

Approaches for mapping an effective just transition

A case study on the 2050 Roadmap of Taranaki, NZ

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Regional and Urban Policy

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Key messages

- → A transition planning process like the one carried out in Taranaki is complex and fast-paced, presenting an opportunity for extracting useful conclusions. As of April 2021, 85 actions were either complete or underway, 38 were partly underway and 43 actions were still remaining1. These included the launch of the national new energy centre based in Taranaki, financial support to projects in the food sector and funding the development of the Taranaki Crossing (a series of walks linking key destinations), among others.
- → From a higher-level perspective than performance of proposed actions, the following are some of the lessons learnt for just transition efforts in the future and/or other locations.

Have a strong partnership with local communities:

→ The just transition planning activities involved "iwi", or local Māori communities, which enabled the meaningful participation of regional partners. Including local communities in the process ensures that all voices are heard and makes it easier to have the support of all social groups. Therefore, a just transition planning process should always try to involve local communities and include them in decision-making groups.

Create a shared and long-term transition vision:

→ For a transition to be effective, it needs to be guided by a shared vision and long-term strategy. In order for all partners to feel ownership and responsibility of transition planning, processes need to be co-designed in a collective and inclusive manner.

Use an equity lens to foster inclusion in a just transition:

→ An operational group (in this case the Just Transition Partnerships) should advise on diversity and inclusion strategies for community engagement and guide on the application of an equity lens at all levels of the process. This will ensure that inclusivity is fostered by the different actors taking part in the just transition process.

Have sufficient resource allocation:

→ The process of just transition planning in Taranaki was challenged by the intensive nature of the work and the amount of resources required to create the co-designed plan. This shows that these processes need to ensure the provision of adequate resources and enough time for the work and the region's conditions. The Just Transition Partnerships also need to manage partners' expectations throughout the transition phases.

Use clear communications:

→ Partnerships and relations between the different actors that are involved in the just transition process will determine the results obtained. The quality of communications is key to effective partnerships that allow for a successful process. The operational group must facilitate communications and challenging conversations between regional partners and the central government to reach shared agreement on differing perspectives. The Taranaki 2050 Roadmap took advantage of a co-design approach, involving 700 people in workshops that defined the transition pathways, as well as further public feedback processes to gather as much input as possible from all stakeholders. This approach, besides giving a chance for diverse perspectives and insights to enhance its content, has also ensured public acceptance and ownership of the transition itself.

Avoid repetitive activities:

→ These processes need to respect stakeholders' voluntary time so that their commitment is retained through the different phases by avoiding unnecessary repetition.

1. Introduction

New Zealand's Just Transition Partnership team, a group that supports regional partners to understand, plan and navigate their transition in a way that is fair and equitable, currently supports two regions in the country as they undertake a just transition. One of the regions is Southland, which is adapting to the planned closure of the New Zealand Aluminium Smelter. The other one and subject of this report, Taranaki, is currently working to transition away from fossil fuels as a primary driver of its economy. Taranaki has used a roadmap approach to ensure that the transition:

- · follows a structured, planned approach,
- always fosters those objectives agreed among the different parties from the start, and
- · remains fair and equitable for everyone in Taranaki.

In Taranaki, a region at the southwest tip of New Zealand's North Island, the energy sector represents 28% of the regional economic output. Given that the oil and gas sector is such a large part of the local economy, the April 2018 decision by the coalition Government of New Zealand to not grant any new offshore oil or gas exploration permits significantly impacts the region. The decision is aligned with the country's ratification of the Paris Agreement in 2016 and its subsequent commitment to reduce emissions to 30% below 2005 levels by 2030.

Following the announcement banning new offshore oil and gas exploration permits, the Government embarked on a Just Transition Partnership for Taranaki. This partnership included funding for the region and support from the Just Transition Partnership Team, which helps regions in the country navigate the transition in a just manner. One of the key outcomes was the creation of the Taranaki 2050 Roadmap.



Figure 1. Taranaki and Southland. Source: Guidehouse and ICLEI Europe, 2023.

2. Development of the Roadmap

The Taranaki 2050 Roadmap sets out the long-term vision for the region to achieve an equitable, productive, and sustainable low-emissions economy by 2050. It was created with a goal of conducting a bottom-up, transparent, inclusive process that could capture new information from a diverse group of stakeholders. The government of New Zealand directly supported this process with over NZD 1.6million (EUR 0.95 million) in funding and staff in the region. This included providing funding to employ local staff and facilitators to implement the outcomes identified in the just transition roadmap.



