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## **SUBMISSION TO THE MINISTRY FOR THE ENVIRONMENT'S EMISSIONS REDUCTION PLAN**

Thank you for the opportunity to present this submission on the Emissions Reduction Plan.

The Queenstown Lakes District Council (QLDC) is supportive of the development of an Emissions Reduction Plan to reduce carbon emissions in Aotearoa New Zealand, combat climate change and meet the country's net-zero emissions targets. However, the QLDC recognise that this is an early iteration of the plan and consider that more development is required.

This submission outlines key points and recommendations including:

- The context of the plan in relation to the Queenstown Lakes District,
- Comment on key strategic points of the plan
- Points specific to the Queenstown-Lakes District including;
  - Effective spatial planning, intensification and improved urban form will be essential for emissions reduction in the district.
  - Significant energy network challenges will need to be overcome to decarbonise extensively.
  - The role of the visitor economy and tourism policy in reducing emissions needs to be represented in the document.

QLDC would like to be heard at any hearings that result from this consultation process. It should be noted that due to the timeline of the process, this submission will be ratified by full council retrospectively at the next council meeting.

Thank you again for the opportunity to comment.  
Yours sincerely,



Mike Theelen  
Chief Executive

## SUBMISSION TO THE MINISTRY FOR THE ENVIRONMENT'S EMISSIONS REDUCTION PLAN

### 1.0 Context of the plan in relation to QLDC

- 1.1 Queenstown-Lakes District (QLD) is a district with an average daily population of 50,550 (visitors and residents) and a peak daily population of 112,150<sup>1</sup>.
- 1.2 Our residents are highly climate-conscious and passionate about the integrity of the environment. Most people move to the district because of a connection with the lakes and mountains; it's this connection that drives many to participate in climate action, sustainability, and conservation initiatives.
- 1.3 The district is also proud to have a number of highly active community groups that are focused on sustainability and environmental protection, which have contributed to the development of an engaged, informed, and diverse network of individuals across the district.
- 1.4 In June 2019, the Council declared a climate and ecological emergency and has since established a Climate Action Plan, focusing on emissions reduction mitigation activities as well as adaptation considerations<sup>2</sup>.
- 1.5 Queenstown-Lakes District Council (QLDC) has subsequently initiated a Climate Reference Group<sup>3</sup> to guide its progress and priorities in this space, and QLDC has also prepared an Emissions Reduction Roadmap<sup>4</sup> and Sequestration Study<sup>5</sup>.
- 1.6 The district is experiencing some of the most severe economic impacts from the global pandemic, given its pre-pandemic reliance upon the international visitor economy. The QLDC Recovery Team is focused on three key transitions: transition to a better tourism system, transition to a more reliable workforce and transition to a zero waste, net zero emissions future for the district.
- 1.7 Reduced emissions are central to the adoption of a regenerative approach to recovery, a mindset advocated by the district's Regenerative Recovery Advisory Group<sup>6</sup>.
- 1.8 QLDC recently entered into a formal partnership with government to develop an holistic Spatial Plan<sup>7</sup> for the district. This has involved the development of a detailed plan to grow well (whaiora), identifying priority areas for growth, transport, community facilities, infrastructure, and economic development. Emissions reduction, sustainability, resilience, and community wellbeing underpin all aspects of the Spatial Plan, through to 2050.
- 1.9 The commitment to the COP 26 pledge to reduce methane by 30%, will need ambitious action from the Government and the agriculture industry in particular. This is an important step in the contribution to reducing greenhouse emissions as New Zealand and the world continue to work on reducing CO<sub>2</sub> emissions. While the 30% target is an international target, offsets should be met through domestic removals. We need to reduce gross emissions at a much faster pace.

