

Te Whakatau Matua Statement of Intent 2023-2027

Presented to the House of Representatives pursuant
to section 149 of the Crown Entities Act 2004



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Working for a thriving, climate-resilient, low emissions Aotearoa New Zealand

Te kupu haepapa | Statement of responsibility

This document constitutes our Statement of Intent (SOI) as required under the Crown Entities Act 2004.

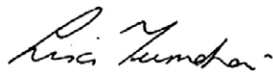
It sets out the Commission's strategic direction for the four years ending June 2027 and details how the Commission will carry out its purposes during this period, as set out in the Climate Change Response Act 2002.

The SOI provides a medium-term outlook (four years) with a focus on the Commission's strategic intentions and how these will be delivered. The SOI should be read alongside our Statement of Performance Expectations (SPE) which has a one-year horizon and sets out what we will deliver and how our performance will be assessed to account for the government funding we receive.

This SOI has been prepared in accordance with the Crown Entities Act 2004.



Dr Rod Carr
Chair



Lisa Tumahai
Deputy Chair

Te karere a te Tumu Chair's message

Ko te tuarua tēnei o ngā SOI a Te Komihana a He Pou a Rangi. He kōrero ki tō mātou rautaki matua mō te whā tau e haere ake nei.

He koni atu rā te mahi a te hurirangi he whakawhiunga nui ki ngā iwi huri i Aotearoa whānui.

He nui tonu ngā waipuke nui i ngā tau 2022 me te tīmatanga o 2023, ka mutu, kua kainga katoatia ngā kāinga, ngā hāpori, ngā pakihi me ngā hangahanga tautoko i a rātou. Ko ō tātou waiparahoaka kei te koero haere, ā, ko ngā kārohirohi moana kei te whakamahana ake i ngā waitai me te pikinga o tēnei āhua. Ko ngā whakawhiunga o te hurirangi he whai pānga ki te taiao, ki ō tātou uri, otirā, tō tātou tauoranga.

Ko ēnei whakawhiunga te tirohanga ki te anamata, heoi, kāhore anō kia titia te mahi whakatika i te hurirangi.

I te tīmatanga o tēnei tau, nā Te Ranga Whakawhanaunga Kāwanatanga mo te Hurirangi i tuku i tōna tohutohu whakamutunga ki ngā Kāwanatanga huri i te ao kia kakama mai ki te whakahekenga o ngā tukuwaro kei tatū te pikinga mahana ki te 1.5 Co, ka mutu, kia taupokina, i te whakawhiunga nui ki te ao.

Kua tīmata a Aotearoa i tōna whakapau kaha ki te whakatika i te hurirangi. Kua poua tūturu nei tētahi tino hangahanga tukanga nā te Ture Urupare Āhuarangi 2002 (CCRA). Ko ngā whakawhiunga a te hurirangi me ngā tino mahi ki te urupare kei roto tūturu i ētahi kōrerorero kei ngā ruma Poari pēnei i ngā tēpū kai. Heoi ano, me nui kē atu te mahi, ā, mō nāia tonu nei.

Nō mātou tonu te whakatika āhuarangi, ā, hei ngā tau e whā kei mua kei te aroaro ngā tino kaupapa

whakawhianga ki tētahi anamata toa, āhuarangi pakari hoki.

I whakatū mātou e toru me te haurua tau ki muri, i Tihema 2019, nā te āmenehana ki te CCRA. E rua ngā take o te ture: he whakarite kupu akiaki, kounga motuhake hoki ki te Kāwanatanga hei kaupare, hei whakapakari hoki i ngā whakawhiunga āhuarangi. Ā, he aromatawai me te arotake i te Kāwanatanga anga whakamua ki ngā whāinga whakaheke tukuwaro me te whakawhianga hoki. I whakatū mātou hei whakarite kōrero tautika, matatika hoki ki ngā tau kōwhiringa maha.

Ko tā mātou kupu akiaki he tohutohu i ngā whakatau o te Kāwanatanga me te whakapiki i te matatika me urunga o te iwi whānui ki ngā kōrero o te Kāwanatanga me tōna anga whakamua ki te whakatika i te āhuarangi. Mā te whakarite i tō mātou kaupapa, ka taea te tuku tukanga āhuarangi pai ki te pae tawhiti me te arotake i ngā whakatanukutanga.

Nā tō mātou oroko, kua tukuna e mātou tētahi kupu akiaki ki te NZ ETS; te utu tukuwaro ahuhenua; te kupu taketake o Inaia tonu nei: he anamata tukuwaro iti, ā, he kōrero ki ngā tahua tukuwaro tuatahi e toru nei, me te mahere whakaheke tukuwaro tuatahi. Kua tukuna hoki tētahi kupu akiaki ki te terenga roa whakaheke tukumēwaro, waihoki ki tā Aotearoa whakahou i te 2030 Takoha Whakarite a te Motu.

E mārara ana te CCRA he pēhea te eke me te whakaū i te ahunga 2050. Me ruku ki te kume i ngā tino taunakitanga me ngā aromatawai, me te whakawhānui i te tirohanga ki ngā whakawhiu a te hurirangi, ka mutu, me te whakawhiu o tēnā mahi ki a Aotearoa. Mā tēnei, ka tiro punaha whānui nei me te whai māramatanga ō mātou kupu akiaki ki te Kāwanatanga me ngā

Kaunihera, ki ngā uri me ngā kāinga, ki te rāngai pakihi me ngā hapori, ki te iwi Māori me tō tātou ōhanga, tō tātou taiao i te onamata me te anamata.

Ko tā mātou mahi he whakatina i tō mātou whakaū ki te uiui me te whiriwhiri kōrero tūmatawhānui. E whai take, e whai tikanga, e whai māramatanga tō mātou kupu akiaki, me whai waahi atu o mātou arotake, arohaehae hoki ki te whānuitanga o ngā tirohanga huri noa i te motu. He kotahi tonu te aronga, te mahi tahi ki ētahi atu hei whakawhanake i te tirohanga ki ngā taumahatanga me ngā mea hei panoni.

Ko tā CCRA me whiriwhiri te tūhononga Karauna ki te Māori ki o mātou mahi katoa, mā roto mai hoki i tētahi tikanga tūhono ki te iwi Māori me te whai whakaaro nui ki te whakawhiu a te hurirangi ki te iwi Māori. Kua whakatū mātou i te pou Māori a Pou Herenga, hei tohu ārahi i ngā kaikomihana.

I roto o Ināia tonu nei, ka whakatauria e mātou he huarahi ka taea, he iti te utu, ā, he huarahi ka whakaaetia e te hapori, arā o te whakaheke tukuwaro ki Aotearoa.

Hei ngā tau e whā e haere mai nei ka whakaatu i ngā āheinga me ngā taumahatanga. E takamuri ana te noho o Aotearoa ki ētahi o a mātou tino hoa hokohoko e whai nei i ngā whakaheke rehukino, te utu tūmatawhānui ki te whakaheke tukuwaro, me te whai hangarau whakaheke tukuwaro.

