

Managing carbon in times of political change: the rise and fall of the New Zealand Carbon Neutral Public Service program

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The New Zealand (NZ) government, under Prime Minister Helen Clark's Labour-led administration, sought in 2007 to move government core organisations towards carbon neutrality. In late 2008, the NZ government changed from a Labour-led to a National-led (traditionally more conservative) government, and this saw a shift in its carbon neutrality agenda, including the dismantling of the NZ Carbon Neutral Public Service (CNPS) program. In this paper, we explore the experiences of public servants from the lead core agencies involved in the CNPS program to investigate the rise and fall of the program in a time of political change, and to assess the evidence for Cabinet Minister Dr Nick Smith's rationale for program termination. Our research approach comprises a series of semi-structured interviews with the lead core agencies involved in the CNPS program, as well as the program champion, former Prime Minister, Helen Clark. We find that, in spite of initial challenges, the CNPS program appeared to deliver emission reductions, financial cost savings and a range of non-financial benefits. Whilst program costs would have likely outweighed the financial savings, due to high set-up and offsetting costs, we conclude that Nick Smith's case is unsupported by the evidence.

Keywords: carbon management; public sector; government; policy

Introduction

Carbon management is a relatively new phenomenon, and several governments around the world (e.g., UK, Germany, Norway, New Zealand) have recently instituted public sector initiatives designed to lead by example in this area (NZ Govt 2007a). In New Zealand (NZ), a relatively rapid change in policy has recently been experienced. Civil servants in many countries regularly experience changes in government, and along with this, alterations in policy content and priorities to which they must adapt. Nonetheless, we believe this is a new, and previously unreported, phenomenon in relation to carbon management.

Government organizations, as do private sector organizations, can struggle with challenges over whether they are engaged in rhetoric, or in meaningful action, and over the observed dominance of offsetting, as opposed to making in-house greenhouse gas (GHG) emissions reductions (e.g. Verweij et al. 2006). Such organizations often lack strong leadership for

environmental initiatives, exist within weak policy regimes, and show a tendency to adopt business-as-usual (no action), or business-a-little-less-than-usual (minor efficiency adjustments), strategies (e.g. Jones & Levy 2007; Ball et al 2009a). There is a growing body of literature that explores NZ's place in global climate policy (e.g. Chapman et al. 2006; Chapman & Boston 2007; Ball et al. 2011). However, little has been reported on how public sector organizations address climate change, and on the role and efficacy of government mitigation activities (Ball & Grubnic 2007; Ball et al. 2009b).

The NZ Carbon Neutral Public Service (CNPS) programme was announced amongst a raft of sustainability initiatives by the Labour Prime Minister Helen Clark on 13 February 2007 (Clark 2007). Although the NZ public sector accounted for only about 2% of NZ's total emissions, the objective was to elevate NZ's international profile as a leader on climate change and carbon neutrality (NZ Govt 2008); with the initiative conceived as “the only comprehensive central government programme with robust systems and methodologies to work through the challenges posed by a public service carbon neutrality programme...” (NZ Govt 2008). Led by the Ministry for the Environment (MFE), the initiative's goal was to move the Government's 34 core public service departments towards carbon neutrality. Six core government agencies were chosen to become carbon neutral by 2012, with the other 28 to be well on their way by the same date. Though the lead six ministries were required to measure and reduce their emissions, it was the responsibility of the MFE to investigate and organize offsetting projects for all six ministries. The initiative operated within the guidelines of the Greenhouse Gas Protocol (WBCSD/WRI 2004), with inventories compliant to ISO specifications (NZ Govt 2008). Funding of \$10.4 million gross over three years was allocated to the programme and savings were expected from energy efficiencies and reduced fuel costs (NZ Govt 2007a).

In November 2008, John Key, leader of the National Party, replaced Helen Clark as Prime Minister, and Labour's climate change policies were reconsidered. Firstly, legislation enabling the NZ Emissions Trading Scheme (NZETS), which had been passed into law in September 2008, was reviewed, and subsequently the legislation was modified, arguably in a weaker form. Secondly, on 11 March 2009, Minister for Climate Change Issues and Minister for the Environment, Nick Smith, ended the CNPS initiative, expressing the following opinion:

“The Carbon Neutral Public Service was just a feel good slogan cooked up by the previous Government. Its only achievement was to cost this country millions of dollars” (Smith 2009a).

