

IN - C O N F I D E N C E

[In-confidence]

Office of the Minister of Climate Change

Cabinet Economic Development Committee

Public consultation on the draft National Adaptation Plan

Proposal

- 1 I seek your agreement to release the draft National Adaptation Plan for public consultation between 13 April and 27 May 2022.
- 2 I also seek agreement to changes to the National Adaptation Plan's strategic direction, including the objectives and outcomes, and propose the establishment of a formal oversight and coordination function for the National Adaptation Plan.

Relation to government priorities

- 3 Enabling a just transition to a climate resilient future is a Government priority. This was emphasised by the Cabinet Business Committee when they noted the intention to "put the climate at the centre of government decision-making" and agreed that "climate change requires decisive action by all levels of government, the private sector and communities" [CBC-20-MIN-0097].
- 4 The National Adaptation Plan will also deliver on the Labour and Green Parties' agreement to achieve the purpose and goals of the Climate Change Response Act 2002 (CCRA). It is also relevant to other areas of co-operation including "protecting our environment and biodiversity"; and "improving child wellbeing and marginalised communities".

Executive Summary

- 5 New Zealand's communities, assets, infrastructure and natural environment are increasingly exposed to the risks we face due to our changing climate reality. The impacts of climate change will be unequally distributed and are likely to exacerbate existing inequities and impact vulnerable groups. Our Government is taking action to reduce emissions domestically and contribute to the global effort, however, some effects of climate change are already being felt.
- 6 The Climate Change Response (Zero Carbon) Amendment Act expanded the purpose of the CCRA to include adaptation and required the Government to develop and publish New Zealand's first National Adaptation Plan, in response to the first national climate change risk assessment (the Risk Assessment).

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- 7 The Government has a statutory obligation under the CCRA to publicly consult on the draft National Adaptation Plan prior to publishing the National Adaptation Plan by 3 August 2022.
- 8 The scope of the first National Adaptation Plan includes actions to address all 43 risks identified in the Risk Assessment and an additional risk to telecommunications and digital infrastructure.
- 9 Cabinet agreed in-principle to the strategic direction for the National Adaptation Plan [CAB-21-MIN-0084], subject to further refinement following engagement and consultation. For consultation, I seek agreement to the overarching vision, purpose and goals (Table 1) and revised objectives and outcomes (Tables 2 and 3).
- 10 Collectively, the actions in this first National Adaptation Plan will:
- a. reform institutions to be fit for a changing climate
 - b. provide data, information, tools and guidance to enable everyone to assess and reduce their own climate risks
 - c. embed climate resilience across government strategies and policies.
- 11 Climate change impacts are often felt in the form of extreme weather events. In the short term, we need to take action to respond to the immediate climate risks and impacts New Zealanders are facing by strengthening the emergency management system at a national, regional and local level.
- 12 Several case studies and pilots are included in the National Adaptation Plan as practical examples of action. The Westport case study in particular informs exploratory work on cost sharing models for co-investment in flood resilience.
- 13 A formal oversight and coordination function for the National Adaptation Plan is necessary to ensure accountability for implementation across government, improve coordination within central government and ensure cross-agency support for adaptation action.
- 14 Cabinet has agreed to formalise the Climate Change Chief Executives Board as an Interdepartmental Executive Board (IEB) under the Public Service Act 2020 [CAB-22-MIN-0055.01]. I seek agreement to relevant Ministers and public sector Chief Executives being responsible for overseeing progress of actions that fall under their respective Ministerial portfolios, where those actions have the necessary Cabinet approval and budget funding.
- 15 I propose the IEB report to the Prime Minister annually on the implementation of actions and every two years on the overall sufficiency of the actions in addressing the risks within the scope of the National Adaptation Plan.
- 16 I seek agreement to release the draft National Adaptation Plan and associated consultation material for public consultation between 13 April and 27 May 2022.

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Background

All New Zealanders will be affected by the impacts of climate change

- 17 Our Government is taking action to reduce emissions domestically and contribute to the global effort. However, we know that a certain amount of climate change is inevitable. New Zealand's communities, assets, infrastructure and natural environment are increasingly exposed to the risks we face due to our changing climate reality.
- 18 The IPCC Working Group II Report notes that "climate change impacts and risks are becoming increasingly complex and more difficult to manage". It also notes there are "feasible and effective adaptation options which can reduce risks to people and nature".¹
- 19 Climate impacts will be felt in different ways around New Zealand. The impacts of climate change will be unequally distributed and are likely to exacerbate existing inequities and impact vulnerable groups. The potential for disproportionate effects on Māori, people with disabilities, low-income earners, older people, rural communities and youth is particularly concerning.
- 20 The national adaptation plan is a Government-led plan for all New Zealanders. It will help manage distributional impacts and seeks to avoid exacerbating inequalities, but all New Zealanders have a role to play in understanding climate risks and building resilience to the effects of climate change.

