



AgEcon SEARCH

RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.



Shaping New Zealand's Low-Emission Future

**Suzi Kerr, Catherine Leining, Judd Ormsby
Motu Economic and Public Policy Research**

Contributed paper prepared for presentation at the 59th AARES Annual Conference,
Rotorua, New Zealand, February 10-13, 2015

Copyright 2015 by Authors. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.

Shaping New Zealand's Low-Emission Future

Motu is undertaking an extensive multi-disciplinary programme on New Zealand's pathway toward a global low-emission future. The Low-Emission Future programme, which runs from 2013 to 2015, involves significant research, stakeholder dialogue, and international exchanges.

The programme will develop new and creative ideas, well supported by research, to make progress on the issues surrounding emission reduction opportunities, policies and actions where greater positive momentum is needed. To take these from ideas to viable solutions we will incorporate leading international knowledge, and a range of conceptual and empirical tools.

The Low-Emission Future programme complements other Motu initiatives and builds on our existing work on emissions trading, agricultural emissions, infrastructure, innovation and productivity.

Research

Our applied research is evaluating the ETS, providing new data (for example on consumption emissions) and applying new knowledge (for example from behavioural economics) to jointly inform evolution toward integrated and effective private and public mitigation.

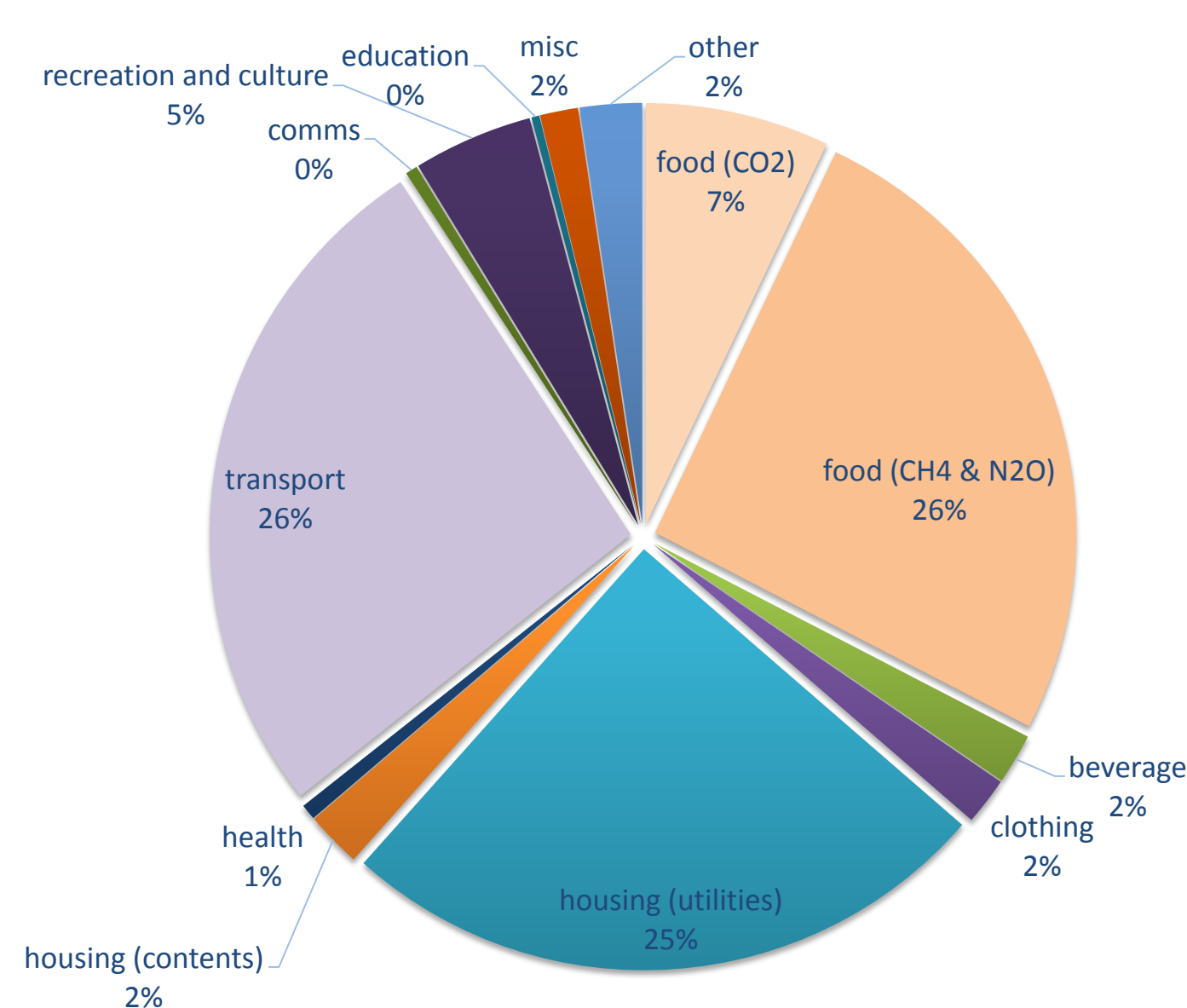
Our basic research targets two gaps in global knowledge that are critical to New Zealand: *How can New Zealand best respond to uncertainty in the rewards for mitigation investment?* and *How can New Zealand link its ETS to developing countries to fund effective mitigation outside New Zealand?*