Thirdly, the NZ Energy Strategy of 2007, promulgated under the Labour-led coalition and emphasising sustainability as a core objective (see MED 2007), was replaced in 2011 by a new NZ Energy Strategy in which economic growth became the key objective and the exploration, exploitation and utilisation of fossil fuels become a dominant desirable outcome (MED 2011). In this context, the abandonment of the NZ CNPS was unsurprising.

In this paper we examine the rise and fall of the CNPS programme through the experiences of public servants from the six lead core agencies involved in the programme; coupled with insights gained from the programme champion; and, publicly available information about the initiative. In addition, we assess the validity of Smith’s claim that the programme’s only achievement was to cost NZ millions of dollars (Smith 2009a).

Methods

The main method of data collection consisted of a series of semi-structured interviews with managers responsible for the delivery of the CNPS programme within the lead core agencies; and, a semi-structured interview with the champion of the programme, former Prime Minister of New Zealand, Helen Clarkⁱ. Attempts to meet with Nick Smith were unsuccessful. Interviews lasted between 45 minutes and 1 hour, 47 minutes (Table 1). These were recorded and transcribed, after which the data were manually coded and organized around themes related to the programme’s termination. In addition, our fieldwork was informed by publicly available information that provided insight into central government’s rationale for both creating, and ultimately, discontinuing the CNPS programme. This included information on government websites, including press releases, information disclosed on lead core CNPS programme departmental websites, and media articles.

Table 1: CNPS interviews (September 2009; April 2010)

Department	Interviewee	Location	Date	Duration
Department of Conservation (DOC)	Sustainability Manager	Wellington, NZ	25-Sep-09	1h 47 min
Inland Revenue Department (IRD)	Sustainability Manager	Wellington, NZ	22-Sep-09	1h 38 min
Ministry of Economic Development (MED)	(a) Procurement and Sustainability Advisor (b) Group Manager for Performance Governance and Assurance (c) Manager of Facilities Management	Wellington, NZ	24-Sep-09	60 min
Ministry for the Environment (MFE)	(a) Manager, Carbon Markets and Emissions Trading Group (b) Senior Analyst	Wellington, NZ	22-Sep-09	1h 07 min
Ministry of Health (MOH)	(a) Senior Advisor, Procurement and Contracts (b) (b) Project Leader, Procurement and Contracts	Wellington, NZ	25-Sep-09	55 min
Treasury	Facilities Manager, Sustainability Manager	Wellington, NZ	24-Sep-09	60 min
Helen Clark (Clark)	Former Prime Minister (Labour), Programme Champion	Manhattan, USA	6-Apr-10	45 min

Results

The data resulting from the interviews suggested similar experiences across the lead core government agencies. Further analysis was organized around four principal themes: *Application*, which explores programme execution; *Outcomes*, which explores outcomes from the programme; *Programme Termination*, which explores the rationale for programme termination; and, *Legacy*, which explores next steps. Finally, the views of programme champion Helen Clark are presented.

Application

Programme delivery

Consistently across all six lead core agencies, the interview data indicated that the programme was considered to have been poorly delivered (Table 2).

Table 2: Summary responses to application of the CNPS programme

Sub-themes	Ministry						Overall
	DOC	IRD	MED	MFE	MOH	Treasury	
Delivery	Should not have been run by the MFE	Programme lost in the numbers	MFE's credibility in question	Quick start-up; tight timeline	Too fast; not prepared; poorly managed by MFE	The MFE made it up as they went along	Delivery was too fast; Ministries were unprepared; the MFE was ineffective
Data requirements			Inconsistent requirements		Scope changed constantly	Misunderstanding with regard to requirements	Data requirements were inconsistent
Operating budget	No additional resources			High profile programme, no resources	No budget		Cost was pushed to the Ministries
Networking	Yes	Yes	Yes	Yes	Yes	Yes	Networking was effective

There were three dominant rationales for this conclusion. First, according to the MFE, the programme was developed and launched in haste:

“I think one of the things that is worth noting is that the Carbon Neutral Public Service Programme was set up really, really quickly... an idea that was developed over a short period of time at the beginning of 2008 in time for a Prime Minister’s speech from the throne essentially” (Table 1, MFEb).