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<sup>1</sup> <https://www.qldc.govt.nz/community/population-and-demand>

<sup>2</sup> <https://www.qldc.govt.nz/your-council/our-vision-mission/climate-action-plan>

<sup>3</sup> <https://www.qldc.govt.nz/20-08-24-queenstown-lakes-district-council-establishes-climate-reference-group>

<sup>4</sup> Emissions Reduction Roadmap: Pathway to Science Based Targets – scenarios for Queenstown Lakes District, 2020

<sup>5</sup> Carbon Sequestration Study, 2020

<sup>6</sup> <https://www.qldc.govt.nz/recovery/regenerative-recovery-advisory-group>

<sup>7</sup> [Spatial Plan - QLDC](#)

## 2.0 Key Strategic Points

### 2.1 ***The next version of the plan needs further detail and should explicitly address the recommendations of the Climate Change Commission's report***

2.1.1 The Government has acknowledged that it is not consulting on a complete plan. Specifically, the introductory comments acknowledge the Climate Change Commission's (CCC's) advice, but it is unclear which of the CCC's 33 recommendations will be adopted and developed. The CCC set out very clear and specific recommendations including provisional progress indicators. QLDC expected the Government's response to these recommendations would be clearly addressed in this plan.

2.1.2 Of concern is that there are no timeframes or progress indicators within the plan, and it is not clear who will be accountable and responsible for delivery.

#### **Recommendations:**

R1. That a complete and comprehensive Draft Plan is released for consultation once it is fully developed.

R2. That the final Plan include all the requirements of s5ZG(3) of the Climate Change Response Act, incorporating the recommendations of the CCC and any other actions to come out of this consultation. It should include clear timeframes, progress indicators, and name the Minister(s) accountable for the various action points within the required strategies.

### 2.2 ***Include an additional guiding principle so that New Zealand's Emissions Reduction Plan supports global emissions reductions and an equitable transition for all.***

2.2.1 QLDC agrees with the Guiding Principles in Table 5 but believes an additional principle is needed to prevent New Zealand's Plan either: driving up the biodiversity losses and emissions of our trading partners; or creating an inequitable transition for the people living and working in the countries New Zealand trades with. The goal is to reduce global emissions and to do it in a way that doesn't create or entrench inequities.

2.2.2 Compliance with Nationally Determined Contributions and with the regulations in place to achieve those contributions, will be variable globally. Additionally, other nation states may not have the same commitment to an equitable transition for their people.

2.2.3 QLDC would like to see an additional principle included in Table 5 to ensure that in reducing New Zealand's emissions, there is not an increase in New Zealand's global carbon footprint or global inequities.

#### **Recommendation:**

R.3. That an additional principle be included in Table 5 as follows: An approach that supports global emissions reductions: set targets to reduce New Zealand's carbon footprint; - monitor the progress of our trade partners.

### 2.3 ***Local government's role could be more clearly addressed in the document***

2.3.1 QLDC supports the intent of The Ministry for the Environment in working with local authorities, experts, and the public to develop an Emissions Reduction Plan for New Zealand and recognises the efforts that have gone into developing a multifaceted plan so far. While partnership and collaboration with local government is often mentioned in the plan, it is not clear how this will be achieved for meaningful impact.

2.3.2 QLDC believes that there needs to be greater recognition of the role that local government will play in the transition from high carbon emissions to net-zero emissions. Local councils, like QLDC, have been

proactive in declaring a climate emergency and developing and implementing Climate Action Plans. In the climate action and emissions reductions sphere, local government can play a key role in engaging local communities. The Government should acknowledge that there are a number of significant reform programmes underway similarly that require partnership with Local Government. Investment needs to support Local Government to effectively partner on these programmes without having to divert resources from core services.

- 2.3.3 Local government will experience a series of major reforms over the next three years that could significantly change the way that local authorities operate. Three waters reform and review of the Resource Management Act will have major implications for urban growth, service delivery and planning. It will be essential that these reforms prioritise and enable emissions reduction by local government.
- 2.3.4 A consistent approach would be particularly useful in the development of emissions reduction modelling methodologies, carbon accounting practices and greenhouse gas auditing processes. There is currently no consistent set of tools for monitoring and evaluating emissions at a local level.
- 2.3.5 We also believe that Government should work with local and regional government through the Spatial Planning process to identify which areas of land are suitable for afforestation of different types and scales based on soil class, likely growth rates, impact on surface water and aquifers and biodiversity. This should not be left to a global market to determine.
- 2.3.6 Government's focus is on the importance of the big picture but could further address the role of local communities and local economies. However, if small local businesses and communities could be incentivised to change their behaviours and reduce emissions, significant benefits could be achieved. Local solutions need to be linked to global goals in building a global citizen mindset.

