

The New Zealand government has decided to use an emissions trading scheme for greenhouse gas emissions as part of its response to climate change. Emissions trading will help reduce emissions, encourage and support global action on climate change, and help put New Zealand on a path to sustainability. This factsheet explains the process for public engagement and government decisions on the proposed emissions trading scheme.

Emissions trading: the engagement process

Factsheet 4



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Public engagement and government decisions on the design and implementation of the emissions trading scheme will be a long-term process developed through the stages shown in the table below.

The government will make final decisions about the core design features and details of the emissions trading scheme for the first sectors to join. These decisions will take account of feedback on the core design elements of the scheme, and from engagement with Māori, and the forestry and the liquid fossil fuels (primarily transport) sectors.



Stages of public engagement and government decisions on the New Zealand emissions trading scheme

Stage	Explanation	Timing
Stage 1: In-principle decisions	Government makes in-principle decisions on the core design features of a New Zealand emissions trading scheme	2007
Stage 2: Engagement and final decisions on core design, and on detailed design features and implementation for forestry and liquid fossil fuels (primarily transport) sectors	Release of 'The Framework for a New Zealand Emissions Trading Scheme' Engagement on the core design of the scheme Targeted engagement with the forestry and liquid fossil fuels sectors, and Māori Government makes final decisions and introduces a bill into Parliament	2007/2008
Stage 3: Select committee process and passage of core legislation by Parliament	Select committee calls for public submissions on a bill for the emissions trading scheme Select committee considers submissions and holds hearings on the emissions trading scheme bill Select committee deliberates on the emissions trading scheme bill Select committee reports back to Parliament Parliament passes legislation for the emissions trading scheme	2008
Stage 4: Engagement and final decisions on detailed design features and implementation for the sectors that are later entrants to the scheme	Targeted engagement on detailed design features for stationary energy, industrial process emissions, agricultural and waste sectors Government makes final decisions on detailed design features for stationary energy, industrial process emissions, agricultural and waste sectors Corresponding changes to legislation and regulations Ongoing engagement with major stakeholders and Māori on subsequent design decisions, regulation and implementation	2008–2012

The engagement will be in a number of forms, including cross-sector workshops with industry and other stakeholders, regional hui, and one-on-one meetings with key stakeholders. Written feedback will be considered but a formal consultation and submission process will not be undertaken as a major submission round (involving over 150 meetings and 3000 submissions) was held earlier this year.

Subject to Cabinet decision, the government will introduce a bill into Parliament. This bill will lay down the framework for emissions trading, and include provisions for the forestry and transport sectors.

Following its first reading in Parliament, the bill will be referred to a select committee. As part of this process, the select committee will call for public submissions and hold hearings on the bill. This is an important opportunity for the public to register support for, or express concerns about, the proposed emissions trading scheme.



If the bill is passed into law, the government will continue to work with stakeholders to resolve the remaining details of design and implementation, particularly for sectors that are later entrants to the scheme.



Final decisions on the detailed design features for other sectors (stationary energy, industrial process emissions, agriculture and waste) will be made after discussions with those sectors.

The government will also continue to work with major stakeholders on the future evolution of the emissions trading scheme in response to changes in international climate change policy after 2012.

Where to go for more information

For more information on public engagement activities, including opportunities for you to participate, visit www.climatechange.govt.nz

For more information on the government's climate change work, including the document 'The Framework for a New Zealand Emissions Trading Scheme' and a series of emissions trading factsheets, visit www.climatechange.govt.nz

For a series of factsheets that provide more information on legislative and select committee processes, visit www.parliament.nz/en-NZ/PubRes/About/FactSheets/

For more information on current select committees, including calls for submissions, visit www.parliament.nz/en-NZ/SC/