The expectation was that the programme would evolve as the lead core agencies moved forward with inventory development:

“We also knew that it was going to evolve a little bit over time” (Table 1, MFEb).

Intensified by the quick development and launch, the second rationale for poor programme delivery concerned the emphasis on measurements:

“The difficult thing about CNPS and one of the challenging things about it is that you end up getting into a measurement mindset, which means that you forget about what you are doing and you just look at the numbers. And so you forget about the idea of actually we are trying to do this for the greater good of the planet” (Table 1, IRD).

The third and perhaps most important rationale concerned the MFE’s ability to deliver the programme (requested by the Prime Minister’s office). Despite their expertise, the MFE indicated that it was difficult to both deliver and participate in the programme:

“It was hard to be the agency delivering the programme and one of the – it actually would have been easier in some ways if we had not been one of the six pilot groups” (Table 1, MFEa).

Ultimately,...

“CNPS should never have been run by MFE, MFE is a policy department. It should have been run by EECA (Energy Efficiency and Conservation Authority). EECA offered to run it” (Table 1, DOC).

Data requirements

Staff across the lead core agencies were excited about the programme, but there was concern with regard to the onerous nature of validation and auditing requirements. Three of the six lead core agencies suggested that data requirements were inconsistent from the onset of the programme (Table 2). Lead core agency efforts to better understand their carbon footprint and build emission inventories were frustrated by on-going changes to the scope of the data requirements:

“It is pretty hard to keep the fire and the enthusiasm going, if the target keeps changing...” (Table 1, MEDb).

“...[MFE] would change what we were measuring [i.e. whether flights were considered trans-Tasman, international or national]... Stuff that they would often think about after we had our contracts in place” (Table 1, MEDa).

Moreover, the method for measuring data would change:

“The way that you measured had changed between the years. So there was some measures that you thought you had set up and then [MFE] would change their mind about how they wanted it measured” (Table 1, MEDa).

Similarly, conversion factors were inconsistent:

“I think that it got to the stage of submitting material and then getting it thrown back and saying, ‘Your conversion factors are all wrong because we gave you the wrong conversion factor. Please redo it again’” (Table 1, Treasury).

These inconsistencies ultimately exacerbate the base task of data gathering:

“Because it is such a new thing and we work with so many different industries, trying to get that data was a bit of a nightmare” (Table 1; MOHa). ... “lots of data missing; people had not collected stuff properly..., lack of understanding with people collecting the data” (Table 1, MOHa).

“Building information was hard to get, if you don’t own the building” (Table 1; MEDa) – “Especially life for multi-tenanted building and landlords are not keen to give information across to you” (Table 1; MEDc).

Operating budget

Despite programme funding in the order of \$10.4 million gross over three years, operating costs were pushed onto the lead core agencies, as indicated by three of the six agencies (Table 2).

“I think that most of [the \$10.4 million] got distributed at MFE’s discretion towards offsetting the cost of audits – for initial audits and set-ups” (Table 1, MOHb).

“All of the staff resources were essentially out of baseline” (Table 1, MFEb).

The lead core agencies were not expecting to absorb programme operating costs:

“Our biggest problem was that the Ministry was not prepared – there was no budget at all. There was absolutely no budget for any of this” (Table 1, MOHa).

“The government imposed this on us with no additional resources... I had envisaged that [central government funding] would be spent on... helping to do workplace travel plans – a whole range of things to actually help us to you know identify them as a cost effective way of reducing our emissions” (Table 1, DOC).

Networking

Networking was strong and effective, with all six lead core agencies agreeing to its value to the programme (Table 2). Interdepartmental networking was pushed from the beginning:

“There was definitely that kind of informal question/answer sharing of information going on” (Table 1, MEDa).... “And I think that it was driven right from the start” (Table 1, MEDb).