Mō nāianei, he āheinga tō mātou. He nui tonu ngā mana tukanga e taea te tautoko i a Aotearoa kia kotahi, ā, kia whai kōwhiringa pai ki te āhuarangi. Ki te kore te tukanga e tere, ka takamuri te mahi ki ngā whakatikahanga āhuarangi – ā, ko tōna whiu ki te katoa ki ngā pakihi ka whai hua me te whai mahere ki te anamata e ngā hapori.

Ko tā mātou aromatawai he whakaatu atu he nui tonu te mahi hei tutuki i te tahua tukuwaro me ngā whāinga āhuarangi pae tawhiti. Ko ngā whakatau whakaritea mō te inamata, ka whai pānga ki te anamata.

Hei ārahina ngā whakatau tukanga ki ngā whā tau kei mua kei te aroaro, ko tā mātou he whakarite i tō tātou ture karapīpiti nui kē nei te o nāianei. Hei tauira, ka tukuna e mātou tētahi kōrero ki te ahunga matua o tā te Kāwanatanga mahere tuarua ki te whakaheke tukuwaro, he kōrero ki te tuawhā o ngā tahua tukuwaro me te arotake tuatahi o te ahunga 2050. Ka tuku hoki i o mātou arotakenga tuatahi ki ngā whatanukutanga a te Kāwanatanga ki te whakaheke tukuwaro e hāngai nei ki ngā tahua tukuwaro me te ahunga 2050, tōna whakaterenga, tōna whatanuku me tōna whai take ki te Mahere Urutau ā Motu.

E whakahī ana ahau ki ngā whāinga kua tutuki kē nei e te Komihana. Ko te tirohanga whakamua, he anga ki te whakapiki i ā mātou hononga me te āhua o tana whakahaere. Ka anga hoki ki te whakakaha i ngā tūhononga matua, te whakarite taunakitanga, me te whakawhānui i te māramatanga kia horopaki kotahi tō mātou arotakenga. Ka anga hoki ki te whakapiki ake i tō mātou arotake, ngā pūnaha o roto hei hanga, me te āhua o tōna kawē kōrero hoki

I ā matou mahi katoa, ka ārahina mātou e tō mātou mana kia tū Motuhake, kua tuia ki te taunakitanga, te arotakenga me te kōrero tohutohu. Mā te motuhake ka taea e mātou te tūtohu i ngā mea kāhore e tika ana, arā hoki he tuku kupu akiaki mō te anga whakamua. Ko tō mātou kupu akiaki, motuhake nei he aro ki te kaupapa wai take, kaua ko te kaupapa rongonui. E whakapūmau ana mātou kia tuku matatika ki ngā iwi o Aotearoa ngā whatanukutanga ki tētahi ao pakari, ao whakaheke tukuwaro i Aotearoa nei.

This is He Pou a Rangi Climate Change Commission's second Statement of Intent. It sets out our strategic direction over the next four years.

More than ever, climate change is impacting the lives of people in Aotearoa New Zealand.

Multiple severe flooding events over late 2022 and early 2023 have left a lasting impact on households, communities, businesses, and the infrastructure that supports them. Our glaciers are retreating, and marine heatwaves are warming our coastal waters with increasing frequency. The impacts of climate change are affecting our environment, our lives, and our livelihoods.

These events are a glimpse into a future where we have not taken sufficient action on climate change.

Earlier this year, the Intergovernmental Panel on Climate Change delivered a final warning to the world's governments on the need to swiftly and drastically reduce emissions to limit warming to 1.5°C and limit irrevocable damage to the world.

Aotearoa New Zealand has begun to make progress on addressing climate change. Critical climate policy architecture, founded in the Climate Change Response Act 2002 (CCRA), is in place. The impacts of climate change and the actions needed to respond are now commonly part of discussions around boardrooms as well as around dining tables. But more action is needed, urgently.

Climate action is in our own self-interest and the next four years will be crucial for the transition to a thriving, climate-resilient future.

We were established just over three-and-a-half years ago, in December 2019, as part of amendments to the CCRA. Our legislative purpose is twofold: to provide independent expert advice to the Government on mitigating climate change and adapting to its effects,

and to monitor and review the Government's progress towards Aotearoa New Zealand's emissions reduction and adaptation goals. We were established to provide consistent and impartial advice across multiple electoral cycles.

Our advice informs Government decisions and increases public transparency and accessibility of information about the Government's progress on climate change action. By delivering on our purpose, we help deliver long-term effective climate policy and enable progress to be assessed.

Since our establishment, we have released advice on the New Zealand Emissions Trading Scheme; agricultural emissions pricing; and the foundational *Inaia tonu nei: a low emissions future*, which included advice on the country's first three emissions budgets, and the first emissions reduction plan. We have also delivered advice on long-term methane emission reductions, and Aotearoa New Zealand's revised 2030 nationally determined contribution.

The CCRA makes clear that how we get to and sustain the 2050 target matters. It requires us to draw from the best available evidence and analysis and to think broadly about the impacts of climate change and the implications for Aotearoa New Zealand over time. In doing so, we take a wide, systems view so we understand what our advice will mean for central and local government, for individuals and households, for business sectors and communities, for Iwi/Māori, and for our economy and our environment now and into the future.

Our work is strengthened by our commitment to open engagement and consultation. For our advice to be relevant, usable, and practical, our analysis and judgements need to be informed by a range of diverse perspectives from across the motu. We take an inclusive approach, working collaboratively with others so we can grow shared understanding of the challenges and changes required.

The CCRA requires that we must consider the Crown-Māori relationship across all our work, including through engaging with Iwi/Māori and giving specific consideration to the impacts of climate change on Iwi/Māori. We have established a Māori advisory body, the Pou Herenga, to support Commissioners with this.

In *Inaia tonu nei*, we concluded that there are achievable, affordable, and socially acceptable pathways for reducing emissions in Aotearoa New Zealand.

The next four years will present opportunities and challenges. Aotearoa New Zealand is falling behind some of our major trading partners in delivering sustained greenhouse gas reductions, public investment in emissions reduction, and take-up of emissions reducing technology.

For now, we have an opportunity. There are many policy levers that can be used to support New Zealanders to collectively make better climate choices. If policy doesn't keep pace, action on climate change will fall behind - this could affect everything from businesses' profit to communities' ability to plan for the future.

Our analysis shows that there is still much to do if we are going to meet the next emissions budget and our longer-term climate goals. The decisions made now will have consequences for the future.

To help guide policy decisions over the next four years, we will deliver some of our most consequential legislated work to date. For example, we will provide advice on the strategic direction of the Government's second emissions reduction plan, advice on the fourth emissions budget and a first review of the 2050 target. We will also deliver our first assessments of the Government's progress towards reducing emissions in line with emissions budgets and the 2050 target, and on the implementation, progress, and effectiveness of the National Adaptation Plan.

I am proud of the work the Commission has already delivered. Looking ahead, we will continue our focus on improving how we connect and how we deliver. We will focus on strengthening key relationships, evidence-gathering, and building a shared understanding of the context for our analysis. We will also work to continuously improve our analysis, the internal systems we use to develop it, and how we communicate it.