#### **Recommendations:**

- R.4. Ensure that the role and remit of local government is effectively acknowledged and integrated within the document.
- R.5. Ensure that increased expectations on local government are accompanied by appropriate resources.
- R.6. Develop a clear set of consistent monitoring and evaluation tools for use at a local level. Address the implications of local government reform effectively.

#### ***2.4 The quality of the document is notably inconsistent between different departmental remits***

- 2.4.1 It is clear that between different government departments and areas of responsibility, the quality of the response has been uneven. Some areas (such as transport) have demonstrated strong progress, whilst others (such as agriculture) have not. Management and governance arrangements may be required to remedy such disparities.

#### **Recommendation:**

- R.7. Establish mechanisms to ensure a consistent and balanced level of good progress across all government departments.

#### ***2.5 The initial increase in emissions is unacceptable***

- 2.5.1 QLDC fully supports locking in net zero and the decarbonization of sources of long-lived emissions. However, QLDC does not support the emissions budget rising further before reducing. QLDC recommends that the budget pathway is revisited and reconsidered.

- 2.5.2 The budgets proposed have been largely based on advice from the Climate Change Commission (CCC). That advice is now the subject of a Judicial Review. Lawyers for Climate Action take the position that the proposed budget of 648 Mt CO<sub>2</sub>-e of net emissions for the period 2021-2030 is not compatible with contributing to global efforts to limit warming to 1.5°C. Of concern is that the proposed targets may not meet NZ's international obligations and more importantly, will not sufficiently reduce our contribution to warming, placing an unfair burden on future generations.
- 2.5.3 In addition, the budgets recommended by the CCC have since been adjusted to account for the results of MPI's latest afforestation/deforestation survey<sup>8</sup> which was not available to the CCC. However, the survey report acknowledges the significant uncertainty due to a number of factors including land availability and affordability; seedling availability; labour availability; client confirmation; requirement for OIO approval; and Government and Local Council regulations. It is unclear whether the Government is adopting the 100% or the 50% projections. The advice of the Commission is to limit exotic afforestation so that it is matched with native afforestation. If the Government adopts this recommendation, reducing the use of radiata pine, there may be less total afforestation than forecast and less New Zealand Units available for offsetting.
- 2.5.4 There is a gap of between 5.1 and 2.1 Mt CO<sub>2</sub>e between current estimates of policy impacts and the emissions reductions required to meet the first emissions budget (for 2022-2025). Presumably that gap will increase with the more ambitious target set at Cop26.

#### **Recommendations:**

- R.8. Revisit the emissions budget pathway to remove the initial increase in emissions and/or ring-fence sufficient emissions in the budget for the construction of renewable energy infrastructure
- R.9. Reconsider the emissions budgets taking a precautionary approach to ensure New Zealand will at least meet its obligations (while taking a principled approach that does not exacerbate biodiversity issues).

## **2.6 The implications of the just transition need to be addressed transparently**

- 2.6.1 The need for an equitable, inclusive, and well-planned climate transition is fully supported. This needs to be viewed with an holistic approach to wellbeing and a true focus on social equity. The report does not squarely address the hardships that society will face during the transition period, irrespective of whether or not the transition is just. Even in the pursuit of equitable transition, there will be considerable changes to lifestyle and consumption needed. QLDC recommends that a programme of education is developed to effectively prepare people for this change. QLDC recommends that the Ministry for the Environment keep in mind the potential pain and difficulty in lifestyle changes to meet climate emission targets and ensure a just transition is kept in mind when planning for change.

#### **Recommendation:**

- R.10. Squarely address the potential difficulties a just transition involve, through a targeted programme of education across society.

## **2.7 Greater regulation than what is suggested in the plan is required**

- 2.7.1 The Emissions Trading Scheme properly regulated will be a useful tool, but given the massive changes needed, the timeframe to make them, and the requirement for an equitable transition, greater use

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<sup>8</sup> *Afforestation and Deforestation Intentions Survey 2020 Final Report*. Professor Bruce Manley, NZ School of Forestry, University of Canterbury July 2021 [Objective 1 – Review and recommend any changes to the NEFD Yield Table Structure \(mpi.govt.nz\)](https://www.mpi.govt.nz/objective-1-review-and-recommend-any-changes-to-the-nefd-yield-table-structure/)

of regulation than is suggested in this plan is required. Market forces will not be sufficient for the change required.