The Climate Change Response Act sets out a framework for ongoing risk assessment and national adaptation plans to respond to our changing climate reality

- 21 In late 2019, Parliament unanimously passed the Climate Change Response (Zero Carbon) Amendment Act. This amended the CCRA and introduced the Zero Carbon framework.
- 22 The amendments expanded the purpose of the Act to include adaptation. The new requirements to achieve this purpose were to prepare the first national climate change risk assessment (the Risk Assessment) and respond to that Risk Assessment by preparing New Zealand's first national adaptation plan.
- 23 The CCRA specifically requires that the national adaptation plan set out:
- a. the Government's objectives for adapting to the effects of climate change
 - b. the Government's strategies, policies, and proposals for meeting those objectives
 - c. the time frames for implementing the strategies, policies, and proposals
 - d. how the matters in paragraphs (a) to (c) address the most significant risks identified in the most recent national climate change risk assessment

¹ Climate Change 2022: Impacts, Adaptation and Vulnerability. Working Group II Contribution to the IPCC Sixth Assessment Report

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- e. the measures and indicators that will enable regular monitoring of and reporting on the implementation of the strategies, policies, and proposals.
- 24 Together, the national adaptation plan and the ERP will drive the changes needed to achieve a climate-resilient and low emissions New Zealand. The ERP will be published by the end of May 2022.

Cabinet provided strategic direction to guide the National Adaptation Plan's early development

- 25 In March 2021, Cabinet agreed in-principle to the strategic direction for the first National Adaptation Plan [CAB-21-MIN-0084], subject to further refinements following engagement and consultation. The strategic direction included a vision, a set of ten principles, five outcome areas (led or co-led by various agencies) and five cross-cutting objectives led by the Ministry for the Environment (MfE).
- 26 In October 2021, the Climate Response Ministers Group (CRMG) agreed the scope of the first National Adaptation Plan should include all 43 risks identified in the Risk Assessment and directed officials to include an additional risk to telecommunications and digital infrastructure.
- 27 CRMG also noted that priorities for this first National Adaptation Plan include preventing actions that would increase risks over time and strengthening the ability of the emergency management system to respond to changing climate risks. A sequenced and prioritised set of actions has subsequently been developed that:
- a. reflects the full scope of risks and strategic direction received, and also
 - b. takes into consideration resourcing and funding limitations for implementation over the next six-year period.

Analysis

Agreeing the Government's long-term adaptation strategy

- 28 In late 2020 I requested information from approximately 400 policy and service delivery organisations on their preparations for the impacts of climate change.
- 28.1. Of the fifty-six per cent of respondents, over 70 per cent considered tools and guidance would help them better understand the impacts.
 - 28.2. Barriers to effective adaptation were identified as a lack of awareness/education of impacts of climate change (60 per cent of respondents) and lack of tools/methods by which to engage (49 per cent of respondents).
- 29 Following Cabinet decisions in March 2021 [CAB-21-MIN-0084], MfE undertook targeted engagement with Māori, local government and youth. Engagement sought feedback on the relative priority of the risks identified in the Risk Assessment, and discussion of actions that could usefully address the risks.

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- 30 Findings from this engagement were broadly consistent with those identified by reporting organisations. Key themes were the importance of the reforms, the need for an integrated approach to climate action for emission reductions and adaptation, and how risks and costs of action are shared.
- 31 The strategic direction and proposals in the draft National Adaptation Plan also respond to wider adaptation engagement with Māori, and on-going conversations with Ihirangi and the Pou Take Āhuarangi (Climate) of the National Iwi Chairs Forum. Key needs identified for Māori were for:
 - a. Māori communities to be resourced to implement adaptative actions
 - b. development of Māori-specific data sets to understand the nature of their vulnerability, and open access to data sets
 - c. development of a platform to support Māori climate action.
- 32 The draft National Adaptation Plan also responds to feedback from local government, which centred on the need for central government to clearly define roles and responsibilities for adaptation and managed retreat, in addition to funding mechanisms, access to research and data, and nationally consistent guidance and tools.
- 33 A strategy map sits within the National Adaptation Plan. It contains both the long-term strategic direction for action and the objectives for the first National Adaptation Plan.
- 34 The strategic direction has been refined as a result of engagement and consultation. I seek your agreement to the long-term vision, purpose and goals for the National Adaptation Plan, as outlined in the strategy map on page 7 of the draft National Adaptation Plan and Table 1 below.
- 35 I also seek agreement to align the strategic direction of the NAP with the ERP, as appropriate.

Table 1: Proposed vision, purpose and goals for the National Adaptation Plan

Vision	Our people, places and systems are resilient and able to adapt to the effects of unavoidable climate change in a fair, low-cost and ordered manner		
Purpose	To enable New Zealanders to prepare for and adapt to the impacts of climate change		
Goals	Reduce vulnerability to the impacts of climate change	Enhance adaptive capacity and consider climate change in decisions at all levels	Strengthen resilience to climate change

Application of an indigenous framework for climate change action

- 36 Cabinet agreed to explore the application of an indigenous climate framework for the National Adaptation Plan and agreed to report-back on this as the National Adaptation Plan progressed [CAB-21-MIN-0084]. In response, Ihirangi

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has developed the Rauora framework, which is a climate-specific Te Ao Māori response to future pathways. This framework goes beyond the scope of the National Adaptation Plan.