In all that we do, we will be guided by our mandate to act independently, based on evidence, analysis, and consultation. Being independent enables us to call attention to things that don't stack up, as well as provide advice on the way forward. Our independent advice is based off what is effective, not what is popular. We are committed to providing transparency for the people of Aotearoa New Zealand about the progress being made towards a climate-resilient, low emissions Aotearoa.



Dr Rod Carr, Chair

30 June 2023



He Pou a Rangi: te mātāi matua | The Commission at a glance

Our vision	<ul style="list-style-type: none">• A thriving, climate-resilient and low emissions Aotearoa New Zealand
Our legislation	<ul style="list-style-type: none">• We were established in 2019 by an amendment to the Climate Change Response Act 2002 (CCRA)¹
Our purpose	<ul style="list-style-type: none">• We provide independent, expert advice to the Government on mitigating climate change and adapting to its effects• We monitor and review the Government's progress towards its emissions reduction and adaptation goals
How we work	<ul style="list-style-type: none">• The CCRA prescribes a repeating cycle of advice, monitoring and assessment reports that we develop and deliver through time to support the Act's purpose – we refer to these as our statutory deliverables• Our work can have a long-term impact for all of Aotearoa New Zealand, so we engage, partner, and consult with relevant stakeholders• We need to understand the specific impacts of our advice on Iwi/Māori, so we seek to build relationships to incorporate te ao Māori perspectives into our work• We use our independent analysis and expert judgement to advise the Government on climate mitigation and adaptation action, and we monitor progress to reduce emissions and adapt to climate change• We learn as we go, adapting and improving how we develop and communicate our statutory deliverables over time
Our people	<ul style="list-style-type: none">• We are eight Commissioners supported by a secretariat with expertise in natural and social sciences, economics, policy, modelling, communication, and other relevant fields
Our legal status	<ul style="list-style-type: none">• We are an independent Crown entity subject to the Crown Entities Act 2004• We are accountable to the Minister of Climate Change for our performance• Our monitoring agency is the Ministry for the Environment

¹ Climate Change Response (Zero Carbon) Amendment Act (2019)
<https://www.legislation.govt.nz/act/public/2002/0040/latest/DLM158584.html>



He Pou a Rangi
Climate Change Commission

He Pou a Rangi - Ingoa Māori

At its simplest, He Pou a Rangi can be translated as 'a pillar of the sky'.

Pou can uphold, provide a point of connection, protect, and provide stability. In a te ao Māori view, pou provide a two-way connection, upholding and uplifting what is above, but also connecting and grounding with what is below. Pou connect Ranginui, the sky father, to Papatūānuku, the earth mother. He Pou a Rangi Climate Change Commission is honouring this connection and, in turn, has a duty to care for it.

The use of 'He' Pou rather than 'Te' Pou recognises that we are one of many pou or organisations working to address climate change and transition Aotearoa New Zealand to a thriving, climate-resilient, low emissions future.



Te Tuatahi: Te heremahi | Section 1: Our mahi



Te ohu me ōna here | Who we are and what we do

He Pou a Rangi Climate Change Commission is an independent Crown entity with advisory, monitoring and review functions.

Our purpose

We were established in 2019 by an amendment to the Climate Change Response Act 2002 (CCRA) to deliver two core services to successive governments. These are defined in our legislated purpose,² which requires us to:

- **provide independent, expert advice to the Government** on mitigating climate change (including through reducing emissions of greenhouse gases) and adapting to the effects of climate change; and
- **monitor and review the Government's progress** towards its emissions reduction and adaptation goals.

We do not set policy and the Government has no obligation to accept our advice. Under the CCRA, however, for much of our advice, the Government must provide a public response (including reasons for any departure)³ or consider it in its decision-making⁴. These obligations help ensure our advice is given due consideration by the Government.

Providing public benefit

All of our advice, including our monitoring reports, as well as our analytical models (as appropriate), is published. This provides a public benefit for all New Zealanders by contributing transparent, independent, expert analysis to the public domain.

We are not mandated nor funded to provide public education on climate matters, nor are we an advocacy body. However, the public availability of our independent advice, the disclosure of the principles and framework that underpins it, and our engagement with people across the motu can help inform public conversations and enable individual and collective climate action. This supports broader efforts to achieve Aotearoa New Zealand's climate mitigation and adaptation goals beyond those driven directly by government decisions.

Our legislative functions

The CCRA sets out our functions which define our core work programme.

These functions create an obligation for us to perform specific tasks – our statutory deliverables – within prescribed timeframes. The legislative specificity of our work makes us relatively unique among public agencies in Aotearoa New Zealand.

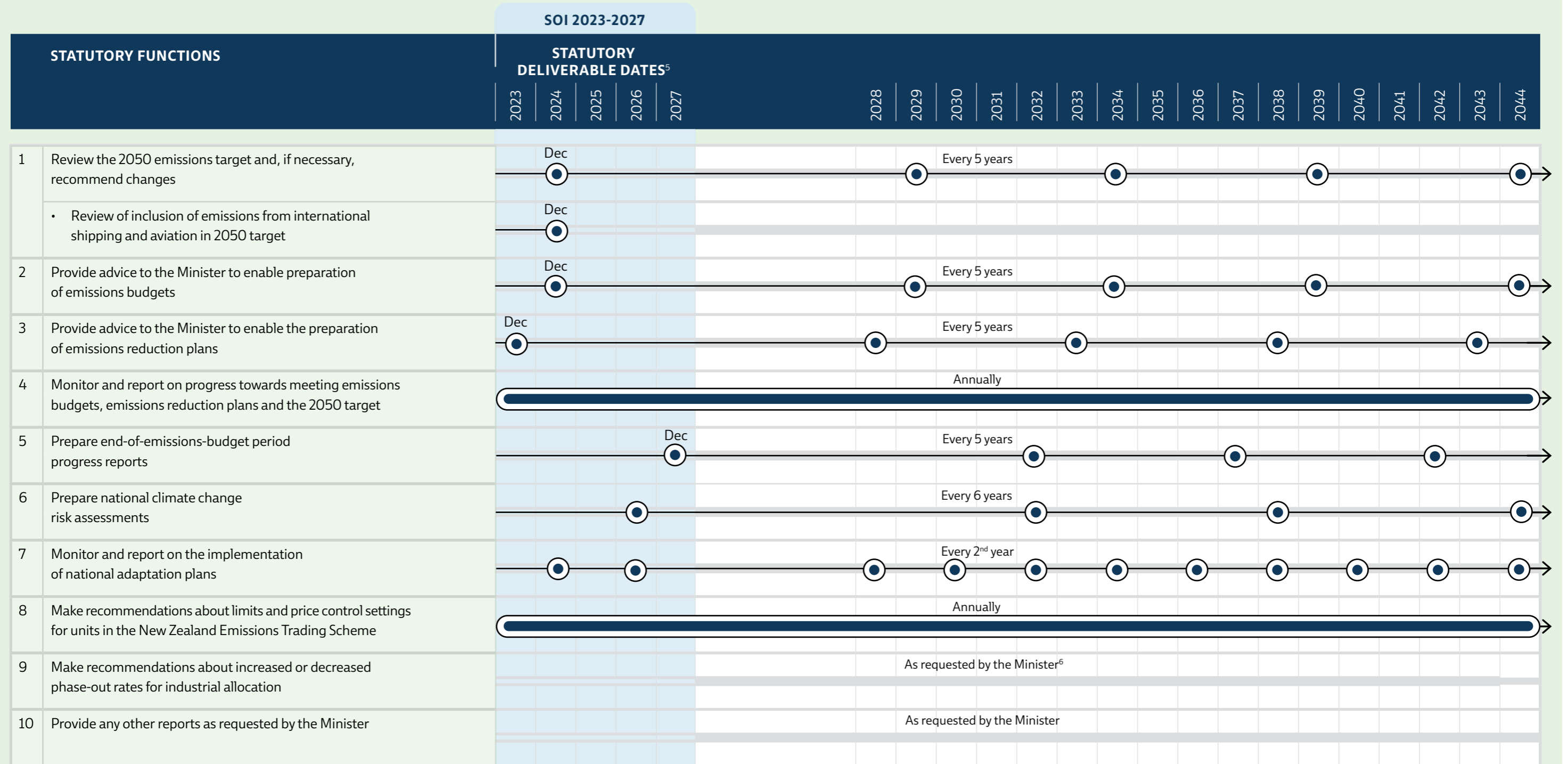
Figure 1 maps our functions and statutory deliverables over the next two decades and highlights those that will be the focus during the period of this Statement of Intent.