**Recommendations:**

R.11. Adopt the CCC's recommendation 11- Strengthen market incentives to drive low-emissions choices

R.12. Develop strong regulations (via the Natural and Built Environments Act and by following the recommendations of the CCC) to drive down gross emissions and enable a swift and equitable transition.

**2.8 Significant investment is required in massive-scale behaviour change**

2.8.1 Whilst local level behaviour will be important to contribute to mitigation initiatives and local adaptation plans, broader systems change will be far more compelling. A focus on full system change is needed to effect behavioural change and government leadership will be central to success. Support for behavior change should be deep, ambitious, and far-reaching. It is vital that the Government does not underestimate the investment required in this space. It is critical that this investment has significant reach. The time of piloting and small patches of change has passed. Investment in behavioural change capacity-building, including in local government should be included across all phases of the Budget plan. QLDC supports the proposal to develop a behaviour change fund and recommends that further opportunities to invest in behaviour change are sought.

**Recommendation:**

R.13. Make significant investment in wide-reaching educational and behaviour change programmes.

**2.9 Public transport investment needs to be streamlined and progressive, enabling accessible service provision, including in the regions**

2.9.1 QLDC recommends looking at Transport and mode shift, as an equitable incentivizing solution, particularly for low-income households. QLDC recommends the Ministry for the Environment and the Ministry of Transport consider the provision of public transport that is accessible and meets the needs of the communities serviced. To enable this, funding needs to be sought through the first budget period.

2.9.2 Further investment needs to be made in removing barriers to catching a bus, riding a bike, or walking, and in creating disincentives to using a private car except in exceptional circumstances, e.g., access, cost, or safety barriers. The current Emission Reduction Plan ignores the potential co-benefits of health, safety, and community that could be realized through a modal shift.

2.9.3 While the argument for Electric Vehicles over petrol vehicles is clear, QLDC supports the move away from electric vehicles as the sole solution to emissions reduction. The solution to reducing carbon lies not only in a shift to electric vehicles but in the promotion of public and active transport as preferred options for travel. QLDC recommends further considering incentives to the use of public transport of private vehicles.

2.9.4 Public transport delivery is highly fragmented across central, regional, and local government and is generally improved only if demand can be demonstrated. The design and responsibility for effective delivery of public transport needs to be streamlined across these organisations and their transport programmes. In addition, there are opportunities to demonstrate leadership in the provision of strategic public transport infrastructure and services that will, by virtue of being available, increase demand for these services. Spatial planning can help to build a case for a progressive approach but

systemwide leadership is needed.

- 2.9.5 Currently, public transport and mode shift are encouraged as a mechanism to reduce carbon emissions, in saying that, much of the focus is on local travel within neighbourhoods, communities and cities. An extension to this view would be to look at lower carbon travel options between cities and towns, for example, greater emphasis should be placed on investing in the transformation of the public and active transport networks, at a local, regional, and intercity level.

#### **Recommendations:**

- R.14. Invest in the provision of accessible public transport to enable a just transition. Consider all of the co-benefits to modal shift.
- R.15. Give greater consideration to reform of the public transport model at a national level, streamlining responsibilities and enabling a progressive funding model.
- R.16. Encourage central government to set national and local targets for transport mode shift that are based on an understanding of the capacity of the grid and the current and future demand for electricity across all sectors.
- R.17. Encourage central government to invest in intercity connectivity across Aotearoa.

