



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Convenor, Ministerial Group on Climate Change

Copies to:

Prime Minister	Minister of Education
Deputy Prime Minister	Minister of Forestry
Minister for Economic Development	Minister of Fisheries
Acting Minister of Consumer Affairs	Minister of Research, Science and Technology
Minister of Finance	Minister of Energy
Minister of Social Services and Employment (MSD)	Minister of Maori Affairs
Minister of Foreign Affairs and Trade	Minister of Civil Defence
Minister of Justice	Minister of Defence
Minister of Health	Minister for the Environment
Minister of Local Government	Minister of Transport
Minister of Conservation	Minister of Statistics
Minister of Agriculture	Chief Parliamentary Counsel
Minister for Trade Negotiations	Legislation Coordinator
Minister of State Services	Secretary, POL

Climate Change IV: Adapting to Climate Change

On 29 April 2002, following reference from the Cabinet Policy Committee (POL), Cabinet:

- 1 **noted** that the rate of climate change during the 21st century is very likely to be greater than any natural variations during the past 10,000 years;
- 2 **agreed** that improved bio-physical, economic and social understanding of climate change impacts on New Zealand, and the development of adaptation strategies, are essential parts of New Zealand's response to climate change;
- 3 **noted** that the Government has agreed to a staged approach in its work stream on climate change impacts and adaptation [CBC Min (01) 1/3 refers], and that stage 1 has been completed with the release of a series of reports on likely climate change impacts on New Zealand between July 2001 and February 2002;
- 4 **agreed** that government should focus its attention under stage 2 of this work stream on three concurrent components:
 - 4.1 assessing the economic impacts of climate change;
 - 4.2 guidance and assistance to local government in adapting to climate change;

- 4.3 increasing understanding and awareness of business opportunities and risks arising from climate change effects, and promoting collaborative research to that effect;

Stage 2(a): Economic analysis

- 5 **noted** that identification of the economic and flow-on effects of climate variability and extreme events would have large immediate benefits and would contribute to a comprehensive macroeconomic analysis of climate change impacts in the long term;
- 6 **noted** that the cost of this initiative is estimated at through Vote Prime Minister and Cabinet;
- 7 **noted** that funding of the costs outlined in paragraph 6 above has been agreed by joint Ministers as part of the 2002 Budget process;

Stage 2(b): Guidance and assistance to local government

- 8 **noted** that local authorities are the relevant agencies to plan for climate change impacts and implement adaptation options, and that central government needs to provide assistance and guidance on planning and implementation;
- 9 **noted** that the cost of this initiative is estimated at through Vote Prime Minister and Cabinet;
- 10 **noted** that funding of the costs outlined in paragraph 9 was agreed by joint Ministers as part of the 2002 Budget process;
- 11 **noted** that further funding between may be required over several years, subject to approval by Cabinet, to develop and implement long-term assistance and guidance to local government on adapting to climate change;

Stage 2(c): Business opportunities and risks from climate change impacts

- 12 **noted** the existence of economic opportunities and avoided costs arising from timely adaptation to climate change, and from marketing of intellectual capacity and tools to respond to climate-related management and information needs;
- 13 **agreed** that increased public understanding and awareness of the potential impacts of climate change, and of collaborative research opportunities, will be necessary to allow all relevant parties to maximise their capacity to adapt to the impacts of climate change;

Report back

- 14 **directed** officials to report to POL, by 31 July 2002, on progress of the work programmes on economic effects of climate extremes and developing assistance and guidance options for local government;

- 15 **noted** that officials expect to provide POL and Cabinet with recommendations on long-term assistance and guidance to local government as part of stage 3 of the work stream on climate change impacts and adaptation, by 28 February 2003.

Secretary of the Cabinet

Reference: CAB (02) 188; POL Min (02) 9/1-6