

Responding to the Climate Change Commission's NAP progress report, including initial analysis of recommendations

Date submitted: 12 August 2024

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Security level: Classification

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	Make decisions on the recommendations in this briefing	16 August 2024

Actions for Minister's office staff

Return the signed briefing to the CCIEB Unit: board@climateieb.govt.nz and ministerials@mfe.govt.nz

Appendices and attachments

1. Initial analysis of the Commission's recommendations
2. Q&A to support public release of the Commission's report

Key contacts

<i>Position</i>	<i>Name</i>	<i>Cell phone</i>	<i>First contact</i>
Principal Author Chief Advisor, Climate IEB Unit	Jane White	027 275 7836	✓
General Manager, Adaptation, Ministry for Environment	Katherine Wilson	021 146 3122	
Executive Director, CCIEB Unit	Lisa Daniell	022 124 9568	

Minister's comments

Purpose

1. This briefing provides you with an overview of the key findings from the Climate Change Commission's (the Commission) first report on the implementation and effectiveness of the National Adaptation Plan (NAP) and supports you to table this report in Parliament. We also wish to discuss with you a proposed structure for the response to the Commission's report.

Key messages

2. You received the Commission's report on 2 August 2024 and under the Climate Change Response Act (CCRA) you are required to present the report to the House by 16 August. The Commission will publicly release the report by 30 August. We have provided high-level messaging and Q&As to assist you with the release of the report (Appendix 2).
3. You are meeting with the Commission at 10am on Thursday 15 August to discuss the report. Lisa Daniell (CCIEB Unit) and Katherine Wilson (MfE) will also attend this meeting.
4. Under s5ZKV of the CCRA you are required to publish a response to the report within six months (by 2 February 2025). You previously agreed in principle to take the draft response to Cabinet in late November or early December, given the House will be in recess until late January and we recommend you continue with this plan.

Key findings of the report

5. The Commission has a statutory requirement to produce progress reports on the NAP every two years. In this report the Commission has focused on assessing the quality of the NAP, including gaps and opportunities. In future reports the Commission will assess the overall effectiveness of the NAP, but this has not been possible this early in the six-year delivery cycle. We consider the Commission's approach is appropriate.
6. A key finding of the report is that the first NAP (NAP1) is not driving adaptation to climate change at the scale and pace needed and that action to create a strong foundation for ongoing adaptation is urgently needed. The report identifies six areas where action is urgently needed and nine recommendations.
7. Of the nine recommendations, seven provide policy direction, one is on improving future NAPs, and one on improving monitoring. Details of the recommendations and our initial analysis are provided in Appendix 1.

Responding to the Commission's report

8. In BRF-4870, we sought your agreement in principle to the Government's response in acknowledging the Commission's report, providing an overarching strategic narrative on the Government's climate change priorities, and responding to the key findings of the report.
9. In terms of providing an overarching strategic narrative on the Government's climate change adaptation priorities, the response is an opportunity to demonstrate how the Government is implementing the adaptation-relevant pillars of the Government's Climate Strategy, in particular:

- *Infrastructure is resilient and communities are well prepared*

- *Nature-based solutions address climate change*
 - *Clean energy is abundant and affordable.*
10. Delivering the Adaptation Framework is the primary ('Tier 1') initiative being progressed by this Government as its climate adaptation priority and we recommend that this is the primary focus for the Government's response to the Commission's report.
 11. In addition, CPMG and portfolio Ministers and agencies, can drive delivery of adaptation outcomes across the Government's work programme that are particularly important for building resilience and supporting economic growth and managing climate risk to the Crown and society, both now and over the long-term. These areas could include RM reform, critical infrastructure, Going for Housing Growth and Emergency Management Reform.
 12. We welcome your feedback on whether you would like to discuss at the 16 September CPMG opportunities to implement the adaptation-related components of the Climate Strategy. These areas could then form the basis for the Government's response to the Commission's report. You may also like to discuss particular areas with individual Ministers ahead of CPMG.
 13. The response to the Commission's report is also an opportunity to show how the Government's Climate Strategy aligns with the strategic objectives, priority action areas and actions in NAP1 and to update those actions.
 14. The Commission also recommended that a table of actions from the NAP be updated every two years. The actions could be updated by providing an addendum to the NAP on MfE's website. We will provide further advice about updating NAP actions when you receive the draft response.