- 37 I propose the concepts of the Rauora framework are referenced in the National Adaptation Plan including an explanation of how concepts align. I also intend to publish the independent Rauora framework developed by Ihirangi on MfE's website alongside the draft National Adaptation Plan. This approach is supported by Ihirangi as it will provide a starting point to work together while maintaining integrity of their framework.
- 38 The reference to the Rauora framework acknowledges the partnership between the Crown and Māori. It also recognises the importance of a Māori worldview and a holistic approach to managing the impacts of climate change and reducing emissions.

Agreeing areas of focus, and outcomes and objectives for the first National Adaptation Plan

- 39 Climate change impacts are often felt by people in the form of extreme weather events. To address this, we need to take action to respond to the immediate climate risks and impacts New Zealanders are facing. In the short term, this means strengthening the emergency management system to respond to future events at a national, regional and local level.
- 40 As this first National Adaptation Plan sets the foundation for adaptation action, it is important that case studies and pilots are included in the Plan as practical examples of action.
- 41 Several case studies, including co-investment for flood resilience in Westport, sit within the draft National Adaptation Plan. The Westport case study in particular informs exploratory work on cost sharing models for co-investment in flood resilience.
- 42 The 2018 report from the Climate Change Adaptation Technical Working Group recommended the Government take a planned and proactive approach to adaptation that includes:
- a. strong leadership to direct New Zealand's adaptation action
 - b. robust and accessible information for decision-making on climate risks and how to adapt
 - c. building capacity and capability to adapt
 - d. funding mechanisms to support action.
- 43 In response to feedback received during development of the plan, and considering the need to prioritise, I propose the actions in this first National Adaptation Plan:
- a. reform institutions to be fit for a changing climate

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- b. provide data, information, tools and guidance to enable everyone to assess and reduce their own climate risks
 - c. embed climate resilience across government strategies and policies.
- 44 While the National Adaptation Plan is not a Government response to that report, the proposed system-wide actions will support central government to provide the necessary leadership, information and tools to enable New Zealanders to effectively adapt to climate change.
- 45 This should not be taken to imply that central government has sole responsibility for adaptation. Central government may need to be involved in taking action where there are high levels of risk and urgency, or there is significant hardship. However, in many cases it is likely that local government will continue to play a leading role.
- 46 This also does not mean that it is appropriate for central government to fund all adaptation actions and local infrastructure. System-wide actions relating to roles and responsibilities can help clarify this.
- 47 In March 2021, Cabinet agreed to the following five cross-cutting objectives for the National Adaptation Plan, to be led by MfE [CAB-21-MIN-0084]:
- a. clarify roles and responsibilities for adaptation
 - b. ensure legislation and institutions are fit for a changing climate
 - c. provide tools and guidance to enable adaptation action
 - d. ensure appropriate funding and financing is available to enable adaptation action
 - e. enable access to climate data and information.
- 48 The cross-cutting objectives have been renamed as 'system wide objectives' to make the language more accessible. These objectives form the 'system-wide actions' chapter in the draft National Adaptation Plan. Together they set out our system-wide strategies to achieve the vision and goals outlined in the strategy map.

Reforming institutions to be fit for a changing climate

- 49 System-wide reforms, which address several barriers identified in the draft National Adaptation Plan, are already underway and are included as actions. This includes Resource Management (RM) reform, Three Waters reform, a Government response to the independent Future for Local Government Review and the Emergency Management System reform.
- 50 These reforms will clarify existing and new roles and responsibilities, especially for local government and communities, and require a shift to planning for climate change impacts and evolving climate risks. These reforms will require careful consideration, alignment and monitoring due to differences in timeframes and scope.

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- 51 There are also several Government work programmes underway to address local government funding and financing challenges, including but not limited to the Future for Local Government Review, Urban Growth Agenda and Land Transport Revenue review.
- 52 In particular, there will be a principled consideration of local government funding and financing mechanisms as part of the Future for Local Government Review, including how to address major challenges such as climate change.
- 53 To better reflect the role of legislation in clarifying roles and responsibilities I propose to combine two of the previously agreed cross-cutting objectives: (a) clarifying roles and responsibilities for adaptation and (b) ensuring legislation and institutions are fit for a changing climate, to:
 - a. *‘legislation and institutional arrangements are fit for purpose and provide clear roles and responsibilities’.*
- 54 I also propose to update the three other cross-cutting (now system-wide) objectives for the National Adaptation Plan. I seek your agreement to these system-wide objectives as outlined in Table 2 below. Actions are included within the system-wide actions chapter to achieve these objectives.