Figure 2. Development of the Taranaki 2050 Roadmap. Source: Adapted from Taranaki Roadmap 2050

2.1 Co-designing the just transition

Venture Taranaki, the development agency for the region set up the Taranaki 2050 team to create the Roadmap. A first step involved the creation of a Lead Group of 27 people from relevant organisations, including local business, iwi, community, unions, education and local and central government to guide the co-design process and ensure its integrity and authenticity. The Taranaki 2050 Roadmap was co-designed by the people of Taranaki. This initial process ran from February to April 2019, with a variety of engagement approaches to gather input from several sectors in the community:

- → Over 700 people took part in 23 main workshops in different parts of the region focused on defined transition topics. As not everyone could or wanted to attend the topic-specific workshops, 5 additional community workshops were held where people could reflect on more general aspects of the vision for Taranaki.
- → A specialised youth workshop with pupils from 11 regional schools to ensure that voices of younger generations were also considered. This included a creative competition to stimulate awareness-raising and involvement, with more than 140 young people describing their own vision for 2050 by conveying their ideas through the arts (e.g., a picture, creative writing, infographic or video).
- → Online surveys completed by over 360 people.

After a first draft was launched in May, public feedback to the draft document was opened for further engagement until August 2019 and involved 40 additional sessions with over 1000 people.



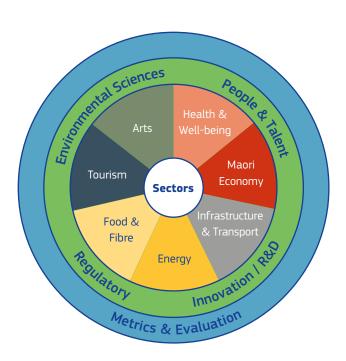


Figure 3. The 12 Transition Pathways. Source: Taranaki 2050 Roadmap.

2.2 Development of transition pathway action plans

The published Roadmap, finalised in August 2019, articulated twelve transition pathways (see below) on which Taranaki should focus in order to achieve a just transition. The next step was to define more concrete action plans for each of the transition pathways.

To create the Taranaki 2050 Roadmap, the Lead Group developed a process to co-design a set of Transition Pathway Action Plans using framing workshops. 23 in-person workshops covering the twelve main transition topics were held, open to all members of the community and with the presence of specialist experts. Trained facilitators guided the discussion to gather everyone's vision and expertise to feed into the action plans.

Having now finalised the Transition Pathway Action Plans, implementation of defined measures and monitoring of their progress remains the current focal points of the Taranaki 2050 programme.

3. Taranaki 2050 Roadmap - Deep dive into development

The Lead Group identified 12 transition topics or pathways important to Taranaki. The selection of these was informed by a range of analyses into sectors and enablers of the economy, as well as international research on factors impacting economic transformation. Some pathways are sectors, and others are enablers, and they were broken down into six working groups and six exploration groups.

Working group pathways are those that can transform the region towards a low-emissions economy:

- → Energy
- → Food and fibre
- → Tourism
- → Māori economy
- → People and talent
- → Innovation, research & development

Exploration group pathways are those that support the achievement of a low-emissions economy:

- → Infrastructure and transport
- → Health and well-being
- → Arts
- → Environmental sciences
- → Regulatory
- → Metrics and evaluation



Energy

Though coal accounted for 7.5% share of the primary energy supply in New Zealand⁵, the national government already committed to phasing out all (new and existing) coal combustion facilities by 2037⁶. The whole country has extensive coal resources of its own, including within the Taranaki region itself but has nearly halved its domestic coal production since its peak in 2006.

Though Taranaki's economy is less directly focused on coal extraction, it remains highly dependent on the energy sector, which is responsible for 28% of the regional GDP, generates NZD \$2.08 billion annually (EUR €1.23 billion), and employs nearly two thousand people in the region⁷. Given Taranaki's link to various stages of energy production, it is no surprise that an equitable transformation of this sector remains a primary pathway to focus on for achieving this region's just transition.



EMERGING PATHWAYS:

Knowing our measures of success

Collaborative leadership driving our arts culture

Comprehensive & preventive health

Accessible, connected & sustainable infrastructure

Further developing our innovation ecosystem

Integrated transition to low-emissions

Reconciliation of the past

Sustainably growing our tourism industry

Broadened and strengthened, sustainable & value-added food production

Diversifying our energy portfolio contributing to low-emissions

Agile, proactive, responsible regulations



Figure 4. Taranaki 2050 Roadmap. Source: Taranaki 2050 Roadmap.

Actions on the energy transition pathway were grouped into five different areas:

- Energy generation: identify the most suitable energy mix given the available resources for renewable energy technologies, and the development of those in the region.
- **Energy storage**: explore the potential for Taranaki to play an increasingly important role in energy storage.
- Energy and infrastructure: focusing on Carbon Capture Utilisation and Storage, optimisation of existing energy assets across Taranaki and new generation infrastructure.
- Energy adoption and education: Taranaki wants to be a leader in behavioural changes towards low-emissions practices.
- Energy investment: identify available funding, gaps and solutions for these gaps.

Some actions from the Roadmap have already taken place in the field, for instance the launch of the new national energy centre, which has the aim to accelerate the development of low-emissions energy in New Zealand.