² CCRA, 2002, Part 1A, s 5B (a) (b)

³ See, for example, the CCRA, ss 5U, 5ZB(3)(a), 5ZS, 5ZL(2) and 5ZV.

⁴ See, for example, the CCRA, ss 5ZE(5), 5ZI(1)(a), 5ZL(2), 30GC(5)(e), 84C(3)(j).

FIGURE 1:
OUR STATUTORY FUNCTIONS AND DELIVERABLES MAPPED THROUGH TIME



5 These dates reflect the latest time by which the deliverable must be provided. In some cases, there is also the possibility of the Commission providing advice at other times under certain circumstances.
6 Increases must be decided before the start of the emissions budget period in which they will apply from 2026 onwards; and decreases before the start of the year in which they will apply from 2031 onwards.

In addition to our statutory deliverables, the Minister of Climate Change can request, at any time, that we prepare reports to the Government on matters relating to emissions reduction and climate adaptation⁷.

In carrying out our work, our priority is always to deliver on our functions as defined in the CCRA.

Matters we must consider

Like all people and entities with powers, discretions, and duties under the CCRA, we must exercise our powers, discretions and carry out our duties in a manner consistent with the purpose of the Act.⁸

The CCRA also places specific obligations on us relating to our functions. ‘Matters we must consider’ is one of the most substantive and wide-reaching duties⁹. It requires that, as appropriate, we take account of a set of issues when developing our advice and monitoring work, namely:

- current available scientific knowledge
- existing and anticipated technology, including cost and benefits of early adoption
- likely economic effects
- social, cultural, environmental, and ecological circumstances, including differences between sectors and regions
- distribution of benefits, costs, and risks between generations
- the Crown-Māori relationship, te ao Māori, and specific effects on Iwi and Māori (see Box 1)
- responses to climate change, taken or planned, by other Parties to the Paris Agreement.

7 CCRA, 2002, Part 1A, s 5K

8 CRRA, s 3(1).

9 CCRA, 2002, Part 1A, s 5M

10 CCRA, s5M(f)

11 CCRA, s5H(2)

12 CCRA, s5N

13 <https://www.publicservice.govt.nz/assets/DirectoryFile/Enduring-Letter-of-Expectations-to-Statutory-Crown-Entities.pdf>

BOX 1

GIVING CONSIDERATION TO THE CROWN-MĀORI RELATIONSHIP, TE AO MĀORI AND EFFECTS ON IWI/MĀORI

The CCRA provides specific direction to us in regard to Iwi/Māori. In performing our functions and duties and exercising our powers, we must consider, where relevant, the Crown-Māori relationship, te ao Māori, and specific effects on Iwi and Māori¹⁰. The CCRA defines te ao Māori as “the Māori world” and includes references to mātauranga Māori, te reo Māori, and tikanga¹¹. The Act also requires that we must proactively engage and consult with mandated Iwi/Māori representatives¹².

As an independent Crown entity, we have a role to support Crown-Māori relations, and to take a good-faith and collaborative approach to Crown-Māori relationships. This role is set out in the Enduring Letter of Expectations to Crown entities from the Ministers of Finance and for the Public Service¹³.

Our commitment to supporting Crown-Māori relationships is demonstrated in a variety of ways including:

- Having a dedicated Rautaki Māori team to provide analytical input on Iwi/Māori perspectives into all our advice, and to lead our engagement and consultation with Iwi/Māori.
- Establishing a Māori advisory body, the Pou Herenga, to support the Commission.
- Building the cultural capability of our staff, including knowledge of the Crown-Māori relationship, te ao Māori, mātauranga Māori, te reo Māori, and tikanga Māori, and the Aotearoa New Zealand historical context.

Consultation

The CCRA specifies that we need to engage, and in some cases consult, on our advice. There are two parts to this. The first is that we “must proactively engage with persons we consider relevant to our work”.¹⁴ This encompasses Iwi/Māori. Our engagement also includes a broad range of people across our communities, including business and industry representatives, non-profit organisations, local government, scientists, youth, and community leaders.

Our proactive engagement is led by our Chair and Chief Executive, but all Commissioners, as well as relevant staff, are also actively involved, especially in their areas of expertise.

The second part requires us to consider whether public participation is necessary. Where we consider it is, we invite public submissions on discussion papers or draft reports that we have made available. For some aspects of our work the CCRA requires mandatory public consultation. Our next emissions reduction plan advice and emissions budget advice, due in December 2023 and 2024 respectively, fall into this category.

Our independence

The CCRA places a duty on us to act independently in performing our functions and exercising our powers.¹⁵ This means we make our own independent judgements, consistent with the CCRA, in developing our advice; from initial scoping, through engagement, consultation, and analysis, and in our final recommendations to the Government.

Our advisory and monitoring independence is reinforced by our status as an independent Crown entity. This means that we are generally independent of government policy and not subject to Ministerial direction except where required by legislation.

Our independence is critical to what we do. It ensures that we can provide consistent, impartial, expert climate advice and monitoring functions, across multiple electoral cycles, without fear or favour, to successive governments. By doing so, we help to deliver the objectives set out in the legislative purpose of the CCRA¹⁶, including to support the development and implementation of clear and stable climate change policies.

¹⁴ CCRA, s 5N(1)(a).

¹⁵ CCRA, 2002, Part 1A, s 50

¹⁶ CCRA, 2002, Part 1, s 3

Te kōtuia o ngā mahi | Context for our work

International context for domestic action

Our work is domestically focused but is informed by international climate efforts.