Table 2: Proposed system-wide objectives for the National Adaptation Plan (formerly cross-cutting objectives)

Proposed system-wide objectives
Legislation and institutional arrangements are fit for purpose and provide clear roles and responsibilities
Robust information about climate risks and adaptation solutions are accessible to all
Tools, guidance and methodologies enhance our ability to adapt
Unlocking investment in climate resilience

Providing data, information and guidance to enable everyone to assess and reduce their own climate risks

- 55 Adapting to climate change is not solely the responsibility of central and local government. All sectors, communities and individuals have roles and responsibilities in preparing for and managing both existing and future climate risks. These include:
 - a. understanding climate change risks and impacts
 - b. finding solutions, using the best tools, data and information available
 - c. building resilience to recover from climate impacts.
- 56 Where different groups, such as local councils, the financial sector and the private sector, may benefit from investment in resilience, they should share the

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costs equitably. One way central government can enable this is through provision of climate change data.

- 57 Climate change data is collected and managed inconsistently across New Zealand, making it hard to access and use. The draft National Adaptation Plan proposes actions to ensure the right infrastructure is established to integrate, manage and standardise the data needed to make decisions that reduce risk.
- 58 A number of actions are therefore proposed that will deliver access to data and information. Actions are also proposed to ensure the right tools, guidance and methodologies support central and local government, the private sector and communities to assess and manage risks, and plan for adaptation.
- 59 Cabinet agreed to proceed with the development of a Māori Climate Action Platform in March 2022 [MCR-22-MIN-0007]. The development of a platform to support Māori climate action is pivotal to advancing Māori climate action through a Māori worldview.
- 60 The platform aims to address the inequitable distributional impacts of climate change on Māori and also has the potential to address all 44 of the risks within scope of this National Adaptation Plan. It will also contribute to the ongoing statutory requirement to take into account the effects of climate change on iwi and Māori.
- 61 The platform is also subject to final Budget 2022 decisions which means it is not included in the draft National Adaptation Plan for consultation. Any future announcement of this action will be an opportunity to highlight the Crown's commitment to the Crown-Māori partnership on climate change.

Embedding climate resilience across government policies and programmes

- 62 To build climate resilience across New Zealand, the National Adaptation Plan must drive a well-coordinated national adaptation effort. Cabinet agreed to structure the National Adaptation Plan around five outcome areas [CAB-21-MIN-0084]. Each outcome area contains several supporting objectives. Under these sit the strategies, policies and proposals to achieve the outcome.
- 63 I propose changes to the outcome statements and associated outcome objectives for each outcome area to align with the proposed strategic direction for the National Adaptation Plan, as outlined in Table 3 below.

Table 3: Outcome areas and their proposed outcome statements and objectives within the National Adaptation Plan

Outcome area	Proposed outcome statement	Proposed outcome objectives
Natural Environment	Climate resilient ecosystems are healthy and diverse	<ol style="list-style-type: none"> 1. Ecosystems which are healthy and connected, and where biodiversity is thriving 2. Robust biosecurity reduces the risk of new pests and diseases spreading

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Outcome area	Proposed outcome statement	Proposed outcome objectives
		3. Support working with nature to build resilience
Homes, buildings and places	Homes, buildings and places are resilient to the changing climate, allowing people and communities to thrive	<ol style="list-style-type: none"> 1. Homes and buildings are climate resilient, and meet social and cultural needs 2. New and existing places are planned and managed to minimise risks to communities from climate change 3. Māori connections to whenua and places of cultural value are strengthened through partnerships 4. Threats to cultural heritage arising from climate change are understood and impacts minimised
Infrastructure	Our infrastructure is resilient to a changing climate, so that it protects or enhances the wellbeing of all New Zealanders	<ol style="list-style-type: none"> 1. Reduce the vulnerability of assets exposed to climate change 2. Ensure all new infrastructure is fit for a changing climate 3. Use renewal programmes to improve adaptive capacity
Communities	Communities have a high level of adaptive capacity and are resilient to the impacts of climate change	<ol style="list-style-type: none"> 1. Enable communities to adapt 2. Support vulnerable people and communities 3. Support communities when they are disrupted or displaced 4. The health sector is prepared and can support vulnerable communities affected by climate change
Economy and financial system	A high wage and low emission economy, which adapts and builds resilience to a changing climate	<ol style="list-style-type: none"> 1. Sectors, businesses and regional economies can adapt. Participants can identify risks and take action 2. A resilient financial system underpins economic stability and growth. Participants can identify, disclose and manage climate risks

Governance arrangements to ensure accountability and delivery of actions in the National Adaptation Plan

Cross-Ministerial co-ordination and accountability will be essential to progress the actions in the National Adaptation Plan

64 Cabinet has agreed to formalise the Climate Change Chief Executives Board as an Interdepartmental Executive Board (IEB) under the Public Service Act 2020 [CAB-22-MIN-0055.01]. The functions of the Board include:

- a. supporting the implementation of the emissions reduction plan through defining specific accountabilities on Ministers, individual public sector chief executives and the joint Climate Change Chief Executives