Recommendations

We recommend that you:

- a. **Note** on 2 August 2024 you received the Commission's first progress report on the implementation and effectiveness of the NAP, and are required to table this report in the House of Representatives by 16 August 2024, at which point the Commission will make the report publicly available.
- b. **Note** that the CCRA requires you to present a response to this report within six months (by 2 February 2025) and you are required make this publicly available.
- c. **Note** that the Commission found that the NAP is not driving adaptation to climate change at the scale and pace needed.
- d. **Note** the report has focused on opportunities to improve the NAP, including gaps and opportunities and international best practice and contains nine recommendations focused on policy changes needed, ways to improve future NAPs, and a recommendation on improving monitoring and reporting (see Appendix 1 for more detail).
- e. **Note** that you also agreed in-principle [BRF-4870 refers] that the Government response acknowledge the Commission's report, provide an overarching

strategic narrative on the Government's climate change priorities, and respond to the key findings of the report.

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| f. Agree to take the draft response to the Commission's report through Cabinet on 25 November, with Ministerial consultation over the period 24 October to 4 November. | Yes / No |
| g. Agree that the Government's response provides an opportunity to demonstrate how the Government is implementing the adaptation-relevant pillars of the Government's Climate Strategy, in particular: | Yes / No |
| <ul style="list-style-type: none"> • Clean energy is abundant and affordable. • Infrastructure is resilient and communities are well prepared • Nature-based solutions address climate change | |
| h. Agree that delivering the Adaptation Framework should be the primary focus for the Government's response to the Commission's report. | Yes / No |
| i. Agree that CPMG on 16 September is an opportunity for Minister to discuss how delivery of key Government work programmes can support delivery of the adaptation-related pillars of the Climate Strategy and that this would form the basis of the response to the Commission's report. | Yes / No |
| j. Agree that the Commission's report is an opportunity to show how the Government's Climate Strategy aligns with the strategic objectives, priority action areas and actions in the NAP1 and for those actions to be updated. | Yes / No |

Signatures



Lisa Daniell
Executive Director
**Climate Change Chief Executives Board
Unit**
Date: 12 August 2024



Katherine Wilson
General Manager, Adaptation
Ministry for Environment
Date: 12 August 2024

Hon Simon WATTS
Minister of Climate Change
Date

Responding to the Climate Change Commission's NAP progress report, including initial analysis of recommendations

Context

15. You received the Commission's report on 2 August 2024 and under the CCRA you are required to present the report to the House by 16 August. The Commission will publicly release the report by 30 August.

Key findings and advice

16. This is the Commission's first assessment of progress, with a focus on establishing a foundation for ongoing progress reports including further development of national level metrics.

17. The Commission's report provides:

- An assessment of progress in implementing strategies, policies and proposals in the NAP, and achieving the plan's objectives.
- An assessment of how well the plan responds to the most significant climate risks.
- Barriers to the NAP's implementation and effectiveness – and recommendations for how those might be overcome.

18. The report places a strong focus on the quality of the plan itself, in particular on understanding the potential of the NAP to drive effective adaptation. The Commission has developed a framework for evaluation focusing on the quality of the plan, implementation and observed progress towards objectives.

19. The report also contains three national-level metrics to provide a view of progress across different systems:

- the extent of building and infrastructure exposed to climate-related hazards,
- share of people at risk of isolation, and
- social vulnerability to climate-related hazards.

20. The key finding of the report is that NAP1 does not present a clear and coherent plan of action to drive change at the scale and pace needed. They note that a more strategic approach to adaptation planning and the development of all NAPs is needed.