“We had monthly lead agency – six agency catch-up and that was very much a sharing of ideas... sharing of experiences and stuff whether it was negative or not,

*and it quite often was... people were kind of finding things hard” (Table 1, MFEa).
“... it was a rapid learning curve” (Table 1, MFEb).*

Notwithstanding the strength and effectiveness of the information sharing, the interview data did show tension towards the MFE:

“[MFE] would basically in a nice term, dictate what we had to do next. There were a lot of heated discussions” (Table 1, MOHa).

“So as a result of [tensions with MFE], the lead six or the large agencies took it upon ourselves to create our own meetings without MFE” (Table 1, MOHa). ... “it is a subject with high passion content as well. So it was always going to be heated” (Table 1, MOHb).

In addition, some of the lead core agencies liaised with their suppliers to better understand...

“How we could get better monitoring and how we could work to do things better” (Table 1, MEDa).

In addition, other lead core agencies liaised with local government:

“Even outside of that six, the support that we got from people like Wellington Regional Council, some of the local authority people who were sort of on the sidelines doing their own thing at the same time - even getting some of that information back into the group was quite helpful too” (Table 1, Treasury).

Outcomes

Awareness

As a result of the CNPS programme, management’s level of awareness with regard to how carbon affects the operation of their department increased.

“Created an awareness – absolutely... Awareness at senior level is a huge redefinition of management practices” (Table 1, MFEa).

This conclusion was consistent across all six lead core agencies (Table 3).

Table 3: Summary responses to outcomes of the CNPS programme

Sub-themes	Ministry						Overall
	DOC	IRD	MED	MFE	MOH	Treasury	
Awareness	Yes	Yes	Yes	Yes	Yes	Yes	Management's awareness increased
Emissions and cost reductions	Yes		Yes	Yes	Yes	Too soon to tell	Emissions reductions and cost savings did occur

In particular, the programme fostered a need to understand better the relationship between information, efficiency and cost:

“I think one of the great benefits out of the CNPS Programme is that it drives the need for information about your business” (Table 1, IRD).

“It is really that thing about that if you do not measure it, you cannot manage it....”
“So that is the big change for government departments as previously we were not measuring this. We did not know what it was costing us and as a consequence there was no incentive to really look at it. What CNPS did was to force us to really get a handle on it and see what it was costing us” (Table 1, DOC).

Emission and cost reductions

According to four of the six lead core agencies, the programme was indeed reducing both emissions and costs (Table 2).

“We did reduce our carbon footprint considerably... So it was a pretty positive story” (Table 1, MOHa).

“We are already generating savings because of what we have done.... Efficiency with buildings, motor vehicle fleet. Just the mindset around travel” (Table 1, MEDb).

Because of the CNPS programme, Government became more proficient at identifying savings:

“The government saved some costs... it got better at identifying energy and fuel savings” (Table 1, MFEb).

“Every single agency that was involved in this said ‘I am really glad I went through that process – saved a lot of money. I am much closer to my systems across the agency. I have identified efficiencies’” (Table 1, MFEa).

However, one of the six lead core agencies did indicate that it was too soon to judge whether emission and cost savings were incurred:

“I think that it was too soon to tell. And if it had gone for another couple of years, we might have seen something more concrete out of it” (Table 1, Treasury).

Programme termination

Rationale

Given the political climate following the Government’s transition from Labour to National, the consensus among the lead core agencies was not that of surprise with regard to the termination of the CNPS programme. Five of the six lead core agencies believed that programme termination was politically motivated (Table 4).

Table 4: Summary responses to the termination of the CNPS programme

Sub-themes	Ministry						Overall
	DOC	IRD	MED	MFE	MOH	TREASURY	
Rationale	Political	Political	Political	Political	Political and economic	Economic	Political ideology is the common rationale
Evaluation	No evaluation		Not clear	Not clear	No evaluation	No evaluation	Ministries were not involved in the determination of the programme's effectiveness

According to MFE, the CNPS programme did not resonate as a priority for National:

“It was dismantled because it was no longer a priority for the new government essentially... the Carbon Neutral Public Service was not a priority” (Table 1, MFEb).

Moreover, ...:

“They knew that sustainability had been one of Helen Clark’s showcases and as she said, ‘Through vindictiveness they have terminated it’ ... So yes, clearly it was I think politically motivated” ... “clearly [National] do not see climate change as a serious threat.” ... “It is ideology” (Table 1, DOC).