Our enabling legislation, the CCRA, was established and has been subsequently amended, to enable Aotearoa New Zealand to meet its international climate obligations under the United Nations’ three climate treaties: the 1992 Framework Convention on Climate Change, the 1997 Kyoto Protocol, and the 2015 Paris Agreement.

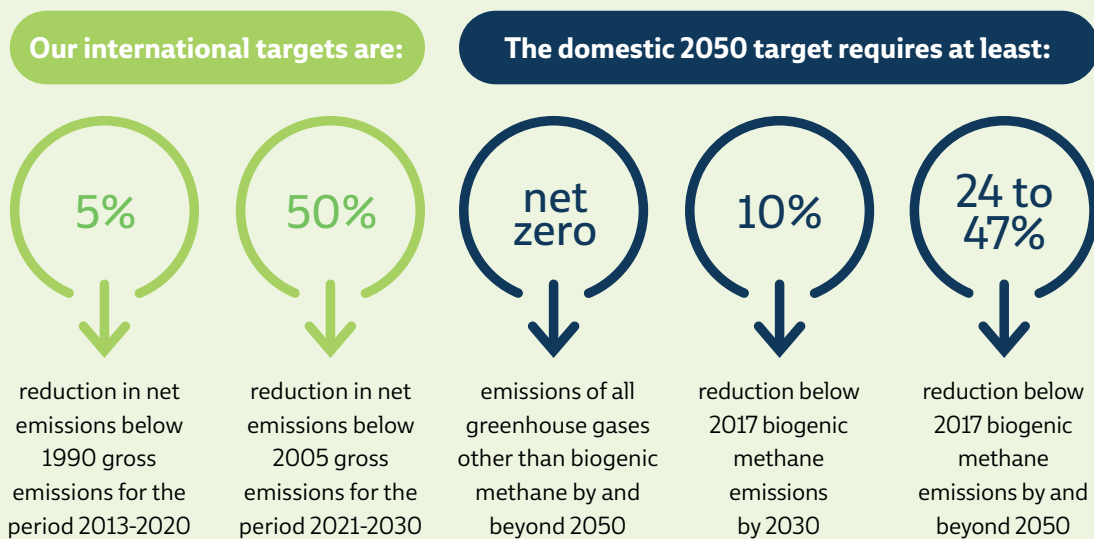
The Paris Agreement has driven much of Aotearoa New Zealand’s key legislative changes in recent years through the international commitments it has created. The agreement established the goal of limiting global average temperature increase to well below 2°C above

pre-industrial levels, while pursuing efforts to limit the increase to 1.5°C above pre-industrial levels. It also established a global goal on adaptation – of enhancing adaptive capacity, strengthening resilience, and reducing vulnerability to climate change in the context of the temperature goal of the Agreement – and sought to strengthen national adaptation efforts.

The 1.5°C goal is reflected in our domestic legislation through the passing of the Climate Change Response (Zero Carbon) Amendment Act 2019.¹⁷ This commits Aotearoa New Zealand to a long-term emissions reduction target for 2050 and requires the Government to prepare for, and adapt to, the effects of climate change.

Aotearoa New Zealand’s domestic and international targets for reducing greenhouse gas emissions are set out in Figure 2 below.

FIGURE 2:
AOTEAROA NEW ZEALAND’S INTERNATIONAL AND DOMESTIC EMISSIONS TARGETS

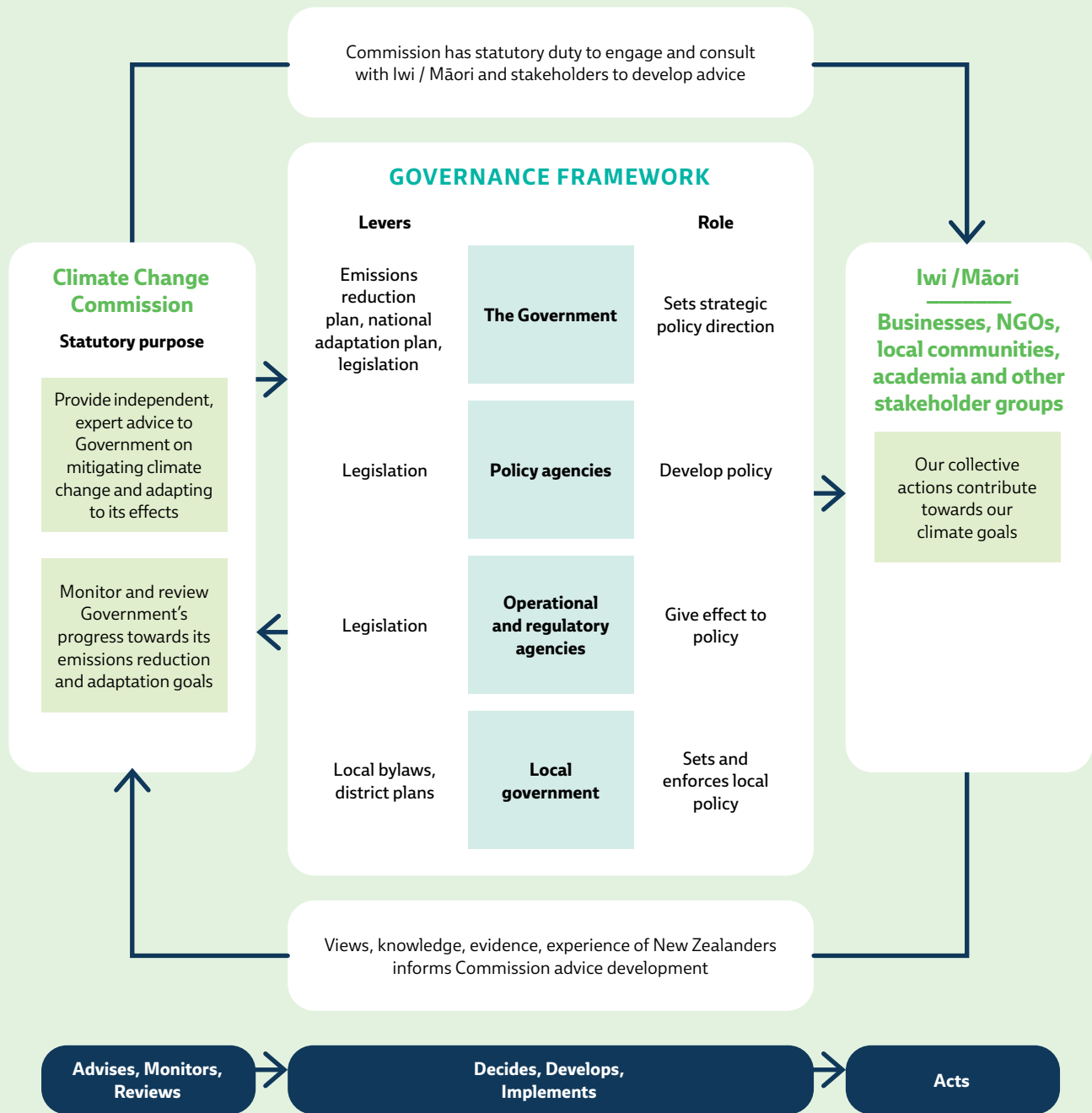


¹⁷ See CCRA s3 (1)

FIGURE 3:

OUR ROLE IN AOTEAROA NEW ZEALAND’S CLIMATE POLICY AND ACTION SYSTEM

Upholds - Te Tiriti Waitangi | Treaty of Waitangi principles of partnership, participation, protection and equity



Aotearoa New Zealand's climate policy and action system

As the independent climate change advisor to the Government, we have a unique role in helping enable climate action in Aotearoa New Zealand. However, our work is not conducted in isolation.