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- b. establishing (subject to funding approved through Budget 2022) a monitoring and reporting system to ensure progress is understood and can inform active management of the emissions reduction plan at the economy, sector, and policy package levels
- c. developing guidance to help government agencies, Crown agencies, Crown entities and Crown-owned companies to consider climate change objectives in their decision-making.
- 65 Cabinet also agreed [CAB-22-MIN-0055.01] that the remit of the IEB include the Ministry for the Environment; the Ministry of Business, Innovation and Employment; the Department of Conservation; the Ministry of Social Development; the Ministry of Housing and Urban Development; the Treasury; the Ministry of Foreign Affairs and Trade; the Ministry of Transport and the Ministry of Primary Industries.
- 66 A formal oversight and coordination function for the National Adaptation Plan is necessary to ensure accountability for implementation across government, improve coordination within central government and ensure cross-agency support for adaptation action. This group includes agencies tasked with preparing the National Adaptation Plan, so there is an opportunity for the IEB to oversee implementation of the National Adaptation Plan, in addition to the ERP.
- 67 All actions in the draft National Adaptation Plan have been assigned a Ministerial portfolio. I seek agreement to relevant Ministers and public sector Chief Executives being responsible for overseeing progress of actions that fall under their respective Ministerial portfolios, where those actions have the necessary Cabinet approval and budget funding.
- 68 The members of the IEB are jointly responsible to the Prime Minister [CAB-22-MIN-0055.01]. I propose the IEB report to the Prime Minister annually on the implementation of the National Adaptation Plans actions and every two years on the overall sufficiency of actions in addressing the risks within the scope of the National Adaptation Plan.
- 69 This will directly address the proposed National Adaptation Plan action to 'establish a central government oversight and co-ordination function for National Adaptation Plan implementation'. It will also provide clarity around roles and responsibilities across central government departments and encourage coherence and integration across legislation and institutions.
- 70 I recommend CRMG continues to oversee progress of the National Adaptation Plan through implementation and note that collective Ministerial responsibility will be essential for the success of the National Adaptation Plan.
- 71 A number of actions in the draft National Adaptation Plan are proposals without a defined policy solution or dedicated funding. The draft National Adaptation Plan clearly identifies whether actions are current (strategies and policies) or if they are proposed. Ongoing commitment from Ministers will be needed to develop and test any proposed actions that fall under their portfolios.

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Releasing the draft National Adaptation Plan and managed retreat proposals for consultation

Consulting on the draft National Adaptation Plan now is essential to meet our statutory deadlines and seek feedback on the proposals

72 The CCRA requires public consultation on the draft National Adaptation Plan to be undertaken before it is finalised.²

73 Consulting on the draft National Adaptation Plan now will allow the provide opportunity for public feedback and for the proposed strategic direction and actions to be tested for coherency and gaps. It will also contribute to meeting our statutory requirement to take into account the following in preparing the National Adaptation Plan:

- a. the distribution of the effects of climate change across society
- b. the ability of communities or organisations to undertake adaptation action
- c. the economic, social, health, environmental, ecological and cultural effects of climate change, including effects on iwi and Māori.

74 I propose to release a package of material for public consultation between 13 April and 27 May 2022. This will contain:

- a. the draft National Adaptation Plan
- b. a set of consultation questions on the National Adaptation Plan.

75 A consultation document on a high-level managed retreat framework for the Climate Adaptation Act and the interaction between insurance and retreat is being considered by Cabinet separately to this paper [Cabinet paper: Managed retreat: approval to consult on options refer].

76 9(2)(h)

77 A six-week consultation period will provide submitters with a reasonable opportunity to provide feedback. It will also help ensure we meet our statutory deadline to publish the National Adaptation Plan in August 2022.

Consultation is being tailored to reflect the current COVID-19 situation

78 All targeted engagement during the public consultation period will be conducted online due to the current COVID-19 alert level settings and Omicron risks. Online workshops will be held specifically for Tiriti partners, local government

² Climate Change Response Act 2002, section 5ZS (6)

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and sectors that will play a role in implementing the proposed actions. Webinars will be available for the wider public, alongside online resources.

9(2)(h)

- 82 Timeframes for the post-consultation steps to finalise the draft National Adaptation Plan will be carefully considered in the event the consultation period is extended.

Financial Implications

- 83 There are no financial implications arising from this paper. Contributions from agencies to the development of the National Adaptation Plan are expected to be met from baseline funding. The financial implications of specific policies and proposals in the final National Adaptation Plan will be considered while these proposals are developed and progressed through future budget bids or prioritisation by individual Ministers.

Legislative Implications

- 84 While this paper has no direct legislative implications, legislative and regulatory changes may be required to implement proposals within the final National Adaptation Plan.

Te Tiriti o Waitangi Implications

- 85 In its final advice to the Government, the Climate Change Commission identified that Māori, iwi and hapū are likely to be disproportionately impacted by the transition to a low emission and climate resilient economy more than others.

- 86 I acknowledge the status of iwi and hapū as tangata whenua and that climate change produces disproportionate impacts on Māori communities, businesses and their relationship with the natural environment.

- 87 There is a statutory requirement under the CCRA to take into account the effects of climate change on iwi and Māori. Upholding Te Tiriti o Waitangi partnership; engaging with iwi, hapū and Māori; and providing greater

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recognition of te ao Māori, including mātauranga Māori, in our climate change policies is critical.

