope and direction given in this meeting.
- 9.8 The Board noted that they will be asked to approve the final scope and initiate the international aviation and shipping project at the August Board meeting.

Mel Rae, Alexandra Aimer-Seton and Robin Wilkinson left the meeting at 2.54pm

Agenda Item 10: Initial scoping discussion for emissions budget 4 advice

- 10.1 The General Manager, Sector Analysis introduced the initial scoping discussion for emissions budget 4 advice.
- 10.2 The Board noted that the Act requires the Commission provide advice to enable the preparation of emissions budget four (2036-2040), and to recommend any necessary amendments to notified emissions budgets.
- 10.3 The Board noted the Act sets out parameters for the advice as well as matters that the Commission must consider.
- 10.4 The Board noted the Commission has some discretion to define the scope of the project within those parameters.

- 10.5 The Board noted the approach proposed in this paper is intended to meet the requirements of the Act.
- 10.6 The Board discussed and provided feedback on the scope of the EB4 2036- 2040 project, proposed in this paper.

Mel Rae joined the meeting at 3.18pm

Barry Anderson left the meeting at 3.30pm

Barry Anderson joined the meeting at 3.40pm

- 10.7 The Board agreed that work should proceed in accordance with the proposed scope and direction presented in this meeting.
- 10.8 The Board noted that they will be asked to approve the scope of EB4 2036-2040 project at the May Board meeting.

Mel Rae, Fran Lovell, Sam King, Felicia Kolonjari and Chris Holland left the meeting at 3.43pm

The meeting adjourned from 3.43pm to 3.55pm

Stuart Dymond and Damian Ryan joined the meeting at 3.55pm

Agenda Item 11: Refreshed 'strategic framework' for Statement of Intent

- 11.1 The Chief Advisor, Governance and Executive Support, introduced the refreshed 'strategic framework' for Statement of Intent (SOI).
- 11.2 The Board noted that the current SOI expires in 2023, and that with three years of experience in delivering the Commission's statutory functions, external feedback on the Commission's performance and funding considerations, it is a good opportunity to refresh the Strategic Framework in the SOI.
- 11.4 The Board noted that the Crown Entities Act requires the Commission's SOI to set out the strategic objectives that it intends to achieve or contribute to.
- 11.5 The Board noted the approach used to refresh the Commission's Strategic Framework, including the development of content through three Board workshops.
- 11.6 The Board noted that the refreshed Strategic Framework will be a core element of a new SOI 2023-2027 and frame the development of the Commission's next Statement of Performance Expectations 2023/2024.
- 11.7 The Board discussed and provided feedback on the content of the refreshed Strategic Framework.

Barry Anderson and Paul Young left the meeting at 4.06pm

- 11.8 The Board noted that, in principle, Board approval at this stage provides opportunity for further refinement, if required, based on external feedback and road testing through the SOI development process.
- 11.9 The Board approved, in principle, the refreshed Strategic Framework, as amended based on feedback received at this meeting.
- 11.10 The Board noted that final approval of the Strategic Framework will be sought from the Board as part of the Statement of Intent process.
- 11.11 The Board agreed to share, for their information, the refreshed Strategic Framework with the Minister for Climate Change, the Commission's monitoring agency (MfE), and any other external stakeholders as agreed by the Chair on advice from the Chief Executive.

Damian Ryan left the meeting at 4.17pm

Agenda Item 12: Pou Herenga

- 12.1 The Kaiwhakahaere Matua Māori introduced the proposed amendments to the Terms of Reference for the Pou Herenga.
- 12.2 The Board discussed the proposed amendments and noted a small number of additional amendments.
- 12.3 The Board approved the updated Terms of Reference for the Pou Herenga, including the amendments discussed, based on the advice received.

Lara Wood joined the meeting at 4.22pm.

Agenda Item 13: Update from the Risk Audit Safety and Health (RASH) Committee

- 13.1 The Chair of the RASH Committee provided an update to the Board from the RASH meeting held on 20 February 2023.
- 13.2 The Chair of the RASH Committee noted that the Committee had referred the financial report from the *Quarterly Finance Update: End of Q2 FY22/23* and the *FY22/23 Financial Forecast (at the end Quarter 2)* paper to the Board.
- 13.3 The Board noted the update on the 20 February 2023 RASH meeting.
- 13.4 The Board noted the financial report from the *Quarterly Finance Update: End of Q2 FY22/23* and the *FY22/23 Financial Forecast (at the end Quarter 2)*.