#### ***2.10 Waste in the Emissions Reduction Plan needs to align and integrate with the National Waste Strategy to achieve meaningful change in emissions.***

- 2.9.1 Elimination and diversion of waste has been largely left to under-resourced community groups and councils when clearly the system requires a wider commitment, including a commitment to implement appropriate restrictions on imported goods, to ensure products entering the country are of high quality, repairable and/or recyclable.
- 2.9.2 Efforts should focus on industry, manufacturers, importers, and consumers by developing targets to reduce emissions from the production and disposal of consumer goods. It is recommended that targets for emissions associated with consumer goods be developed in conjunction with the review of the New Zealand Waste Strategy and the development of regulated product stewardship schemes.
- 2.9.3 The plan needs to ensure that the focus of the waste advice is not just on emissions generated at municipal landfills often operated by or on behalf of Councils. A greater portion of emissions from waste is generated and managed by the private sector (e.g., construction waste landfills, or green waste landfills) which are outside of Council's control.
- 2.9.4 Emphasis on the waste hierarchy for organics is critical. Investing in landfill gas capture technology and recovery of energy must not trump capture of organic material for beneficial use in the carbon cycle. Beneficial use of biomass to feed the soil is in keeping with the waste hierarchy and is supportive of regenerative ecosystems.
- 2.9.5 The plan should note that beneficial reuse of organics be focused on soil regeneration as this co-benefits local food resilience.
- 2.9.6 Organic waste into soil helps maintain and restore soil quality, structure and improves water retention capacity. This means that soils do not dry out quickly when water is scarce and reduces the risk of flooding during increased rainfall events. Healthy soils also work as carbon sinks and therefore can sequester even more carbon. Once applied to soils through compost, biochar or digestate, organic matter ensures carbon storage for many decades. The plan should recommend the development of a comprehensive strategy to build organic matter back into soil and include work to divert organics/food/timber from landfill. Transition to a climate-neutral economy means organic materials must be considered within a closed loop carbon cycle.

2.9.7 Organics diversion from landfill is often focused on garden and food waste, but higher global warming potential may come from disposal of textiles, paper, cardboard, and timber. These materials need to be included in the priority products for mandated product stewardship schemes. Shifting the burden of emissions and landfill away from Councils and back to the user and consumer of products and services will be more effective and more equitable.

**Recommendations:**

R.18. Waste targets should be set higher and staged at intervals before and beyond 2035 to encourage investment in systemic change infrastructure and services, particularly for organics. Alignment should be sought with the revision of the NZ Waste Strategy (NZWS), and the NZWS should consider emissions reduction, not just waste reduction.

R.19. Advise central government to develop a comprehensive strategy to build organic matter back into soils and ban organic material from landfill including; food, textiles, fibre, biosolids and timber.

R.20. Advise central government to support and resource community groups to expand their resource recovery network and enable behavioural change.

R.21. Advise central government to utilise RMA reform to effect urban design to enable participation in low-waste and low emission lifestyles and be used to mandate low emissions, low waste construction.

**2.10 *The greatest responsibility needs to be placed on those with the greatest emissions profile***

2.10.1 QLDC supports the assignment of responsibility for emissions reduction to individuals, households, businesses, and local and central government. However, QLDC recommends that greater responsibility needs to be placed on the businesses, groups and organisations that make the most significant contribution to the emissions budget.

2.10.2 QLDC do not support an approach that relies on technological advances to reduce methane. QLDC would support a plan to support farmers (including with finance) to transition from the intensive, high input industrial model that has developed over the last 15-20 years.

**Recommendation:**

R.22. Identify entities that make the most significant contribution to the emissions budget and develop a targeted plan for emissions reduction.

**2.11 *Further consideration should be given to the potential of water allocation to reduce emissions***

2.11.1 Water allocation is not addressed in the Emissions Reduction Plan. Allocation to activities that reduce emissions rather than increase them could contribute to the Government's goals.

2.11.2 Water is a limited resource and moving forward, it should be allocated in a way that best meets the needs of communities, that incentivises low emission productivity, and that does not adversely impact biodiversity or the health of water. Allocating additional water to activities that drive up emissions and nitrate pollution (such as dairying) is now untenable.

**Recommendation:**

R.23. Include a directive to include provisions in the Natural and Built Environment Act that will ensure: firstly, that water is allocated in a way that gives effect to Te Mana o Te Wai (in accordance with the NPS-FM); and secondly, that water is allocated amongst competing activities having regard to the need to reduce gross emissions and improve biodiversity outcomes.