Our advice is dependent on input from and engagement with other entities that form part of the broader climate policy and action system in which we operate. As illustrated in Figure 3, we work, engage, and consult with groups and communities across the motu. This helps to ensure our advice is robust and informed by the experience, knowledge, needs, and insights of those affected by climate change policy and by our changing climate.

Our operating environment

Over the period of this SOI, our operating environment will be affected by a range of factors. Some of these are not possible to predict, but we know others are already shaping Government, Iwi/Māori, and stakeholder decisions and actions.

- **The growing reality of climate impacts for New Zealanders:** Extreme weather events have brought home the vulnerability of many communities and brought a sharper focus to the reality of an already changing climate.
- **There is an emergent discussion on the investments required for adaptation:** The pace and scale at which Aotearoa New Zealand will need to adapt will largely be driven by ongoing emissions, the shrinking space over time in which to take effective action, and the world's collective ability to reduce emissions to meet the Paris Agreement goals.
- **The need for climate action is mainstream:** New Zealanders are concerned about climate change, fuelled by concerns about its impacts now and in the future. Our monitoring function will help New Zealanders track and understand whether action is occurring at the speed and scale required.

- **There are many possible pathways to reach the 2050 target:** Aotearoa New Zealand faces challenging decisions about the shape, speed, and drivers of change across sectors and time. The implications of different options need to be understood to ensure the transition is ambitious, achievable, and equitable. Our independent analysis, informed by engagement and consultation, can help support evidence-based discussion and decision-making.
- **The declining cost of low and zero emissions mitigation technologies:** This will help drive faster adoption rates and by extension faster emission reductions. Our analysis and advice will need to be agile to account for these changes.

Delivering on our advice, monitoring, and assessment functions

Over the course of our first SOI, our primary focus was establishing our advice function and delivering our first statutory advice to Government.

During our second SOI period, we will complete establishment of our monitoring, review and assessment functions, and deliver our first reports in these areas. These will cover the Government's progress towards meeting emissions budgets, emissions reduction plans, the 2050 target, and adaptation plans. Our first two monitoring reports are due in 2024. We will also provide our first climate risk assessment to the Government, which is due in 2026.

This phase marks an important shift from producing a relatively small number of outputs sequentially, to a complex, multi-project, multi-year programme of work. This will require a further maturing of the Commission, including strengthening our engagement and consultation capabilities, our core analytical functions, and the organisational planning, corporate services, legal and governance systems that enable and support everything we do.

Te Tuarua: Te kōtukutuku roa | Section 2: Our strategic framework and intentions



Te rautaki kōtukutuku | Our strategic framework and intentions

Our work over the next four years will be guided by our new Strategic Framework.

The Strategic Framework has two principle parts:

- a long-term enduring core which describes the nature of our work over decades
- strategic intentions which articulate how we will seek to improve the delivery of our work over the medium-term.

Figure 4 describes the strategic intentions.

Figure 5 describes the full Strategic Framework.

Long-term enduring core

The core of the framework is anchored by our statutory responsibilities under the CCRA. This core is embedded within our operating context of Te Tiriti o Waitangi | Treaty of Waitangi, and the broader context of international climate action. The key elements within the long-term enduring core are:

- **Our statutory purpose** (delivery of advice and monitoring functions) – defines the role that we play as an independent, expert advisor to Government.
- **Our outputs** – referred to as our statutory deliverables flow directly from our purpose and functions as prescribed in the CCRA. Their development and delivery is informed by

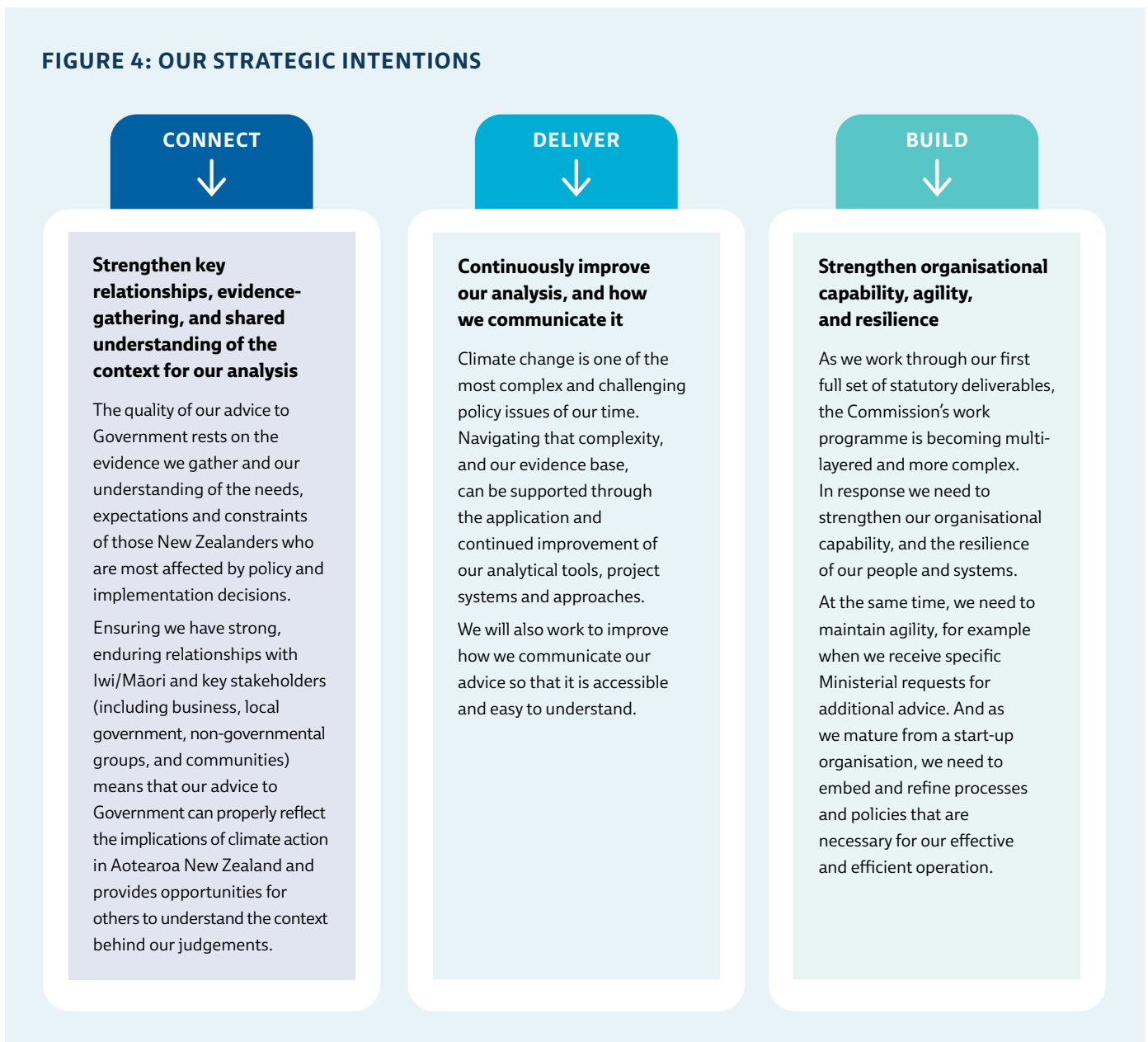
our specific legal duties under the CCRA (as well as our legal duties as an independent Crown entity) and enabled by our core organisational systems. All of this is underpinned by the extent of our function to uphold Te Tiriti consistent with the Commission’s mandate.