21. The report identifies six areas where action is urgently needed:

- Clarifying roles, responsibilities and processes for planning and decision-making
- Clearly setting out how the costs of adaptation and climate-related losses will be shared and how they will be paid for
- Ensuring iwi/Māori retain rangatiratanga and can adapt their communities in a way that is consistent with their tikanga and aligned with their priorities.

- Having data, information and decision-support tools that are high quality, readily accessible and underpinned by science and research to enable decision makers to understand and manage climate risks.
 - Consistently considering and address equity of impacts.
 - Ensuring we have people with the right knowledge, skills and expertise across adaptation planning and implementation processes.
22. The Commission makes nine recommendations as detailed in Appendix 1. Seven of the recommendations focused on policy changes needed. We consider that the issues raised through these recommendations are consistent with those being considered through the Adaptation Framework work programme. They are also consistent with the intent of three of the Climate Strategy pillars:
- *Infrastructure is resilient and communities are well prepared*
 - *Nature-based solutions address climate change*
 - *Clean energy is abundant and affordable.*
23. Recommendations 8 and 9 are focused on improvements that can be made to future NAPs and improvements that could be made to the monitoring and reporting of the implementation of the NAP, including a process to update the NAP table of actions.

Responding to the Commission's report

The response to the Commission's report could focus on opportunities to implement the Government's Climate Strategy

24. In BRF-4870, we sought your agreement in principle to the Government's response acknowledging the Commission's report, providing an overarching strategic narrative on the Government's climate change priorities, and responding to the key findings of the report.
25. In terms of providing an overarching strategic narrative on the Government's climate change priorities, the response is an opportunity to demonstrate how the Government is implementing the adaptation-relevant pillars of the Government's Climate Strategy.
26. As delivering the Adaptation Framework is the primary ('Tier 1') initiative being progressed by this Government as its climate adaptation priority, we recommend this work programme - to the extent to which it addresses the Commission's recommendations - be the primary focus for the response to the Commission's report.
27. 9(2)(f)(iv)

28. We welcome your feedback on whether you would like to discuss at the 16 September CPMG opportunities to implement the adaptation-related components of the Climate Strategy. These areas could then form the basis for the Government's response to the Commission's report. You may also like to discuss particular areas with individual Ministers ahead of CPMG.

Updating the table of NAP actions

29. As adaptation is a process of action and continual adjustment over the long-term, actions in the NAP may need to be adjusted to reflect changing context or in response to increased levels of risk. The response to the Commission's report is also an opportunity to show how the Government's Climate Strategy aligns with the strategic objectives, priority action areas and actions in the NAP1 and to update those actions.
30. The Commission recommended that a table of actions from the NAP be updated every two years. The actions could be updated by providing an addendum to the NAP on MfE's website. We will provide further advice about updating NAP actions when you receive the draft response.

Next Steps

31. Officials will work with your office to support the tabling of the Commission's report. Once the report is tabled, the Commission must make it publicly available as soon as practicable afterward, but no later than 20 days after providing the report to the Minister.
32. To assist you with any enquiries that may be received once the report has been made public, we have provided some high-level key messaging and Q&As in Appendix 2.
33. If you agree the 16 September CPMG should include a discussion on implementing the adaptation-related components of the Climate Strategy, we will then prepare material to support that discussion. This could then form the basis of the response to the Commission's report.
34. You must respond to the Commission's report within six months of receiving it, i.e. by 2 February 2025. Officials will provide you with a draft response alongside a draft Cabinet paper for your feedback in mid-October.
35. We recommend you take the draft response through Cabinet on 25 November. This would mean consulting with your colleagues on the draft response between 24 October and 4 November. Once the response is agreed to by Cabinet, you could delay presenting the response to the House until 2 February 2025 if you wish.

