

# SEEING CLIMATE CHANGE THROUGH COVID-19

**JO HENDY, Chief Executive of the Climate Change Commission, sees hope for addressing climate change from New Zealand's response to the COVID-19 crisis.**

As I write this, New Zealanders are emerging from the immediate response to the COVID-19 crisis and looking at how we can collectively recover from its impact.

Many people I have spoken to have pointed to how quickly we all acted and the far-reaching changes that were seemingly made overnight. They have questioned why a response to climate change – also a crisis we are collectively facing – can't be given the same immediacy.



**Jo Hendy**

When I take a step back and consider this, what I see is a clear vision, decisions built on transparent science and evidence, effective and frequent communication, and the public service responding with a co-ordinated, systems-wide approach. With these ingredients, New Zealanders took control and acted responsibly, and we are now world leaders in the COVID-19 pandemic response.

This is what we need to emulate in our climate-change response. Success, in my view, involves the Climate Change Commission building a tangible, evidence-based, non-partisan vision. Success also involves leadership from the core public agencies – responding in a harmonised way to accelerate action, with coherent policies and programmes that acknowledge the interconnectedness of our economy and society.

The climate-change conversation has matured significantly over the past three to four years. Kiwis support the goal of a low-emissions future. However, it's at this point that the conversation gets stuck – on all the reasons why it's hard and difficult to change. Many people and businesses don't know what they can do to bring about the necessary change. And this is where the vision is critical.

Much of the evidence and analysis needed to build our vision is there already. The commission's job is to pull the evidence together, do the analysis, and engage with New Zealanders to build a system-wide picture to work towards.

I believe that as a country, we can get it right. We are a country of innovators and problem solvers, and a close connection to our environment is part of our national identity. Responding to COVID-19 gives us a unique chance to accelerate New Zealand's work to meet our climate goals. The economic stimulus the government has underway is the biggest in many of our lifetimes – and if we can make smart investment decisions in low-emissions practices, technologies, and infrastructure, we can create jobs and ensure people are better off now and in the future.

## A little bit about the Climate Change Commission and what we do

The Climate Change Commission is an Independent Crown Entity.

Our team comes from a range of backgrounds, including economics, public policy, emissions trading, resource management, physics, engineering, climate science, and behavioural science. Supporting our team is our board of seven commissioners, who also come from varying fields such as adaptation, agriculture, economics, and the Māori-Crown relationship.

**NEW ZEALANDERS TOOK CONTROL AND ACTED RESPONSIBLY, AND WE ARE NOW WORLD LEADERS IN THE COVID-19 PANDEMIC RESPONSE.**

We have been tasked with providing independent, evidence-based advice to government to help Aotearoa transition to a low-emissions and climate-resilient economy.

A key part of our role is ensuring we consider the perspectives of all New Zealanders. As Treaty partners, we need to consider what this means for Māori and incorporate te ao Māori into our approach.

Drawing from tikanga Māori, we follow the principles of manaakitanga, tikanga, and kotahitanga. We are conscious that the advice we develop has a lasting impact for Aotearoa and all who live here, and we are committed to taking an inclusive approach and working collaboratively.

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The Climate Change Response (Zero Carbon) Amendment Act requires us to think broadly about the potential impacts and effects of climate change. Like much of what we deal with in government, we need to take a wider system view of climate change. Ecology and the environment, how any changes would affect individuals and households, what our advice would mean for business, our society, and our economy are all aspects of the system we are considering.

And just to keep things interesting – we need to think about all of this across different demographic groups, different regions and places, and over different times.

### **Providing credible, evidence-based advice to government**

The advice we provide to the government on how to transition to the 2050 target will be strongly rooted in the best available evidence and analysis.

We need to build our knowledge of the available technologies and approaches that can reduce emissions in each sector of the economy, and this has been a big focus of our work since the commission was created in December last year.

This includes talking to people from across Aotearoa about what they would need to see in our advice to help them make changes in how they operate to support our transition to a low-emissions economy.

We take all this information and analyse it using different models. This helps us create scenarios, for example, what technologies could be employed and what mitigation actions would deliver the best results.

We then need to test our analysis – and this is where we will run a consultation process to ensure people can give us feedback on what we've developed. We'll incorporate that feedback before releasing our recommendations to government.