- 88 Targeted engagement with Māori has been planned during the public consultation period to:
- a. ensure Māori are engaged on any policy changes and key ministerial decisions and understand how they might be impacted
 - b. ascertain our Treaty partners' view on proposed National Adaptation Plan actions and sequencing
 - c. understand how Māori may be disproportionately affected by climate change and whether the actions proposed will work towards meeting their needs.

Impact Analysis*Regulatory Impact Statement*

- 89 Based on the information provided by MfE, Treasury's Regulatory Impact Analysis (RIA) team is satisfied that the discussion document does not narrow down the range of regulatory options being considered for the National Adaptation Plan.
- 90 Therefore, Cabinet's impact analysis requirements do not apply at this time. Officials from the Ministry for the Environment will engage with the Treasury's RIA team to confirm the scope of Regulatory Impact Statements to support any future decisions by Cabinet or the Climate Response Ministers' Group on policies that will have regulatory impacts.

Climate Implications of Policy Assessment

- 91 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirmed the CIPA requirements do not apply to this proposal at this consultation stage. The CIPA team will work with MfE officials working on these proposals as they are progressed to assess the likely emissions impacts as appropriate.

Population Implications

- 92 Climate change will impact New Zealanders differently. The Risk Assessment highlights climate change is likely to exacerbate existing inequities and create additional inequities due to the differential distribution of impacts. In particular, there are a range of climate risks that have been identified as either significant to Māori and/or will disproportionately impact Māori.
- 93 Population implications have been considered in the development of proposals in the draft National Adaptation Plan. The feedback from public consultation will inform further population impact analysis and finalisation of National Adaptation Plan proposals.

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- 94 Some population groups may be disproportionately impacted by climate change. The proposals being consulted on will be particularly relevant for Māori (including tāngata whaikaha (disabled Māori)), Pacific peoples, ethnic communities and minorities, older people, disabled people, low-income groups, rural communities, women, children and youth.

Human Rights

- 95 The proposals in this paper do not have any immediate human rights implications and are not in any way inconsistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Consultation

- 96 The following agencies have been involved with the development of the draft National Adaptation Plan, and consulted on this paper: Department of Conservation; Department of Internal Affairs; Department of the Prime Minister and Cabinet; Earthquake Commission; Heritage New Zealand Pouhere Taonga; Kāinga Ora - Homes and Communities; Land Information New Zealand; Ministry for Culture and Heritage; Ministry for Primary Industries; Ministry of Business, Innovation and Employment; Ministry of Defence; Ministry of Education; Ministry of Health; Ministry of Social Development; Ministry of Transport; National Emergency Management Agency; Waka Kotahi - New Zealand Transport Agency; Statistics New Zealand; Standards New Zealand; Te Puni Kōiri; Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development; Te Waihanga - Infrastructure Commission and The Treasury.
- 97 The following additional agencies have also been consulted on this paper: Financial Markets Authority, Fire and Emergency New Zealand, Ministry for Pacific Peoples, Ministry for Women, Ministry of Foreign Affairs and Trade, Ministry of Justice, New Zealand Defence Force, Office for Seniors (OFS), Public Service Commission, Reserve Bank of New Zealand, Te Arawhiti, The Office for Disability Issues (ODI) and Tourism New Zealand.

Communications

- 98 I intend to announce the draft National Adaptation Plan following Cabinet's agreement to publicly consult.

Proactive Release

- 99 I propose to proactively release this Cabinet paper as soon as practicable after publication of the draft National Adaptation Plan, subject to redactions as appropriate under the Official Information Act 1982.

Recommendations

The Minister of Climate Change recommends that the Committee:

- 1 note the Government has a statutory obligation under the Climate Change Response Act 2002 to publicly consult on the draft National Adaptation Plan prior to publishing the National Adaptation Plan by 3 August 2022

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- 2 note Cabinet agreed in-principle to the strategic direction for the National Adaptation Plan [CAB-21-MIN-0084], subject to further refinement following engagement and consultation
- 3 note the Climate Response Ministers Group agreed the scope first National Adaptation Plan should include all 43 risks identified in the Risk Assessment and directed officials to include an additional risk to telecommunications and digital infrastructure

Agreeing the Government's long-term adaptation strategy

- 4 agree to the strategic direction for the National Adaptation Plan, as outlined in the strategy map on [page 13] of the draft National Adaptation Plan and Table 1
- 5 agree to align the strategic direction of the National Adaptation Plan with the ERP, as appropriate

Agreeing areas of focus, and outcomes and objectives for the first National Adaptation Plan

- 6 note the actions in this first National Adaptation Plan will:
 - 6.1. reform institutions to be fit for a changing climate
 - 6.2. provide data, information, tools and guidance to enable everyone to assess and reduce their own climate risks
 - 6.3. embed consideration of climate resilience across government policies and programmes
- 7 note action is needed in the short term to strengthen our emergency management system's ability to respond to immediate climate risks and impacts
- 8 note the cross-cutting objectives previously agreed by Cabinet have been renamed as system-wide objectives, and set out the system-wide strategies to achieve the vision and goals of the National Adaptation Plan
- 9 note system-wide reforms which address several barriers identified in the draft National Adaptation Plan are already underway and are included as actions
- 10 agree to the National Adaptation Plan's system-wide objectives, as outlined in Table 2
- 11 note Cabinet agreed to structure the National Adaptation Plan around five outcome areas [CAB-21-MIN-0084] and for each outcome area to contain several supporting objectives
- 12 agree to the National Adaptation Plan's proposed outcome areas and their outcome statements and objectives, as outlined in Table 3
- 13 note Cabinet agreed to explore an indigenous worldview as the lead worldview for developing the National Adaptation Plan [CAB-21-MIN-0084]