Appendix 1: Initial analysis of the Commission's recommendations

Rec no.	Recommendation	9(2)(f)(iv)
1	Enable effective local adaptation planning and action (pp. 44-45 of the Commission's report)	
2	Provide clarity on how adaptation costs will be shared and met (p. 44-45 of the Commission's report)	
3	Ensure iwi/Māori can plan for and carry out adaptation action (p. 47 of the Commission's report)	
4	Improve the science and research system to support good adaptation outcomes (p. 48 of the Commission's report)	
5	Consider and address the distributional costs and impacts of climate change so that they do not fall unfairly on particular communities and groups (pp. 49-50 of the Commission's report)	
6	Prepare a strategy and plan to develop the climate adaptation workforce (p. 51 of the Commission's report)	
7	Facilitate access, availability and sharing of resources, expertise and information (p. 51 of the Commission's report)	
8	Make the direction, scale and pace of change required clear (pp. 52-53 of the Commission's report)	
9	Make improvements to support monitoring, and continual learning and improvement within a dynamic environment (p. 54 of the Commission's report)	

Appendix 2: Key messages and Q&A to support media queries following public release of the Commission's report

Release of the Climate Change Commission's *Progress report: National Adaptation Plan*

- The Government welcomes the Climate Change Commission's first progress report on the implementation and effectiveness of NAP1.
- The Commission's report provides valuable insights into progress to date, as well as adaptation opportunities to consider for future adaptation.
- The Government has reiterated its commitment to meeting its climate targets and preparing for future climate effects in its Climate Strategy, published in July 2024.
- There are adaptation-relevant pillars of the Climate Strategy; New Zealand's infrastructure is resilient, and communities are well prepared, nature-based solutions address climate change, clean energy is abundant and affordable.

The Government is already taking action to address issues raised in the report

- MfE's recent report on adaptation preparedness suggest an overall increase in climate adaptation preparedness in comparison between 2020 and 2024.
- My key priority for adaptation is developing an Adaptation Framework to strengthen how New Zealand prepares for the effects of climate change including access to information.
- To progress this workstream we have established an independent reference group of experts to support development of policy advice for the Adaptation Framework.
- Parliament's Finance and Expenditure Committee is currently conducting an inquiry to develop and recommend objectives and principles for the design of the Adaptation Framework.

Question	Answer
What is the NAP1?	<p>New Zealand's NAP1, published in August 2022, set out priorities over six years to help make our homes, infrastructure and communities more resilient to climate change. It contains over 120 actions with 30 government agencies responsible for delivery.</p> <p>It is focused on four priority areas:</p> <ul style="list-style-type: none"> • developing the data, information and tools to enable better decisions • driving climate-resilient development in the right locations through changes to the resource management system • options to adapt to climate change including managed retreat • embedding resilience across government