### **3.0 Nature-Based Solutions and Biodiversity can contribute significantly to emissions reduction**

- 3.0.1 Nature-based solutions for climate harness the power of nature to reduce greenhouse gas emissions and also help adapt to the impacts of climate change. They are win-win solutions that involve protecting, restoring, and sustainably managing ecosystems to address society's challenges and promote human well-being. These are natural solutions that sustain life and ecosystems.
- 3.0.2 The Paris Agreement on climate change calls on all parties to acknowledge “the importance of ensuring the integrity of all ecosystems, including oceans, and the protection of biodiversity, recognized by some cultures as Mother Earth”, and 66% of signatories to the agreement commit to ‘green’ or ‘nature-based solutions’ (NbS) in their climate pledges.<sup>9</sup>NbS are cost-effective interventions that can enhance resilience in agriculture, forestry and marine ecosystems while mitigating climate change and enhancing the environment.
- 3.0.3 In spaces where carbon forests are considered, a better approach may be to look holistically at good agricultural forestry. As carbon forests are not closely managed, the risk of pests and fire is more likely. This then becomes an issue for future generations, to deal with the fall out of large unmanaged carbon forest spaces.
- 3.0.4 Better stewardship or management can occur in all major natural terrestrial habitats – grasslands, wetlands, and agricultural lands; and marine environments with NbS solutions could help to provide up to 37% of the CO2 mitigation needed through to 2030.<sup>10</sup>
- 3.0.5 In relation to afforestation, careful consideration should be given to policies, investments, and incentives to ensure tussocks are not being removed to plant pines. The impacts on rural communities of the ‘plant and leave’ aspect of carbon forestry, as well as full environmental impacts of the forests, need to be considered including plants that:
- have potential to wild,
  - require vast quantities of water that is drawn from the catchment,
  - has no intrinsic nor extrinsic value beyond its carbon sequestration,
  - harms biodiversity (is monocultural by nature),
  - reduces productivity of the land,
  - harms local communities.
- 3.0.6 QLDC recommends that rather than focusing solely on planting, significant efforts should also be put into recreating and preserving wetland spaces.

### **4.0 Specific Points for the Queenstown-Lakes District**

- 4.0.1 QLDC previously made a detailed submission to the Climate Change Commission with regard to its advice to government in March 2021. The submission outlined 21 barriers that local government faces in relation to climate action and 41 recommendations for the Commission to consider. This submission can be found at Appendix 1.
- 4.0.2 QLDC highlighted three key challenges for the district that it was keen to share with the Commission, all of which remain important and relevant to the current process:

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<sup>9</sup> Seddon, N., Turner, B., Berry, P. *et al.* Grounding nature-based climate solutions in sound biodiversity science. *Nature Clim Change* 9, 84–87 (2019). <https://doi.org/10.1038/s41558-019-0405-0>

<sup>10</sup> Anderson, L. *et al.* (2020). A Safe Operating Space for Aotearoa/New Zealand. <https://www.mfe.govt.nz/publications/land-climate-change-fresh-water/safe-operating-space-new-zealandaotearoa-translating>

#### **4.1 *Effective spatial planning, intensification and improved urban form will be essential for emissions reduction in the district.***

