

Government Investment Initiatives under the Plan of Action

ENABLING BUSINESS OPPORTUNITIES

September 2007



Pillar 3

Description

This initiative will involve the Government working with the primary sector to establish a partnership that will maximise business opportunities from climate change.

The process will identify activities to be included under a five-year business opportunities programme.

Background

Actions to mitigate and adapt to climate change will lead to potentially rapid and significant changes in markets for New Zealand's primary products, and to the emergence of markets for new products and services. The land-based industries will need to capitalise on these opportunities if they are to bring about long-term sustainable economic transformation.

The Government will work with land-based industries to make the most of the commercial opportunities by identifying and addressing areas where particular barriers or market failures hinder private sector innovation.

Initiatives

Initiatives identified so far for immediate action include:

- **strategic analysis** to inform industry and the Government about the strengths, weaknesses, opportunities and threats of climate change from a business opportunities perspective;
- the development of an extensive **greenhouse gas footprint** response for the primary sector (*see separate sheet*);
- **reviewing market and trading opportunities:** research projects, information dissemination, and capacity-building on accessing carbon markets;
- development of a **Sustainable Building Strategy** to promote the greater use of wood as a sustainable building material (*see separate sheet*);
- research on, and implementation of, an international strategy on **avoided deforestation**¹ and related issues, including illegal logging.

Other initiatives may be identified as part of the ongoing partnership between the Government and the primary sector.

¹ 'Avoided deforestation' involves countries being paid to prevent deforestation that would otherwise occur.

Government investment

Initiative	2007/08 \$M	2008/09 \$M	2009/10 \$M	2010/11 \$M	2011/12 \$M	Total to 2012 \$M	From 2012/13 annually \$M
Business Opportunities ¹	2.844	3.615	3.215	2.335	2.055	16.169	2.105

Links to other government initiatives

This programme is linked to other initiatives including:

- strengthened research under the *Plan of Action (see separate sheet)*;
- technology transfer (*see separate sheet*);
- Greenhouse Gas Footprinting Strategy (*see separate sheet*);
- Business Partnerships for Sustainability – an initiative focused on the Government working in partnership with business to help firms use environmental integrity to their economic advantage.

¹ Figures include the Government's investment in the Greenhouse Gas Footprinting Strategy and the Promotion of Sustainable Wood-Based Building Materials.

Next steps and implementation

The immediate priority is to form an industry-government group in November 2007. This group will commission the strategic analysis needed to inform industry and the Government on business opportunities relating to the primary sector.

The best way of achieving this will be discussed with the *Plan of Action* Peak Group.²

² The Peak Group, which will comprise Māori and primary sector leaders, will provide a sounding board on, and direction to, the development of the *Plan of Action*.



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