Question	Answer
<p>The report states that the Commission found limited evidence that the NAP1 is driving adaptation at the scale or pace needed.</p> <p>What is the Government's response to this?</p>	<p>The Government has committed through the Climate Strategy to delivering a fair and enduring adaptation system that helps New Zealand to be ready for climate change and provides clarity on costs.</p> <p>The Government is also developing an Adaptation Framework to strengthen how New Zealand prepares for the effects of climate change including access to information.</p>
<p>How does the NAP process work?</p>	<p>NAP1 was published in August 2022. The Plans are required to be updated every six years. The adaptation policy process is set out in the CCRA:</p> <ul style="list-style-type: none"> • Every six years, a new National Climate Change Risk Assessment will identify what needs to be addressed most urgently. • The Climate Change Commission will produce the next National Climate Change Risk Assessment, which is due in August 2026. • A new NAP must be produced within two years of a National Climate Change Risk Assessment being published. • A new NAP that responds to those risks must be developed in consultation with all New Zealanders. • The Climate Change Commission independently reports on the progress of the NAP and its effectiveness every two years. This is its first report. • The Government has a statutory obligation to respond to the Commission's report within 6 months.
<p>How does the Government respond to the report's recommendations around:</p> <ul style="list-style-type: none"> • <i>Clarifying roles, responsibilities and processes for planning and decision-making.</i> • <i>Setting out how the costs of adaptation and climate-related losses will be shared.</i> • <i>Ensuring availability of data, information and decision-support tools that are high quality, readily accessible and underpinned by science and research.</i> • <i>Consistently considering and addressing equity of impacts (including costs) so that they are not experienced unfairly by communities.</i> 	<p>The Government will provide a response to the recommendations in the report in due course.</p> <p>However, the Government is already taking action to strengthen how New Zealand prepares for the effects of climate change. A priority action for the Minister of Climate Change is developing an Adaptation Framework to set out the Government's approach to sharing the costs of adaptation action. A Finance and Expenditure Committee inquiry is currently underway, which will recommend principles for the Adaptation Framework.</p> <p>Areas of focus in developing the framework cover many of the areas raised in the Commission's report, including clarifying roles and responsibilities, developing principles for predictable and fair cost-sharing pre-and-post event, and improving risk and response information sharing.</p>
<p>The report recommends <i>ensuring iwi/Māori retain rangatiratanga and can adapt their communities.</i></p> <p>What action is the Government taking on this?</p>	<p>The Government is delivering a Māori climate platform, intended to enable Māori climate action for marae and Māori communities. An initial output of the platform is a joint work programme between the Ministry and Pou Take Āhuarangi - National Iwi Chairs Forum focused on delivering risk assessments and adaptation pathways for marae and urupā.</p>

Question	Answer
<p>How will the Adaptation Framework work with the NAP and the adaptation policy process set out in the CCRA?</p>	<p>The Adaptation Framework will fulfil some actions in the NAP1. It may also highlight new actions that are needed and result in the reprioritisation of others.</p> <p>For example, one of the actions in NAP1 is to address the need for legislation to support adaptation options. The Adaptation Framework will support that, including identifying any gaps in current laws and potentially introducing new legislation.</p> <p>The Adaptation Framework will not supersede NAP1, or the adaptation policy process set out in the CCRA.</p>
<p>Progress against the National Climate Change Risk Assessment value domains (natural environment, human, economy, built environment and governance) have all been rated either yellow (moderate gaps), orange (significant gaps) or red (insufficient) in the report.</p> <p>What is the Government's response to this?</p>	<p>It's essential that we prioritise adaptation action. Since NAP1 was published in 2022, New Zealanders have felt the impacts of climate change through Cyclone Gabrielle and the Auckland Anniversary floods, among other severe weather events.</p> <p>The Government's focus is on making sure infrastructure is resilient and communities are well prepared.</p> <p>The Commission's report adds to our evidence base for adaptation action, and its recommendations will be considered as we develop the Adaptation Framework and future NAPs.</p>
<p>The report states that <i>communities need equitable support before and after an extreme event</i>.</p> <p>How will the Government build the resilience of New Zealanders to severe weather events?</p>	<p>The Government acknowledges that we are experiencing more frequent and severe storms, floods and landslips due to climate change. These events can seriously damage homes, communities, businesses and infrastructure. Climate change is already costing New Zealand, and the costs are likely to continue to grow.</p> <p>DPMC is currently leading work to respond to the Government Inquiry into the response to the North Island Severe Weather Events. This advice will inform the ongoing Emergency Management reform work programme. The Minister for Emergency Management and Recovery has indicated he wants to introduce a new Emergency Management Bill later this term.</p>
<p>Why did the Commission use monitoring data up until December 2023?</p>	<p>Under the CCRA, the Commission is legally required to release monitoring reports within a certain timeframe.</p> <p>To meet these statutory timeframes, the Commission used monitoring data provided by the Climate Change Chief Executives Board up until December 2023. The Board produces 6-monthly monitoring reports on NAP implementation.</p> <p>The report also considers other relevant central government-led initiatives introduced since the publication of NAP1 in 2022 up until 31 May 2024.</p>

Question	Answer
What are the next steps?	The Government will respond to the Commission's report within six months of its release and make this response publicly available.