

Hon Simon Watts

Minister of Climate Change
Minister of Revenue



30 APR 2024

Stuart Smith
Chairperson, Finance and Expenditure Committee
Parliament Buildings
Wellington

By email: fe@parliament.govt.nz

Tēnā koe Stuart,

Proposal to initiate a Finance and Expenditure Committee inquiry into adaptation

I am writing to you as Chair of the Finance and Expenditure Committee to seek support for my proposal for an inquiry into adaptation.

Since the Environment Committee commenced their inquiry into climate adaptation in August 2023, we have made progress in shaping what this Government's approach is to responding to climate adaptation. Cyclone Gabrielle and the Auckland Floods reinforced the critical nature of climate change adaptation, and it is important to maintain momentum.

I consider broad public consultation and cross-party consensus is needed prior to developing legislation on adaptation. I also consider it important to take a targeted approach to setting out New Zealand's approach to adaptation by focusing initially on elements such as investment and cost-sharing. In order to facilitate this and build on the work of the Environment Committee, I propose that the Finance and Expenditure Committee undertake an inquiry into adaptation. Your committee has all parties of parliament represented in its membership, which will be important for consensus-building.

I intend to lodge a notice of motion with the House, which will include the Terms of Reference for the inquiry. I seek your committee's support of the Terms of Reference, so I have attached the draft motion in **Appendix 1**.

I have also written to the Chair of the Environment Committee seeking their support for my proposal, which includes concluding their inquiry with a short final report.

The Environment Committee received 147 submissions during their consultation period in late 2023. You will note in the draft motion that I am proposing these submissions must be considered by the new inquiry.

I also suggest that the inquiry have particular regard to the report arising from the Māori Affairs Committee briefing on Māori Climate Adaptation.

Officials from the Ministry for the Environment will be available to support the written submissions process and act as advisors to the Committee. Given the links to other government work programmes, the Committee may also need support from other government agencies with relevant technical expertise, including the Treasury, the Ministry of Housing and Urban Development and the National Emergency Management Agency.

Private Bag 18041, Parliament Buildings, Wellington 6160
s.watts@ministers.govt.nz

Hon Simon Watts

Minister of Climate Change
Minister of Revenue



I welcome further discussion with you on these matters and the Terms of Reference for the inquiry.

Yours sincerely

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke.

Hon Simon Watts
Minister of Climate Change

Hon Simon Watts

Minister of Climate Change
Minister of Revenue



Appendix 1 – Draft Notice of Motion

DRAFT

Name Hon Simon Watts

18 April 2024

To move—That the Finance and Expenditure Committee conduct an inquiry into climate adaptation, with the following terms of reference:

Inquiry into climate adaptation

- (1) The purpose of the inquiry is to develop and recommend high-level objectives and principles for the design of a climate change adaptation model for New Zealand, to support the development of policy and legislation to address climate adaptation.
- (2) For this purpose, the committee must consider the following topics:
 - (a) the nature of the climate adaptation problem New Zealand faces
 - (b) frameworks for investment and cost-sharing
 - (c) roles and responsibilities
 - (d) climate risk and response information-sharing
- (3) The committee may, as it thinks fit, consider other matters relevant to the purpose of the inquiry.
- (4) The committee must take account of submissions received by the Environment Committee on its recent inquiry into climate adaptation.
- (5) The committee must finally report on the inquiry by 5 September 2024.