- **Our impacts** – both direct and indirect follow from the delivery of our outputs. Our first direct impact is enabling the Government to take well-informed decisions on climate policy and actions. Our second direct impact is to increase public transparency and accessibility of information about the Government’s progress on climate change action. Indirectly, we also support New Zealanders’ collective actions through our engagement, consultation, and the publication and communication of our statutory deliverables.
- **Our outcomes** – are the result of efforts and actions by many other actors in the climate system in addition to our own. They are achieved over the long-term and through repeated cycles of our statutory advice and monitoring deliverables. They are descriptions of what success will look like for Aotearoa New Zealand if we fulfil our advice and monitoring roles as intended.
- **Our vision** – a thriving, climate-resilient and low emissions Aotearoa New Zealand.

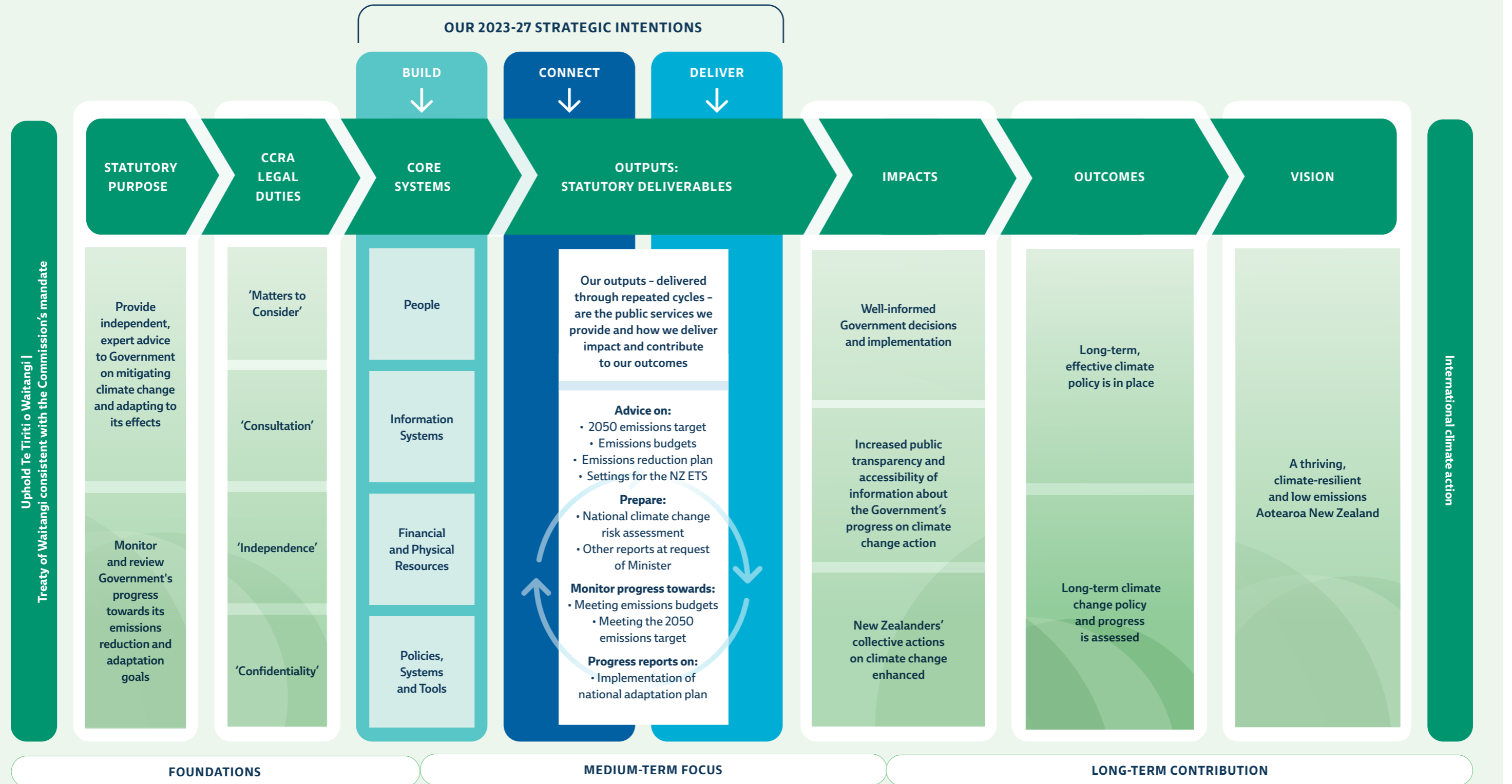
Strategic intentions

Our three strategic intentions for 2023-27 – Connect, Deliver, Build – describe our medium-term objectives for improving our performance with respect to the production of our statutory deliverables and the strengthening of our organisational foundations (Figure 4). Boxes 2 and 3 (pages 22 and 23) provide further detail on how we approach our work to meet our intentions. The overarching goal of our strategic intentions is to maximise the public benefit we provide to New Zealanders by enhancing our effectiveness and efficiency as a public agency in everything we do.

FIGURE 4: OUR STRATEGIC INTENTIONS



**FIGURE 5:
STRATEGIC FRAMEWORK**



BOX 2

Connecting is what we do

**We know how we develop our advice is as important as what our advice says.
That is why we place engagement and consultation at the heart of what we do.**

We listen and have conversations with New Zealanders. The advice we develop can have a long-term impact for Aotearoa New Zealand and all who live here. Because of this, we need to understand and consider the various perspectives across Aotearoa New Zealand, whether in business, communities, or academia. Our engagement is two-way, ongoing, and scaled to the scope of the advice we provide.

We work to understand the specific effects for Iwi/Māori, so we build relationships with Iwi/Māori in developing our advice and incorporate te ao Māori into our approach. We recognise the importance of the Crown-Māori relationship under Te Tiriti o Waitangi | Treaty of Waitangi and seek to understand and incorporate the aspirations of, and impacts on, whānau, hapū and Iwi.