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- 14 agree the Rauora framework is referenced in the National Adaptation Plan and key elements outlined, including an explanation of how the framework is aligned with the draft National Adaptation Plan
- 15 note the independent report on the Rauora framework will be published on MfE's website alongside the draft National Adaptation Plan

Governance arrangements to ensure accountability and delivery of actions in the National Adaptation Plan

- 16 note Cabinet has agreed to formalise the Climate Change Chief Executives Board as an Interdepartmental Executive Board (IEB) under the Public Service Act 2020 [CAB-22-MIN-0055.01] and there is an opportunity for the IEB to oversee implementation of the National Adaptation Plan
- 17 agree relevant Ministers and public sector Chief Executives are responsible for overseeing progress of actions that fall under their respective Ministerial portfolios, where those actions have the necessary Cabinet approval and budget funding
- 18 note the members of the IEB will be jointly responsible to the Prime Minister
- 19 agree the IEB will report to the Prime Minister annually on the implementation of actions and every two years on the overall sufficiency of the actions in addressing the risks within the scope of the National Adaptation Plan
- 20 agree the Climate Response Ministers Group will oversee the progress of the National Adaptation Plan

Releasing the draft National Adaptation Plan and material on managed retreat and flood insurance for consultation

- 21 agree to release a package of material for public consultation between 13 April and 27 May 2022, containing:
 - 21.1. the draft National Adaptation Plan
 - 21.2. a set of consultation questions on the National Adaptation Plan
- 22 note a separate consultation document on a high-level managed retreat framework for the Climate Adaptation Act and the interaction between insurance and retreat is being considered by Cabinet separately [Cabinet paper: Managed retreat: approval to consult on options refer]
- 23 authorise the Minister of Climate Change to make minor editorial changes to the draft National Adaptation Plan and consultation material prior to its release, in line with decisions agreed by Cabinet

Consultation planning for COVID-19

- 24 note there is a risk of COVID-19 affecting the capacity of the public to meaningfully engage in public consultation and that this could have implications for meeting our statutory requirements to consult

IN CONFIDENCE

- 25 agree to delegate decision-making to the Minister of Climate Change to extend the timeframes for consultation on the draft National Adaptation Plan if the Minister considers it appropriate, if COVID-19 affects the ability of people to meaningfully engage during the planned consultation period
- 26 note any extension of consultation timeframes could impact our ability to meet the statutory deadline to publish the National Adaptation Plan
- 27 note officials are developing an engagement plan for population groups likely to be disproportionately impacted by the impacts of climate change
- 28 agree to proactively release this paper as soon as practicable after publication of the draft National Adaptation Plan, subject to redactions as appropriate under the Official Information Act 1982.

Authorised for lodgement

Hon James Shaw

Minister of Climate Change

Proactively released under the Official Information Act 1982

Appendix 2 - Draft National Adaptation Plan - Consultation questions

Please note these questions will be integrated into the relevant sections in the draft NAP.

General questions

1. Do you identify with any of the following groups? Please tick all options that apply to you.

- Māori
- Pacific peoples
- Ethnic communities and minorities
- Older/retired people
- Disabled people
- Low-income groups
- Rural communities
- LGBTQIA+ communities
- Women
- Children and youth
- Other (please state) _____
- Prefer not to say

2. Are you employed in any of the following sectors? Please tick all options that apply to you.

- Agriculture
- Forestry
- Horticulture
- Fishing
- Manufacturing
- Finance
- Insurance
- Business services
- Transport
- Communications
- Retail
- Building and Construction
- Education
- Health
- Tourism
- Energy
- Electricity, Gas, Water and Waste Services
- Information Media and Telecommunications
- Public sector
- Other (please state) _____
- Prefer not to say

3. Climate change will impact regions across Aotearoa New Zealand in different ways. Please indicate which region of Aotearoa New Zealand you live in:

- Northland, Te Tai Tokerau
- Auckland, Tāmaki-makau-rau
- Waikato
- Bay of Plenty, To Moana-a-Toi
- Gisborne, Te Tai Rāwhiti
- Hawke's Bay, Te Matau-a-Māui
- Taranaki
- Manawatū-Whanganui
- Wellington Region, Te Whanganui-a-Tara
- Tasman, Te Tai-o-Aorere
- Nelson, Whakatū
- Marlborough, Te Taihū-o-te-waka
- West Coast, Te Tai Poutini
- Canterbury, Waitaha
- Otago, Ōtākou
- Southland, Murihiku
- Other (please state) _____
- Prefer not to say

4. Climate change is already impacting New Zealanders. Some examples of the impacts of climate change that we are seeing and can expect to see in Aotearoa New Zealand include extreme weather events such as storms, heatwaves and heavy rainfall, which effects lives, livelihoods, health and wellbeing, ecosystems and species, economic, social and cultural assets, services (including ecosystem services), and infrastructure. Adapting to climate change will involve adjusting to actual or expected impacts to moderate harm or benefit from opportunities.