Agenda Item 14: Judicial Review

- 14.1 The Board noted that there was no update on the Judicial Review.

Agenda Item 15: General Business

- 15.1. No matters were raised.

The meeting adjourned for the day at 4.41pm

The meeting reconvened on Wednesday, 22 February at 9.01am

Rod Carr, Tanira Kingi, Andy Reisinger, Catherine Leining, James Renwick, Judy Lawrence, Jo Hendy, Barry Anderson, Stephen Walter, Alison Cole, Dylan Shell, Stuart Dymond, Damian Ryan, Emily Button, Anne Jonathan and Gemma Lawson joined the meeting at 9.01am

Agenda Item 16: 2022/23 Quarter Two Performance Report

- 16.1 The Manager, Strategy and Performance, introduced the *Quarter Two Performance Report FY 2022/23* paper, and noted some amendments had been suggested earlier in the meeting.
- 16.2 The Board discussed and provided feedback on the Quarter Two Performance Report FY 2022/23.

Steven Ratuva joined the meeting at 9.10am

Paul Young joined the meeting at 9.24am

- 16.3 The Board noted the Quarter Two (1 October – 31 December 2022) progress towards performance measures and financial position.
- 16.4 The Board noted that further amendments may be made to future quarterly reports for FY22-23 to ensure accurate and complete capture of performance data necessary for annual reporting.
- 16.5 The Board approved the provision of the Quarter Two report, subject to the changes discussed, to the Ministry for the Environment in their role as the monitoring agency.
- 16.6 The Board delegated approval of the changes discussed to the Chief Executive.

Grant Blackwell joined the meeting at 10.01am

Dylan Shell, Damian Ryan and Emily Button left the meeting at 10.09am

The meeting adjourned from 10.09am to 10.16am

Mel Rae, Karen Lavin, Sally Garden and Chris Holland joined the meeting at 10.16am

Agenda Item 17: Scoping Paper for Emissions reduction monitoring, National Adaptation Plan progress report

- 17.1 The General Manager, Emissions Budgets, Adaptation, and Markets, introduced the Scoping Paper for Emissions reduction monitoring and National Adaptation Plan progress report.
- 17.2 The Principal Analyst, Land and Waste, continued the introduction of the initial scoping for 2024 Emissions reduction monitoring and National Adaptation Plan progress report.
- 17.3 The Board noted that the Act requires the Commission to monitor progress on emissions reductions and adaptation.
- 17.4 The Board noted the Act sets out parameters for monitoring reports as well as matters that the Commission must consider.
- 17.5 The Board noted the Commission has some discretion to define the scope of the project within those parameters.
- 17.6 The Board noted the approach proposed in this paper is intended to meet the requirements of the Act.
- 17.7 The Board discussed and provided feedback on the framework and approach for the Commission's overall monitoring workstream proposed.
- 17.8 The Board discussed and provided feedback on the initial scope of the 2024 National Adaptation Plan progress assessment deliverable proposed.
- 17.9 The Board discussed and provided feedback on the initial scope of the 2024 Emissions Reduction Monitoring deliverable proposed in this paper.

James Renwick, Tanira Kingi and Judy Lawrence left the meeting at 11.11am

- 17.10 The Board agreed that work should proceed with the proposed scope and direction presented in this meeting.
- 17.11 The Board noted that that they will be asked to approve the final scope and initiate the 2024 annual emissions reduction monitoring report project and 2024 biennial National Adaptation Plan progress report project at the March Board meeting.

17.12 The Board requested feedback on how the Commission staff have taken on the direction from the Board, if it is possible within the existing scope of planned work (*refer to action item 444/2023*).

Jo Hendy closed the meeting with a karakia.

The meeting finished at 12.13pm

These minutes have been accepted as a true and accurate record by the Board of the Climate Change Commission.

Signed: _____



Date: 22/3/2023

Proactively Released