- 4.1.1 QLDC has been working in partnership with central government for the past 18 months to develop a spatial plan<sup>11</sup>. It has been an extremely valuable process that has taken an holistic approach to the relationship between urban form and community wellbeing. The spatial plan is based upon the three principles of wellbeing, resilience and sustainability and aims to 'whaiora' or 'grow well'.
- 4.1.2 Key outcomes of the QLDC spatial plan are;
- Consolidated growth and more housing choice,
  - Public transport, walking and cycling are everyone's first choice,
  - A sustainable tourism system,
  - Well-designed neighbourhoods that provide for everyday needs, and
  - A diverse economy where everyone can thrive.
- 4.1.3 Spatial planning can drive the intensification of urban areas, encouraging higher density living and mixed land use that drives mode shift. It can also reduce the emissions associated with infrastructure provision. If afforded the appropriate status and powers, spatial planning could be used to restrict types of development in specific locations. The implications of this for emissions reduction, should be considered in detail during the RMA reforms.
- 4.1.4 An important part of the Queenstown Lakes Spatial Plan is the focus on prioritizing investment in public transport and active network modes. The Spatial Plan seeks a transformational shift in public transport provision in the district. This will include a combination of physical improvements such as bus lanes, park and ride facilities and more direct and frequent services that make public transport quicker than the car journey, particularly in peak hours.
- 4.1.5 QLDC supports the approach to public transport, active travel and placemaking as outlined in the document. QLDC's Spatial plan takes a consolidated approach to development on new land and enables higher densities in existing urban areas. This approach preserves the natural landscape and rural character of the district and will create an urban form that will help to lower emissions and improve wellbeing.
- 4.1.6 A key action in the Spatial Plan is the creation and implementation of a mode shift plan for Queenstown, including travel demand management. This plan is on track to be delivered in the coming months. This builds on Queenstown's transport business case adopted by the Queenstown Lakes District Council in January 2021<sup>12</sup> is working towards a mode shift of 40% toward public transport by 2028 and 60% by 2048 on its busiest route (Queenstown Transport Business Case, 2021).
- 4.1.7 The way in which the district grows in future will have huge implications for the ability of its communities to reduce emissions. The relationship between urban form, transport and emissions reduction behaviour change is particularly pronounced. If the district isn't designed to have 10-15 minute neighbourhoods, it will be nearly impossible to achieve the mode shift from private vehicles to public or active transport.

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<sup>11</sup> <https://letstalk.qldc.govt.nz/49239/widgets/266124/documents/197292>

<sup>12</sup> Queenstown transport business case (Agenda item 5; p. 85). (2021). Queenstown Lakes District Council.

- 4.1.8 Currently the small developer community in the district is not incentivised to intensify development. They are not always able to secure funding from major lenders for projects of this nature, because the market tends to reward traditional house and section packages. Central government needs to incentivize lenders to fund progressive development ideas that align with the spatial plan. This should be included as part of Budget period 1 in the Emissions Reduction Plan.

**Recommendations:**

- R.24. Ensure that the Spatial Planning Act empowers local government to develop and implement spatial plans that focus upon emissions reduction.
- R.25. Incentivise lenders to fund high density living developments when aligned with the district's spatial plan.
- R.26. Ensure the Natural and Built Environments Act empowers consenting authorities to create rules that prevent urban sprawl.

**4.2 Significant energy network challenges will need to be overcome to decarbonise extensively.**

- 4.2.1 Prior to the pandemic, the district acknowledged the need to transform the energy system for the following reasons:
- Electrical capacity in the district is limited,
  - Resilience of supply is low,
  - Heating affordability is a critical issue,
  - The transition from natural gas to lower emissions solutions will be a necessary, but difficult change for the district over timeframes posed, and
  - The appetite to electrify may not be affordable without significant network investment.
- 4.2.1 On aggregate, these challenges compromise the district's ability to be resilient, affordable, and able to meet its emissions reduction aspirations.
- 4.2.2 Furthermore, these challenges erode the district's ability to provide a reliable, modern economic infrastructure. In the competition for highly mobile international investments, the electricity supply presents a risk. This risk has significant implications for the district's ability to diversify its industry and attract new investments.
- 4.2.3 QLDC believes that the district's unique energy context presents an imminent need and opportunity to transform in partnership with government. This could require investment in alternative and distributed energy solutions, such as biomass, biogas, biofuels, geothermal energy, hydrogen etc.
- 4.2.4 In further developing the Emissions Reduction Plan, following the review of energy use in New Zealand, the Ministry for the Environment should look to include more emphasis on the reduction of energy use and demand under the reduction plan.
- 4.2.5 Both Queenstown and Wanaka will face significant challenges in relation to electrification due to the status of the current network. Queenstown Lakes District can be used as an example of where the "electrification of everything" will, without smart investment and innovation, reduce resilience.

**Recommendations:**

- R.27. Give greater consideration within the advice to highly location-specific complexities which will make transitioning to low-emissions local economies that much harder for communities to manage alone.

R.28. Meet with QLDC and central government agencies to discuss how to partner effectively in relation to the energy challenge, innovation, and future investment. R.17. Encourage central government to set national and local targets for transport mode shift that are based on an understanding of the capacity of the grid and the current and future demand for electricity across all sectors.