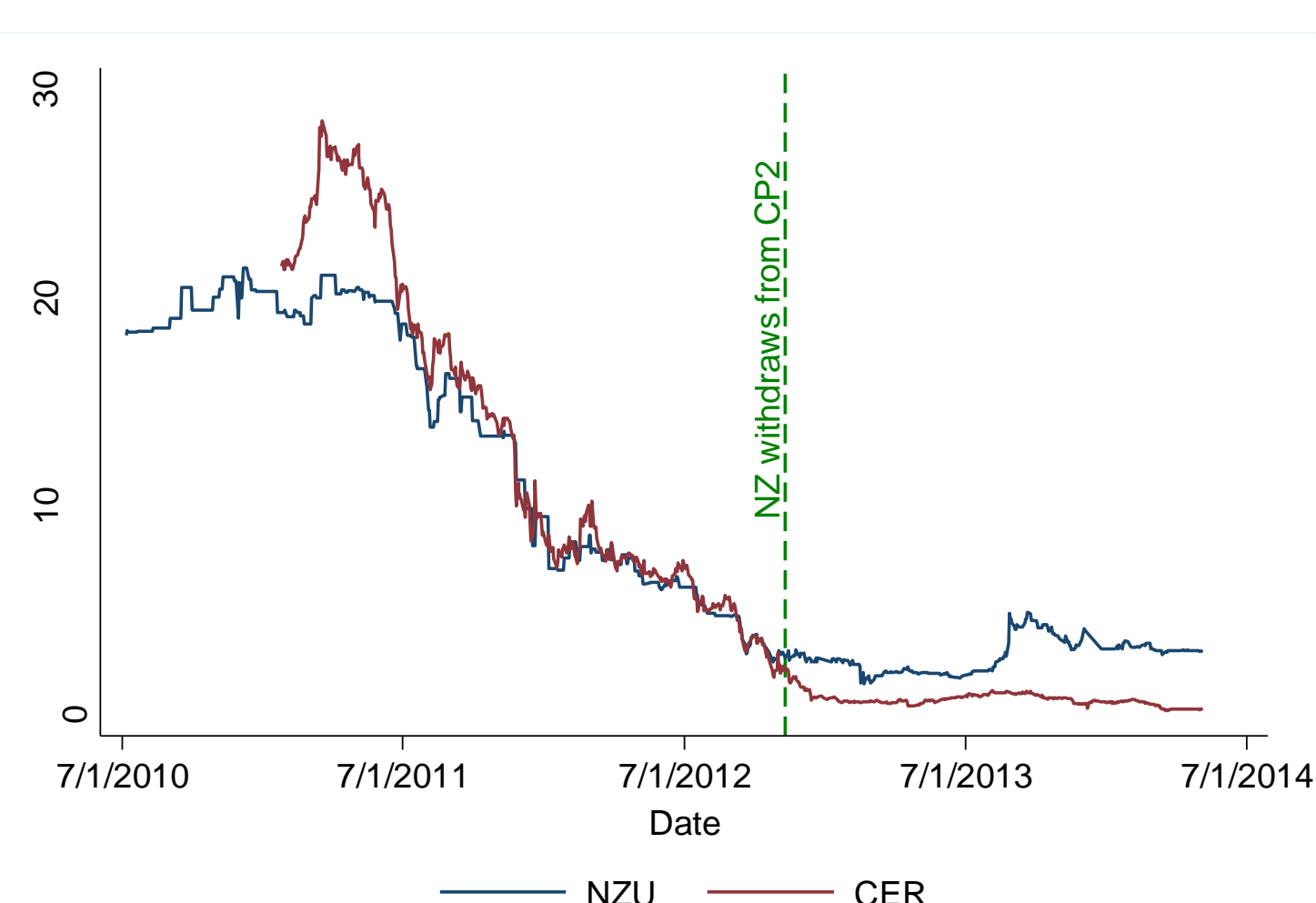
Stakeholder Dialogue

The **Low-Emission Future Dialogue** brings together stakeholders and technical experts from government, the private sector, academia and NGOs to discuss New Zealand's possible pathways toward a global low-emission future. The Dialogue addresses issues in an economy-wide context and aims to develop practical options. Participants will both draw upon and help to inform and review basic and applied research undertaken in the broader Motu programme and connect with other climate change initiatives. This builds on Motu's **Climate Dialogue**, which ran in 2007, and Motu's **Agricultural Emissions Dialogue**, which ran for ten meetings through 2011–12.

Composition of NZ Per Capita Consumption Emissions in 2012*



NZU and CER Prices July 2010 – May 2014



This graph shows the CER and NZU prices over time. From mid 2011 until late 2012 when New Zealand announced it would leave Kyoto, the NZU price was, as theory would predict, driven by CER prices. Now that NZUs and CERs are not interchangeable, prices have diverged.

Funding

To undertake this significant project we have received core grant funding from the **Aotearoa Foundation**, established by Julian Robertson. We have received co-funding from valued programme supporters and continue to seek additional co-funding. To participate in this important project, please contact us now.

For further programme information please visit our website:

www.motu.org.nz/research/group/shaping_new_zealands_low-emission_future



Visit Our Blog

Check out our blog, New Zealand's Low-Emission Future:
www.low-emission-future.blogspot.co.nz

