



Briefing: Approval to lodge Cabinet paper: Government response to FEC and CCC reports, and next steps for policy decisions

Date submitted: 11 December 2024

Tracking number: BRF-5670

Sub Security level: Classification

MfE priority: Urgent

Actions sought from Ministers

<i>Name and position</i>	<i>Action sought</i>	<i>Response by</i>
To Hon Simon WATTS Minister of Climate Change	Approve Cabinet paper for lodgement	12 December 2024

Actions for Minister's office staff

Send the letter attached to the Chair of the Finance and Expenditure Committee, once signed by the Minister.

Return the signed briefing to the Ministry for the Environment (ema.pct@mfe.govt.nz and advice@mfe.govt.nz).

Appendices and attachments

1. Draft Cabinet paper – tracked version
2. Draft Cabinet paper – clean version
3. Draft Government response to the FEC inquiry- tracked version
4. Draft Government response to the FEC inquiry- clean version
5. Overview of related cross-government work programmes
6. Draft Government response to the CCC report on the National Adaptation Plan- tracked version
7. Draft Government response to the CCC report on the National Adaptation Plan- clean version
8. Draft Table of actions: Addendum 2025 – tracked version
9. Draft Table of actions: Addendum 2025 – clean version
10. Suggested talking points for Cabinet Economic Policy Committee
11. Draft letter to Finance and Expenditure Committee

Key contacts at Ministry for the Environment			
<i>Position</i>	<i>Name</i>	<i>Cell phone</i>	<i>First contact</i>
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Minister's comments

Approval to lodge Cabinet paper: Government response to FEC and CCC reports, and next steps for policy decisions

Key messages

1. This briefing provides you with an updated Cabinet paper which seeks endorsement on the Government responses to the Finance and Expenditure Committee (FEC) and Climate Change Commission (CCC) reports, and next steps for policy decisions for the adaptation framework.
2. You commenced Ministerial consultation on the draft Cabinet paper on 3 December 2024.
3. Feedback was received via your office from the Prime Ministers' Office (PMO) and the Department of Prime Minister and Cabinet (DPMC).
4. Officials have updated the Cabinet paper following Ministerial feedback. Feedback integrated includes the addition of the objectives agreed in principle by Cabinet in April and linking the adaptation framework to the National Risk and Response Framework.
5. You previously agreed to lodge the Cabinet paper on 12 December 2024 for Cabinet Economic Policy Committee on 18 December 2024 [BRF-5510 refers].
6. You agreed to write to the FEC if 2025 Cabinet dates did not align with the Government response deadline of 16 January 2025 [BRF-5510; BRF-5601 refers]. The earliest that Cabinet could consider the paper 21 January 2025. As such, a draft letter to FEC is attached. You could send this following ECO consideration of the Cabinet paper.

Recommendations

We recommend that you:

- a. **agree** to lodge the Cabinet paper (Appendix 2) and its associated appendices on 12 December 2024 for Cabinet Economic Policy Committee on 18 December 2024.

Yes | No

- b. **note** proposed talking points for Cabinet Economic Policy Committee are attached at Appendix 10

- c. **either:**

- i. **provide feedback** on the draft letter to the Chair of the Finance and Expenditure Committee (Appendix 11)

Yes | No

or:

- ii. **sign** the attached letter (Appendix 11) to the Chair of the Finance and Expenditure Committee to send on 18 December.

Yes | No

Signatures



Katherine Wilson
General Manager – Adaptation
Environmental Management and Adaptation
11 December 2024

Hon Simon WATTS
Minister of Climate Change
Date:

Approval to lodge Cabinet paper: Government response to FEC and CCC reports, and next steps for policy decisions

Purpose

1. This briefing seeks your approval to lodge the Cabinet paper on the Government response to the Finance and Expenditure Committee (FEC) and Climate Change Commission (CCC) reports, and next steps for policy decisions for the adaptation framework.