### **4.3 The role of the visitor economy and tourism policy in reducing emissions needs to be represented in the document.**

#### *4.3.1 A mature, national conversation is required about the future of tourism*

4.3.1.1 Tourism and the international visitor economy play an important role in the emissions profile of New Zealand. The Queenstown Lakes District is an important contributor to what was (pre-COVID 19) the country's largest export industry. It's important that in planning the future direction of the tourism system, the externalities of the unavoidably high levels of air travel are taken into account. At a national level, a mature and reasoned conversation is required to fully understand the whole of life cost of visitors, with regard to both emissions and economic inputs.

4.3.1.2 The government needs to address the recent reports from the Parliamentary Commissioner for the Environment and seek to navigate an effective, respectful path forward. Tourism has made a considerable contribution to the national economy for a number of years and in the interests of enduring change, progress should be made in a collaborative fashion.

4.3.1.3 Tourism is currently central to the economic wellbeing of the majority of residents in the Queenstown Lakes District<sup>13</sup>. Work is underway to diversify the economy and to focus on a destination management approach that works toward a better form of tourism. However, these initiatives will take several years to come to fruition, requiring a regenerative mindset and a whole of system approach throughout.

4.3.1.4 Manaakitaka\* and kaitiakitaka\* run deeply in the tourism industry and many are taking significant steps within their spheres of influence to effect positive and meaningful change. However, most of the businesses are small to medium enterprises, facing economic survival challenges through COVID 19. Their ability to prioritise emissions reduction is highly variable and further support from government will be needed.

#### *4.3.2 New Zealand needs to attract values-driven visitors and capture better data*

4.3.2.1 The landscapes and environment, of outstanding natural beauty, of the Queenstown Lakes District attract a steady stream of visitors, providing a daily reminder of how essential the environment is to the tourism product offering. Prior to COVID 19, the average day population of the district was 67,129 people, of which 61% were residents and 39% were visitors. Over peak periods, the visitor numbers could swell the peak day population to 123, 249<sup>14</sup>.

4.3.2.2 New Zealand is marketed as a great place for independent travel and its Freedom Camping legislation supports this approach. A review of visitor attraction is required to ensure values-driven visitors are attracted effectively and served by products that reduce their carbon footprint as far as possible.

4.3.2.3 It's essential for the district to understand the impact of visitors on emission-reductions initiatives and to better understand how international visitor emissions can be mitigated at a national, regional, and local level. Central government could play an important role in the provision of consistent, district-level data.

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<sup>13</sup> 77% of people work in tourism, accommodation and hospitality. <https://ecoprofile.infometrics.co.nz/queenstown-lakes%2bdistrict/Tourism/TourismEmployment>

<sup>14</sup> <https://www.qldc.govt.nz/your-council/council-documents/annual-plans>

### 4.3.3 *International visitor transport should be orchestrated at a national level*

- 4.3.3.1 A significant challenge for local government is a lack of ability to control or influence visitor numbers and flow.
- 4.3.3.2 International visitor transport should be orchestrated at a national level. This would enable central government to deploy strategic nudges and behavioural economics to influence change, smoothing peaks and troughs whilst understanding threshold volumes.
- 4.3.3.3 Emissions attribution becomes complex in this space, it is clear that increased international visitors to New Zealand typically result in increased international visitors to the Queenstown Lakes District. The proposal for a new international airport at Tarras may result in a significant increase in international visitor road transport to the district and all of the associated emissions.
- 4.3.3.5 The Emissions Reduction Plan should propose an economic model that rewards and pays workers to contribute to net-zero emissions or better e.g., jobs for nature, community gardening, track, and trail building. Emissions reduction requires an economic shift from energy underpinning economy to regeneration underpinning economy. That needs the sort of thinking that figures out how a new economy is made by paying people to make a positive contribution to the environment (and, inversely, not paying people for work that is harmful to the environment). This will be a stronger tool than penalties for continuing to contribute to increased emissions or declining biodiversity. Currently, good work is often done by volunteers and while harmful activities continue to be profitable.