However, an economic imperative was indicated as well:

“I am guessing that our gut feel was cost, central government did not see the value for the money” (Table 1, Treasury).

“It is that carbon neutral versus carbon management. The country does not have the money to support offsetting all the public sector’s carbon emissions” (Table 1; MOHa))... “the big thing I guess going back to carbon neutral by 2012, is the fact that to offset it, it was going to cost around \$300,000 - \$400,000 a year. Treasury were very much painting a gloom and doom picture around 2012-2015 time economically” (Table 1, MOHb).

In addition, there existed an underlying dislike of the programme prior to the shift in Government:

“I think that the Minister had been explicit in his dislike of the programme when he was in opposition and the communication that he did not believe that it was necessary to have this programme... so it was not a complete surprise” (Table 1, MFEa).

“So I think [CNPS] was always destined to be changed to some degree” (Table 1, MOHb).

According to the Climate Change Issues and Environment Minister Nick Smith, the initiatives involved in the CNPS should occur without requiring a costly programme:

“Its view was that a lot of the initiatives – you know, the good cost benefit initiatives that were being undertaken in the Carbon Neutral Public Service could easily be undertaken – should be undertaken by government departments anyway” (Table 1, MFEb).

In contrast with the Minister’s belief however, the MFE were of the opinion that without the CNPS programme, these initiatives would not have occurred:

“...I think that the key point behind that was that the Minister’s understanding that CNPS would happen anyway because it is a good idea. That is not the case.” (Table 1, MFEa).

Evaluation

The interview data indicated that no formal evaluation of the programmes’ environmental and/or economic effectiveness occurred prior to its termination, as suggested by five of the six lead core agencies (Table 3).

The decision to terminate was too quick to allow for an adequate evaluation of the programme:

“No – it was done so fast - basically MFE had virtually no time. They were given about a month to try to justify its survival. We showed all the savings, which were quite significant for the investment. Despite all the flaws of the programme, it was starting to deliver and I do not think that it would have mattered what we put up, a decision had been made” (Table 1, DOC).

Legacy

Next steps

In the absence of a Government mandate, efforts to become carbon neutral have ceased. Five of the six lead core agencies will continue to manage their carbon, however (Table 5).

Table 5: Summary responses to the legacy of the CNPS programme

Themes	Ministry						Overall
	DOC	IRD	MED	MFE	MOH	Treasury	
Next steps	Carbon management	No carbon management	Carbon management (efficiency and cost savings)	Carbon management (no goal for carbon reductions)	Carbon management (cost neutral)	Reduction programmes will continue (but scaled back)	Continue with initiatives, albeit scaled back; No goal for carbon neutrality

“For the Ministry for the Environment it is kind of business as usual to be concerned about [emissions]” (Table 1, MFEb).

“We will reduce as much as possible” (Table 1, MFEa).

“It is sound business sense” ... “Our reduction programmes are not being discontinued” (Table 1, Treasury).

Though efforts to manage carbon will continue, agencies no longer have a target for reductions:

“We do not have a specific goal in terms of emission reductions now” (Table 1, MFEb).

“Treasury is a bit too focussed on other issues at the moment.” ... “So it has not stopped - it is just lower key, I guess” (Table 1, Treasury).

Moreover, in spite of management support to achieve the original targets, the MOH, for example, must ensure that their efforts are cost neutral:

“We are still striving for the same targets. ...So it is still full steam ahead as far as the Ministry is concerned and that was quite happily agreed on by Executive leadership” (Table 1, MOHb).*... But, “Now you cannot spend a cent on it, it has got to be cost neutral”* (Table 1, MOHb).

And, the IRD is in full retreat:

“So a lot of the stuff around really embedding all of the reporting, it never really happened particularly well.... Fully part of the business – it is probably not there” ... “ we really sort of are pulling back completely” ... “There is no organizational impetus” (Table 1, IRD).

Further, in the wake of the programme’s termination, private sector interest in carbon neutrality collapsed:

“Feedback from private sector suggests now that Government is no longer involved in CNPS programme, those ‘corporates and businesses that were inclined to go down this path are not now doing so because Government is not doing it’” (Table 1, MFEa).