Background

2. On 3 December 2024 you commenced Ministerial consultation on the draft Cabinet paper [BRF-5601 refers].

Analysis and advice

Amendments made to the Cabinet paper

3. Following feedback on the draft Cabinet package from yourself and Ministers, officials have updated the paper. We have also made minor edits to the Cabinet paper for consistency, accuracy and readability.
4. This version also integrates further feedback from the Treasury and Policy Advisory Group and Risk and System Governance Group (Department of Prime Minister and Cabinet).
5. For your reference, these edits are provided as tracked changes in Appendix 1. A clean version of the Cabinet paper is attached as Appendix 2. Tracked and clean changes to the Cabinet paper appendices are also attached (Appendices 3-9).
6. Table 1 below summarises and explains the amendments.

Table 1: Amendments to Cabinet package

	<i>Edit</i>	<i>Reasoning</i>
Cabinet paper	<ul style="list-style-type: none"> Objectives agreed in principle by Cabinet in April added at paragraphs 13-14 and recommendation 5 Mention of the National Risk and Resilience Framework added at paragraphs 20-21 	Requested by PMO and DPMC to include additional information/explanation on objectives for the adaptation framework and linking the framework to the National Risk and Resilience Framework.
	<ul style="list-style-type: none"> Cost of living text updated at paragraph 32 to explain that the impact will be dependent on final policy decisions 	Policy Advisory Group (DPMC) requested the wording suggest that the

		impact could be positive or negative to cost of living
FEC response	<ul style="list-style-type: none"> Objectives agreed in principle by Cabinet added at paragraphs 9-10 Mention of the National Risk and Resilience Framework and its relationship to the adaptation framework added at paragraph 14 	To link to additions to the Cabinet paper requested by PMO and DPMC
	<ul style="list-style-type: none"> Paragraph 15.4 amended to include mention of wider Emergency Management reform 	Requested by Policy Advisory Group (DPMC) to represent additional work programmes under development
CCC response	<ul style="list-style-type: none"> Minor amendments to the narrative for clarification Introductory text added to the addendum table of actions 	Policy Advisory Group (DPMC)
	<ul style="list-style-type: none"> Subheading added and additional content on National Risk and Resilience Framework, and related work across the climate strategy on page 14 	To link to additions to the Cabinet paper requested by PMO and DPMC
	<p>Other minor and technical adjustments to Appendix 8. Draft Table of actions: Addendum 2025</p> <ul style="list-style-type: none"> Some adjustments to action numbers (4.5 to 4.9 and 3.7.2 to 3.7.7) Changed wording of 'replacement action' to 'new action' in the changes column of the table. Action 10.12 confirmed as discontinued 	<ul style="list-style-type: none"> To reflect these are new actions to the plan- and not to confuse with previously published action numbers To make clearer the new actions in the table To reflect Ministerial decision

Next steps

7. The next steps proposed to the Cabinet paper and Government responses to the FEC and CCC reports are:

Table 3: Cabinet paper and Select Committee timeframes	
Step	Date
Lodge Cabinet Paper	12 December 2024
Cabinet paper considered at ECO	18 December 2024
Government response to FEC report due	16 January 2025
Cabinet meeting	21 January 2025
Government responses tabled in the House	ASAP after Cabinet and before 2 February 2025
Government response to CCC report due	2 February 2025

8. Attached as Appendix 10 are proposed talking points for ECO on 18 December 2024.
9. You have agreed to write to the FEC to outline the expected timing of the Government response because of the gap between ECO and Cabinet over the summer break [BRF-5510; BRF-5601 refers]. We have attached a letter for you to send (Appendix 11). You could send this to the Chair of the FEC following ECO consideration of the Cabinet paper.
10. The Finance and Expenditure Committee wrote to the Business Committee requesting a debate on the FEC inquiry report. You may wish to discuss timing of this debate with the Chair of the FEC and the Business Committee. Options include aligning with when the responses are tabled in the House, or following Cabinet policy decisions, currently anticipated for April 2025.