



# Cabinet Economic Policy Committee

## Minute of Decision

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### Adaptation Framework: Government Response and Next Steps

Portfolio                      Climate Change

On 18 December 2024, the Cabinet Economic Policy Committee:

#### Finance and Expenditure Committee (FEC) report

- 1        **noted** that on 1 October 2024, the FEC presented its report on the inquiry into climate adaptation to the House (the FEC report);
- 2        **approved** the proposed Government response to the FEC report (the FEC Government response), attached as Appendix 2 under ECO-24-SUB-0309;
- 3        **authorised** the Minister of Climate Change to make minor editorial changes to the FEC Government response, in line with the direction agreed to by Cabinet and in consultation with the Prime Minister's office and relevant Ministers where required;
- 4        **invited** the Minister of Climate Change to present the FEC Government response to the House in accordance with Standing Order 256 and publish it by 16 January 2025;

#### Adaptation framework design

- 5        **noted** that the Minister of Climate Change will work with the Minister of Finance to develop the adaptation framework based on the following four workstreams previously agreed by Cabinet:
  - 5.1      principles for investment in risk response;
  - 5.2      principles for cost-sharing pre- and post-event;
  - 5.3      roles and responsibilities;
  - 5.4      risk and response information sharing;

[ECO-24-MIN-0058]

- 6 **noted** that the Minister of Climate Change will develop the adaptation framework based on the following objectives previously agreed in principle by Cabinet, subject to the FEC recommendations:
- 6.1 minimise expected long-term costs;
  - 6.2 ensure responses and funding support to property owners, if any, are predictable, principled, and rules-based wherever possible (ie, not decided after each event);
  - 6.3 improve climate risk and response information flows;
  - 6.4 address market failures and support market efficiency;
  - 6.5 people have the incentive and ability to manage risk;
- [ECO-24-MIN-0058]
- 7 **noted** that the Minister of Climate Change will seek input from the Minister for Infrastructure, Minister Responsible for RMA Reform, Minister of Local Government and Minister for Emergency Management and Recovery, and other Ministers as necessary;
- 8 **noted** the overview of related cross-government work programmes which can also help to achieve the above objectives, attached at Appendix 3 under ECO-24-SUB-0309;
- 9 **noted** that the Minister of Climate Change intends to seek final policy decisions on the legislative elements of the adaptation framework and approval to introduce legislation required to support the framework in 2025;

### **The Climate Change Commission's report on the National Adaptation Plan**

- 10 **noted** that on 16 August 2024, the Minister of Climate Change tabled the Climate Change Commission's 2024 progress report on the National Adaptation Plan (NAP) in the House;
- 11 **approved** the proposed Government response to the Climate Change Commission's 2024 progress report on the NAP (the NAP Government Response), attached at Appendix 5 under ECO-24-SUB-0309;
- 12 **authorised** the Minister of Climate Change to make minor editorial changes to the NAP Government response, in line with the direction agreed to by Cabinet and in consultation with the Prime Minister's office and relevant Ministers where required;
- 13 **invited** the Minister of Climate Change to present the NAP Government response to the House in accordance with section 5ZV of the Climate Change Response Act 2002 and publish it by 2 February 2025.

Rachel Clarke  
Committee Secretary

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**Present: (see over)**

**Present:**

Rt Hon Winston Peters  
Hon David Seymour  
Hon Nicola Willis (Chair)  
Hon Shane Jones  
Hon Brooke van Velden  
Hon Chris Bishop  
Hon Simeon Brown  
Hon Erica Stanford  
Hon Louise Upston  
Hon Judith Collins KC  
Hon Todd McClay  
Hon Tama Potaka  
Hon Matt Doocey  
Hon Simon Watts  
Hon Melissa Lee  
Hon Penny Simmonds  
Hon Chris Penk  
Hon Nicola Grigg  
Hon Andrew Bayly  
Hon Andrew Hoggard  
Hon Mark Patterson

**Officials present from:**

Office of the Prime Minister  
Office of Hon Chris Bishop  
Office of Hon Erica Stanford  
Office of Hon Simon Watts  
Officials Committee for ECO