Programme champion’s views

Helen Clark, in hindsight, doubted whether the MFE was the correct ministry to deliver the programme:

“...The Ministry for the Environment hasn’t been a strong ministry” (Table 1, Clark).

In terms of rationale for programme termination, Helen Clark was in agreement with the dominant views expressed by the lead core Ministries (i.e. that political ideology was the reason):

“[National’s] canning [CNPS] would have absolutely nothing to do with whether it was succeeding or not. Canning it would be simply pure politics...” (Table 1, Clark).

Labour believed that carbon neutrality was “the way the world [would] move” and thus wanted to seize the “opportunity to be at the forefront” (Clark 2007) of this global effort.

“...Everything about having a carbon neutral public service made sense, it saved money; so it wasn't only good for the environment, it was good for the bottom line of the Government's budget” (Table 1, Clark).

The potential of NZ damaging its international reputation if it is perceived to be doing little about emissions reductions at source was also raised:

“If in a world where people care about these issues – if New Zealand gets a reputation for being a dirty producer, a greenhouse gas polluter – a country that doesn't care, you're going to see it as a pariah” (Table 1, Clark).

Discussion

Overall, the findings suggest that the CNPS programme suffered from a premature launch, and was perhaps delivered by the wrong Ministry. Yet in spite of these drawbacks, managers in charge of the CNPS programme at the lead core agencies consistently asserted that emissions were decreasing and costs savings were becoming evident. Moreover, the lead core Ministries increased their network circle and heightened their level of awareness with regard to climate and carbon mitigation.

Before National was elected to lead the NZ Government it openly recognised the global importance of climate change, and advocated the need to incorporate climate policy into economic growth plans:

“The biggest environmental challenge of our time: global climate change...The National Party will ensure that New Zealand acts decisively to confront this challenge” (Key 2007, p. 4).

For National, however, Labour's initiative was not a good idea. As highlighted by Ball et al. (2009a, p. 1), Smith argued that “to make real progress on climate change we need to ensure that phrases like carbon neutral have integrity”:

“The climate change policy the Government inherited was not credible. ... we have to give New Zealand's climate change policy a reality check. We are not claiming New Zealand can be a world leader in emissions cuts or the first carbon-neutral country in the world” (Smith 2009c)... the new Government's policy goal is not about being first but ensuring New Zealand does its fair share” (Smith 2009b).

Thus under a National-led Government, re-elected in November, 2011, NZ is no longer aiming to lead on climate change, but instead wants to do its “fair share” in reducing emissions. National’s strategy involves achieving both economic growth and environmental outcomes (Smith 2009b), as reflected in subsequent MFE statements:

"We need an ambitious but achievable goal for 2020 that balances the environmental risks of climate change with the economic impacts on New Zealand of reducing emissions" (Table 1, MFEa).

While the interview data suggested that the CNPS programme was dismantled for reasons of political ideology, National’s rationale in fact focused on and gave prominence to, conventional neo-liberal economic ideology. Since the interview data indicated that a formal inquiry into the programme’s effectiveness did not occur, and because detailed expense information for the programme was not available to us, we were not able to judge fully the cost/benefit relationship of the programme beyond the insights gained from the participants.

That considered, we have estimated potential costs from existing data, plus emissions reduction projections from the six lead agencies, as published in their emissions reduction plans (DOC 2007; IRD 2008; MED 2008; MFE 2008; MOH 2008; Treasury 2008). Ministry offset requirements were indicated to be quite high, with the Department of Conservation (DOC) and the Ministry for Economic Development (MED) representing the best-case scenarios at 81 and 87 per cent offsetting respectively (Mason & Ball 2008). Anticipated emissions reductions for the period 2008-2012 were thus 19% (1837t-CO₂e) for DOC, and 13% (270t-CO₂e) for MED; with a projected financial saving for DOC of NZ\$4.3 million (DOC 2007; see also Mason & Ball (2008); and, Ball et al. (2009a) for a discussion of all 34 department reduction plans). Therefore, the vast majority of emissions from the six agencies would require offsetting. Estimated costs, including offsetting for the 2008-2012 period (NZ Govt 2007b), were thus NZ\$10.4 million whilst projected savings were NZ\$4.3 million (DOC 2007), plus unknown, but lesser amounts, from MED, and possibly other agencies. Based on these data, it is in our view highly unlikely that financial savings for the six lead agencies could have approached, let alone exceeded, NZ\$10.4 million. Furthermore the likelihood that post-2012 reductions would be minimal (i.e. the “low-hanging fruit” had already been picked) would suggest that the programme had, and would continue to, cost more than the financial savings delivered.