Food and fibre

The food and fibre industry, the latter being focused on sheep wool production, also has a significant impact in the economy of Taranaki, contributing NZD \$1.5 billion (EUR \in 0.89 billion) and 10,200 jobs per year⁸. However, agricultural emissions of methane and NOx make up 48% of New Zealand's total greenhouse gas emissions, which was set at 7.7 tonnes of gross CO₂ per capita in 2017⁹. This means action needs to be taken for this sector rather urgently.

The Taranaki 2050 Roadmap envisions farms that promote diversified land use, provide long-term stable employment opportunities, and use low-emissions practices. Investment in appropriate technology will support improvements in productivity and high-wage employment. The Roadmap suggests that Taranaki's food and fibre sector in 2050 should become a more collaborative community, meaning that actors in the sector share ideas and work together synergistically to enter into new markets and grow in existing ones.

Specific actions are focused on building strategies to diversify/ expand the food and fibre sector, and de-risk the transition to a low-emissions and innovative sector. So far a range of projects with significant growth potential and several producers have already received financial support in the sector.



Tourism

Tourism is also rather important to Taranaki, and it has strong potential to grow the region's economy. The tourism sector in New Zealand has grown in the last decade. In Taranaki, the contribution of tourism to the regional GDP increased four-fold from 2000 to 2019 providing over 4,000 jobs in 2019 (7.2% of Taranaki's employment)¹⁰. At the same time, uncontrolled growth can potentially cause infrastructure pressures, overcrowding, increased emissions and environmental concerns. Additionally, jobs in the tourism sector can sometimes lack security for being seasonal and low-wage.

Actions to be taken by 2050 are meant to focus on having sustainability at the heart of Taranaki's tourism. Improvements have already been made as, including several infrastructure projects like the development of the "Taranaki Crossing", a series of walks linking key destinations.



Māori economy

The Māori population accounts for 17.4% of the inhabitants in Taranaki (higher than the national average) and it is also a young population¹¹. Māori enterprises tend to operate from a strong platform of cultural values, take an intergenerational perspective on economic development, and have a particular focus on enduring relationships.

The vision for 2050 is for Taranaki to be made up of bilingual and bicultural communities that offer a welcoming place for people from all backgrounds. Māori residents in 2050 will enjoy proportionate levels of parity, increased levels of employment and their culture will be revitalised. The Roadmap considers the Māori potential in Taranaki as one of the strongest pathways towards success, because everyone in the region can benefit by fostering Māori leadership, business and well-being. Already the Government has committed several funding schemes specifically tailored for supporting Māori related projects and infrastructures.



People and talent

The transition to a low-emissions economy will be challenging for the people of Taranaki, with workers having to adapt to new sectors and careers. However, new opportunities also arise when building on the strengths of the region. For example, new jobs in more digital sectors allow for more flexible working conditions (e.g., remote work), and emerging career opportunities can then both retain talent and attract more (diverse) people to the region.

In 2019, an assessment of Taranaki's current workforce showed that employment in the region was growing at a slower rate than the national average (1.1% compared to 1.9%) and the unemployment rate was slightly higher. The population in the region was ageing in line with the rest of New Zealand, with strong growth in age groups 55 years and older and fewer young people.

With this context in mind, Taranaki will take actions by 2050 focused on high-quality education and improved job opportunities. The whole education system is envisaged to have a united direction and coordination, and training is to be understood as a valuable investment in enhancing business, industry, and the region.



Innovation and research & development

Research & development and innovation are necessary to move to a low-emissions economy, as they facilitate the uptake of new technology and knowledge. While R&D is about gaining and applying new knowledge, innovation is about a process of creating, adopting, and adapting knowledge into new or improved forms.

Actions in this field include developing an innovation and R&D landscape map and gap analysis for Taranaki, including what funds are available and what innovation activities can be done. By 2050, Taranaki will develop an innovation ecosystem that facilitates collaboration, provides investment and support for existing businesses and new start-ups, and is linked into the education system. Taranaki will support the development of incubators, accelerators, or an innovation hub and investigate innovative schooling models in the region.

Skills training courses, research and innovation programmes are already ongoing in the region as of April 2021.

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This document is part of a series presenting information and lessons learned on policy approaches at national, regional or local level supporting a just transition to a climate-neutral economy. The Just Transition Platform (JTP) assists EU Member States and regions to unlock the support in this transition. Visit the JTP website.

Endnotes

- 1 Source: Venture Taranaki (2021). Progress Update: April 2021.
- 2 Source: Ministry of Business, Innovation & Employment. Just Transitions for Taranaki.
- 3 All monetary values are based on Oanda.com's currency converter, set for the date of January 1, 2023.
- 4 Source: Ministry of Business, Innovation & Employment. Just Transitions for Taranaki.
- 5 Source: Ministry of Business, Innovation & Employment (2021). New Zealand Energy Dashboard.
- 6 Source: Ministry for the Environment (2022). Aotearoa New Zealand's first emissions reduction plan.
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- 9 Source: Source: Ministry of Business, Innovation & Employment (2021). New Zealand Energy Dashboard.
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Author: Julen Imana (ICLEI Europe) Reviewer: Emma Krause (Guidehouse)