And then – we get to do it all again. While a lot of focus is rightly on our first tranche of advice, we are also focused on the fact that we are around for the long haul. There will be 10 election cycles between now and 2050, and we will be there providing independent, analysis-driven advice to all the elected governments.

### **Leadership from the public sector**

Government has not always been at the leading edge of addressing climate change. Environmental researchers and NGOs have had climate change firmly in their sights for decades, and more recently, we've seen the likes of Generation Zero and School Strike for Climate Change leading that charge.

We've also seen the business sector taking a leading role – not just internationally, but in New Zealand as well. Businesses played an important part in calling for governments to act on climate change in the lead-up to climate change negotiations in Paris in 2015. The impact of businesses on governments has been called a surround-sound effect – hearing the same message from multiple angles.

Internationally, we've seen massive investment in green technology. According to Bloomberg New Energy Finance, investment in clean energy between 2010 and 2019 reached \$2.6 trillion US dollars. As a result, we've seen rapid changes in wind, solar, and battery technologies and dropping costs. In fact, from an engineering perspective, we already have most of the technologies we need to decarbonise the energy and transport sectors.

We have generations of New Zealanders calling for changes to how our country functions to address climate change. Reaching net zero is possible. It just involves developing a collective new normal.

For the majority of New Zealanders, the machinery of government remains a mystery. The work that goes into shaping policy, legislation, and regulation is largely invisible. I guess it doesn't sound as exciting as developing a ground-breaking new service or launching a new start-up. But when I think about the engine room for addressing climate change, I see a key role for the public service.

Much of the discussion about climate change centres on the industries that contribute most to New Zealand's emissions – transport, agriculture, energy. To bring about concerted change in these sectors means fundamentally changing the way that we do

some things. And this isn't just for businesses, it's for consumers, and also for the regulatory system.

Regulation and policy are built on our knowledge at the time it is put in place, and it can take time to achieve the flow-on effects that we are looking for. While addressing climate change needs long-term action, let's not lose sight of the fact that in order to make progress, we need to act now.

Collectively, the public service can drive the wide-scale changes to "normal" that we need to lower our emissions.

Central agencies provide advice to ministers and help them see what policy changes may be necessary. There are many agencies that have the ability to drive the outcomes of those policy changes, for example, the NZ Transport Agency, through the transport infrastructure they choose to fund, or the Energy Efficiency and Conservation Authority, through the advice they provide, through their education campaigns, and through the grants they can make available.

More widely, it depends how we choose to invest in public infrastructure like schools, hospitals, and housing – ensuring we are prioritising energy-efficient investment and looking at the supply chains we use. After all, government has massive collective buying power.

We can take a climate lens to our education sector and ensure that what we teach and the courses on offer help set New Zealanders up for the jobs of the future – and for a different way of doing things.

The commission's role is to look across systems and highlight strategies and pathways for the different layers of government and the private sector.

### **How does independence help?**

One thing I am very conscious of is that the Climate Change Commission is independent. We can question investment decisions, put our hands up when we think policy is heading in the wrong direction, and hold the government to account. After all, our role is to provide independent, credible, evidence-based advice to help New Zealand avoid costly mistakes.

There will be times when our advice is challenging, and will make people feel uncomfortable. But I think the mandate we have to challenge thinking across the public and private sectors can help unlock barriers to change and open up new paths for the future.

In 2015 Mark Carney, as Governor of Bank of England, delivered a speech where he called climate change the tragedy of the horizon. This is because most of the effects of climate change will be felt beyond our traditional horizons – outside political and business cycles – by future generations.

I think the rapid change that we have seen in Aotearoa through our response to COVID-19 has shifted our viewpoint of traditional horizons.

We have been grappling with issues across government around equity, housing, public health, and the safety of our whānau and communities. We know what needs to be done – from an economic, environmental, social, and cultural perspective. It's building well-insulated warm houses that create better environments for our families and reduce our household bills, investing in great technology, and changing our expectations about what work looks like and where it happens. We can choose to build a pathway that gets us to a climate-resilient, low-emissions future.

Change that occurred because of COVID-19 and the investments government are looking at to kickstart our economy take us a long way down that pathway in a short time. It's up to us to make sure we keep moving in the right direction.