

Is NZ a laggard in responding to climate change?: Results of a Global Index

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The 2014 edition of the “Climate Change Performance Index” has just been released by Climate Action Network Europe and Germanwatch. Basically, the index uses set criteria to assess and rank the climate change response of 58 countries (collectively responsible for more than 90 percent of global energy-related CO₂ emissions). Its sources include data from the International Energy Agency and the UN Environment Programme, as well as help from 250+ energy and climate experts internationally. By this measure, NZ ranks in the bottom half of the OECD for responding to the climate change problem. This blog post looks at some of the details and considers what NZ could be aiming for if it is to be a responsible “international citizen” in terms of the global environment and global health.

The latest version of the “Climate Change Performance Index” is not good news for NZ. The country is ranked in the bottom half of the countries included (39 out of 58) and in the bottom half of the OECD countries (23 out of the 32 listed). The score calculated for NZ is 53 compared to the top ranked countries of Denmark (75) and the UK (70). NZ ranked below all the Scandinavian countries and 24 of the European Union countries. But it was ahead of Japan (47), Australia (42) and Canada (40).

The specific details of the NZ assessment:

Overall: “Poor”

Emissions level (30% of the weighting): “Very poor”

Development of emissions (30% of the weighting): “Good”

Renewable energy (10% of the weighting): “Moderate”

Efficiency (10% of the weighting): “Good”

Policy (20% of the weighting): “Very poor”

On the plus side is NZ’s ranking in the 9th position for efficiency. A low is in terms of “policy” where the report says that “New Zealand joined the bottom five this year.”

Is NZ’s low ranking credible?

It seems that a lot of work is put into updating this index which has been running since 2005. Eighty percent of the evaluation is based on objective indicators (emissions levels and emissions trends), and 20% on climate policy assessments.

Also NZ’s low ranking seems credible given that its own country-level responses are generally not far from token (see past brief reviews on the NZ response – (1) (2)). Indeed, this year the Government announced an extremely minimalist target – of aiming to reduce net emissions by 5% below 1990 levels by 2020. In its fourth assessment report, the Intergovernmental Panel on Climate Change (IPCC) suggested emissions reductions by developed countries of 25-40% below 1990 levels by 2020. In any case, the 2011 UN Framework Convention on Climate Change (UNFCCC) review of NZ’s climate change policies concluded that the measures in place here were not enough to achieve even a 3% reduction in emissions.

Another problem is that the “price signal” from the country’s “emissions trading system” (ETS) is similarly only at a trivial level (at under \$10 per tonne of CO₂). The design of this ETS is widely considered by experts as fairly deficient (eg, by subsidising big emitters, not properly incentivising forest planting and not covering the agricultural sector).

What might NZ aim for?

One option is that NZ just accepts being a laggard on climate change response and instead strives to be a good international citizen in other domains (eg, being a stronger advocate for nuclear disarmament, supporting development among its Pacific country neighbours, protecting Antarctica, advocating for international law in areas such as tobacco control etc). Indeed, NZ has a good international reputation in many areas that it can readily build on.

But surely we can do much better than this. Alternatives are to at least strive to get into the top half of the OECD for climate change response and even to become a leader eg, in the top 5 countries. This would have the following advantages:

- NZ would be doing more to help address what is a very serious threat to the future of the planet – and even an existential threat to the viability of human civilisation.
- The country’s “clean green” brand would start to become more genuine and hence support the promotion of NZ food exports and the tourism industry.
- New Zealanders’ health would probably benefit from the co-benefits arising from actions to reduce emissions eg, warmer homes (due to insulation with reduced heating), less air pollution and many others (see this previous blog post on *Public Health Expert*).
- NZ’s reputation as a “good international citizen” in other domains would be supported

- rather than being at risk as it is currently is with its solidifying “climate laggard” status.

NZ is actually in quite a good position to become a leader in responding to climate change in that it has good wind energy potential, has plenty of scope for making its housing stock more energy efficient, and its towns and cities can be improved in terms of walking and cycling for commuting. It could also start taxing methane from agriculture as these powers exist under the existing law. Having a proper system for taxing greenhouse gas emissions might allow for other tax reforms that are desirable (eg, lowering income tax for low-income NZers). The government could also stop subsidising the fossil fuel industry and bailing out the coal industry (ie, Solid Energy).

And if NZ wants to more fully use the power of the market and incentives to help, it could take more note of the ideas promoted by “Pure Advantage”. This is a NZ group of business leaders cajoling politicians and entrepreneurs to make the way they do business greener.

There are also strong ethical arguments for why developed countries like NZ should be leaders in reducing greenhouse gas emissions – simply summarised by “polluter pays” and “you broke it, you fix it” (when considering historical greenhouse gas emissions per capita from developed countries). Rich countries are also in a much better position economically to transition first to low-carbon economies than poorer countries are. The validity of various ethical arguments (including “past emissions matter” and responsibility to future generations) are all well outlined in a recent book on the ethics of climate change.

So, to stay a “climate laggard” or become a more responsible “climate leader”? This seems a rather critical issue for NZ to resolve in terms of its relationship with the international community.

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