Ensuring high quality engagement and consultation allows us to gather data

and information that is relevant and comprehensive. This forms the basis for robust, evidenced-based analysis that underpins all our advice to Government. Quality engagement and consultation also allows us to explain the context for our analysis and our expert judgements. This transparency helps to build trust and confidence in our advice.



BOX 3

Delivering high-quality advice

For our mahi to help guide the transition to a thriving, climate-resilient and low emissions Aotearoa New Zealand, people need to have confidence in our analysis and conclusions. Quality assurance aims to ensure that the work we do and the advice we give is of high quality and serves that purpose.

Our commitment to quality applies to everything we do. Producing high-quality work is everyone's responsibility – while the functions and outputs of our business groups are different, there is still a need to produce work that meets our quality standards and stakeholder needs.

To guide our approach to quality, we have drawn upon three key high-level principles. Whatever task or output is being produced by our different business groups these same principles apply:

- The extent of quality assurance should be proportionate to the complexity and risks associated with the intended use of analysis.
- Quality assurance considerations should be considered throughout the life cycle of the analysis and not just at the end.
- Quality assurance is more than checking analysis is error-free and meets expected standards (verification). It must also include checks that the analysis is appropriate – that it is fit for the purpose for which it is intended to be used (validation).

We use a Board-approved quality assurance process for all our advice. This approach requires that a quality assurance plan is developed and followed for each piece of advice as it progresses, and which actions can be checked against before the advice is approved for release. The quality assurance checks include verification of underlying accuracy and logic, visibility of assumptions, principles, and analytical frameworks, as well as ensuring our advice meets our legislated mandate and purpose.

A key part of our quality approach is independent testing of the work to see if it meets the expected level of quality. Independent testing can take a range of forms, and can include both internal testing by qualified staff, and external testing by experts. The testing that a piece of advice is subject to will depend on the nature and purpose of the work, and the risk associated with uncorrected errors.

Te Tuatoru: Te tāwhai nui | Section 3: Our performance and management



Te arotake mahi | Assessing our performance

As an advisory body, we do not run or implement any government policies or programmes. Our impact, and the public benefit we deliver, stems instead from the quality of our independent, expert advice, and the public engagement, consultation, and communication that underpins it.

By providing our advice and monitoring services consistently to a high standard, we aim to achieve our medium-term impacts, and over time contribute, through repeated cycles of advice, to the long-term outcomes and vision we seek.

Consequently, our assessment of performance focuses on our statutory analytical work and related engagement and consultation activities, which are aligned to our strategic intentions of Connect and Deliver.

For the period of this SOI, we will assess our performance and progress towards our Connect and Deliver strategic intentions by:

- The quality of our engagement and consultation with Iwi/Māori and key stakeholders
- The timeliness, quality and communication of our statutory advice and monitoring reports
- Whether our advice and monitoring reports are considered in the Government's decision-making processes.

We will use a range of approaches, tools, and assessment methods to track and measure progress in these areas, including:

- Stakeholder surveys (at least biennially)
- Reviews of our project management and quality control processes
- Expert external reviews of our advice as appropriate and documentation of our response prior to publication
- Media tracking and analysis
- Review of Cabinet decisions concerning our advice and related formal correspondence with Ministers
- Case studies (where appropriate).

The detail of what we will measure and how will be set out in our annual Statements of Performance Expectations and reported through our Annual Reports.

Progress against our Build strategic intention, which focuses on operational and organisational performance, will be captured in our Annual Reports.

Te terenga punaha | Managing our functions and operations

Our Board is our governing body with overall responsibility for setting strategy, accountability and compliance, and overall health and financial sustainability of the Commission. It is comprised of up to nine members (our Commissioners), including the Chair. All Commissioners are appointed by the Governor-General on the recommendation of the Minister of Climate Change. Commissioners serve fixed terms of up to five years and may be reappointed.

In addition to its governance function, our Board plays a key part in the development of all our statutory advice to the Government, through key-stage reviews and ultimately final approval. This role reflects the deep expertise, experience, and knowledge that all Commissioners have and for which they are appointed.

Details about our Board members and Chief Executive can be found on our website¹⁸.

The Board has a single sub-committee. The Risk Audit Safety Health (RASH) committee meets quarterly to review matters relevant to its role, providing recommendations to the Board as necessary.

Our Board is supported by the Pou Herenga, our Māori advisory body¹⁹. The Pou Herenga provides advice on aspects of the Commission's functions and responsibilities, particularly under section 5M(f) including in areas relating to te ao Māori (as defined in the CCRA), specific effects for Iwi/Māori, and the Crown-Māori relationship.

Our Chief Executive is accountable to the Board for the management and operation of the Commission. The Chief Executive is supported by a Senior Leadership Team comprising five General Managers who are accountable to the Chief Executive for the day-to-day management of all our analytical and support functions.

¹⁸ <https://www.climatecommission.govt.nz/who-we-are/our-people-2/>

¹⁹ The Pou Herenga is a committee appointed pursuant to clause 14 of schedule 5 of the Crown Entities Act

Te terenga ora | Managing our organisational health and capability

Our management of organisational health and capability is guided by our Build strategic intention. We will focus on the core organisational systems identified in our Strategic Framework: People, Information Systems, Financial and Physical Resources, and Policies, Systems and Tools.

People

Our people are our most valuable resource. By ensuring our staff have the resources they need, the managerial support they require, a sustainable and appropriate work-life balance, professional development, and a sense of purpose and belonging, we aim to enhance organisational capability, agility, and resilience.

Key activities and initiatives to support our people will include:

- Fulfilling our duties to be a good employer as required by the Crown Entities Act
- Continuing to support staff te reo and te ao Māori capability training
- Continuing to develop and enhance professional development opportunities
- Implementing our Kia Toipoto action plan

Information systems

As a knowledge-based organisation with a statutory engagement and consultation mandate, information management is critical to our success. We will seek to improve the information systems we use to ensure effective and efficient delivery of all our work.

Key activities and initiatives will include:

- Reviewing and improving our information management systems
- Redeveloping the Commission's website to better support the full scope of our work programme

Financial and physical resources

Prudent management of our financial and physical resources ensures the public benefit we provide for New Zealanders is delivered cost-effectively. We will continue to develop and refine how we manage our resources to drive productivity improvements across the organisation.

Key activities and initiatives will include:

- Reviewing and improving our financial systems and processes
- Refitting our office space to accommodate growth in staff numbers

Policies, systems, and tools

Fit for purpose policies, systems, and tools provide the connective tissue that enable an organisation to function on a daily basis. We will work to enhance what we have in place already and adopt new policies, systems, and tools as and when needed for achieving our strategic intentions.

Key activities and initiative will include:

- Finalising and implementing our organisational Quality Management System
- Completing the implementation of our Project Management Office (PMO)
- Reviewing, updating, and improving our standard operating policies and procedures.

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Te Kāwanatanga o Aotearoa
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