In relation to the assertion by Nick Smith that the “only achievement” of the CNPS programme was “...to cost this country millions of dollars”, we show that this opinion is incorrect. The lead core agencies reported both emission reductions and operating cost savings and the programme fostered an appreciation for energy efficiency. Furthermore, an awareness of emissions and associated costs was created amongst participants, along with an increased level of awareness with regard to how climate change affects business operations. Valuable learning and a broadened networking sphere occurred, and private sector organizations were encouraged by the existence of the programme, and the expertise developed and made available, to take an active interest in carbon neutrality. On termination, most agencies indicated their intention to continue with the carbon management aspects of the programme, showing that it had generated an ongoing appreciation of the value of emissions reduction initiatives.

Potential non-financial benefits of the CNPS programme remain to be fully evaluated, but may be considerable. NZ trades on slogans such as “Clean and Green” (MFE 2009a), but on the other hand is one of the highest per capita GHG emitting countries, ranked 11th in the world (MFE 2009a), and has a rising absolute GHG emissions profile, which increased by 22% over the period 1990-2007 (MFE 2009b)ⁱⁱ. NZ appears nonetheless to be on track to meet its 2008-2012 Kyoto commitment, but this is due to carbon sequestration by forestry plantations (MFE 2011; Smith 2011), which, as acknowledged by Nick Smith, provides only a temporary solution to rising emissions (see also Milne & Grubnic 2011).

Since both the notion and practice of carbon neutrality, particularly where there is a high reliance on offsetting, is contested and controversial, the abandonment of the CNPS may well have been justified if those reasons had been given. The programme might then have formally evolved into a carbon management strategy - which would have allowed the Government to capitalize on costs already incurred, and in the investment in learning around carbon accounting, plus other non-financial benefits.

Conclusions

The New Zealand CNPS programme arose in 2007, as part of a raft of sustainability initiatives, to show leadership on climate change both nationally and internationally, and was strongly championed by then Prime Minister Helen Clark. The programme was subsequently dismantled in March 2009, by a new National-led government, with the assertion by Minister

for Climate Change Issues and Minister for the Environment Nick Smith that “its only achievement has been to cost this country millions of dollars” (Smith 2009a).

Six lead core government agencies, mandated to become carbon neutral by 2012, reported both emissions reductions and cost savings prior to the dismantling of the programme. Other benefits included awareness raising about cost and emissions issues, learning about carbon accounting, and a consequent high level of interest in carbon neutrality from private sector organizations. Participants however considered the programme poorly delivered, and encountered a number of carbon accounting challenges. A preliminary assessment suggested that the programme would likely have cost considerably more financially than the projected cost savings, although a definitive cost/benefit analysis was not possible due to the unavailability of detailed accounting data. Nonetheless, we find the assertion made by Nick Smith to be unsupported by the available evidence.

Without a direct mandate from central government, the lead core agencies indicated that they would no-longer aim for carbon neutrality, but would continue to seek cost savings through emissions reductions where economically feasible. We suggest that by allowing the programme to formally evolve into a government-mandated carbon management programme, this would have, by removing the contested issue of offsetting, and particularly the high degree of reliance upon it, allowed the government to better capitalise on the financial costs already incurred, the learning gained, and the leadership demonstrated both nationally and internationally.

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ⁱ The University of Canterbury Human Ethics Committee approved this research. Before each interview occurred, interviewees were required to sign a consent form, acknowledging that their participation was voluntary and that they could withdraw from the study at any time without disadvantage. Interviewees were also provided with a signed (by the researcher) security and confidentiality form, indicating that their personal information would be kept confidential.

ⁱⁱ While 2006 saw an emissions spike of 26% over 1990 levels, subsequent years experienced a relative decline due to drought and the global financial crisis (Milne & Grubnic 2011)