How is climate change impacting you, your community and/or hapū and iwi, and/or your business/organisation, and/or your region?

5. This National Adaptation Plan aims to focus on three key areas. Please indicate which area is most important for you (tick box):

- focus area one: reform institutions to be fit for a changing climate. This means updating the legislative settings so that those who are responsible for preparing for and reducing exposure to changing climate risk will be better equipped.
- focus area two: provide data, information and guidance to enable everyone to assess and reduce their own climate risks. This means that all New Zealanders will have access to information about the climate risks that are relevant to them.
- focus area three: embed climate resilience across government strategies and policies. This means that Government agencies will be considering climate risks in their strategies and proposals.
- other? Please explain.

6. We all have a role to play in building resilience to climate change, but some New Zealanders may be more effected and less able to respond. There is a risk that climate change could exacerbate existing inequities for different groups in society. Annex X sets out the full list of actions in this NAP.
 - a) what are the key actions that are essential to help you adapt? Please list them.
 - b) which actions do you consider to be most urgent? Please list them.
 - c) are there any actions that would help ensure that existing inequities are not exacerbated? Please list them.
 - d) are there any actions not included in this draft NAP that would enable you to assess your risk and help you adapt?
7. The National Climate Change Risk Assessment recognised there may be economic opportunities in adapting to a changing climate. What opportunities do you think could exist for your community or sector?
 - a) what role could central government play in harnessing those opportunities?

System-wide actions

8. Do you agree with the objectives in this chapter? (yes/no/partially). Please explain your answer.
9. What else should guide the whole of government approach to help New Zealand adapt and build resilience to a changing climate?
10. Do you agree that the new tools, guidance and methodologies set out in this chapter will be useful for you, your community and/or iwi and hapū, business or organisation to assess climate risks and plan for adaptation? (yes/no/partially). Please explain your answer.
11. Are there other actions central government should consider to:
 - a) enable you to access and understand the information you need to adapt to climate change? (yes/no/unsure). Please explain your answer.
 - b) provide further tools, guidance and methodologies to assist you to take greater action to adapt to climate change? (yes/no/unsure). Please explain your answer.
 - c) remove barriers to greater investment in climate resilience (yes/no/unsure). Please explain your answer.
 - d) support local planning and risks reduction measures while the resource management and emergency management system reforms progress?
12. What do you identify as the actions that will have the most widespread and long-term benefit for New Zealand?

13. Are there additional actions that would enable more effective partnership to strengthen climate resilience? (yes/no/unsure). Please explain your answer.

14. There are several Government reform programmes underway that can address some barriers to adaptation, including the Resource Management (RM) reform. Are there any additional actions that we could include in the NAP that would help to address barriers to adaptation in the short-term before we transition to a new resource management system?

15. In addition to clarifying roles and providing data, information, tools and guidance, how else can central government unlock greater investment in resilience?

- a) would a taxonomy of 'green activities' for New Zealand help to unlock investment for climate resilience? (yes/no/unsure). Please explain your answer.

The natural environment

16. Do you agree with the actions set out in this chapter? (yes/no/partially). Please explain your answer.

17. What else should guide central government's actions to address risks to the natural environment from a changing climate?

18. Are there other actions central government should consider to:

- a) support you, your community, iwi and hapū, business and/or organisation to build the natural environment's climate resilience? (yes/no/unsure). Please explain your answer.
- b) strengthen biosecurity in the face of climate change? (yes/no/unsure). Please explain your answer.
- c) identify and support New Zealand's most vulnerable ecosystems and species in a changing climate? (yes/no/unsure). Please explain your answer.

19. What do you identify as the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hapū and/or other Māori groupings such as business, forestry, fisheries, tourism, urban Māori, the private sector) to build the natural environment's resilience to the impacts of climate change?

20. Are there additional actions that would advance the role of Māori as kaitiaki in a changing climate? (yes/no/unsure). Please explain your answer.

Homes, buildings, and places

21. Do you agree with the outcome and objectives in this chapter? (yes/no/partially). Please explain your answer.

22. What else should guide central government's actions to increase the resilience of our homes, buildings and places?

23. Do you agree with the actions set out in this chapter? (yes/no/partially). Please explain your answer.

24. Are there other actions central government should consider to:

- a) better promote the use of mātauranga Māori and Māori urban design principles through the design and delivery of the actions proposed in this chapter? (yes/no/unsure). Please explain your answer.
- b) ensure these actions support adaptation measures that are targeted to different places and respond to local social, cultural, economic and environmental characteristics? (yes/no/unsure). Please explain your answer.
- c) understand and minimise the impacts to cultural heritage arising from climate change? (yes/no/unsure). Please explain your answer.

The following questions are about existing buildings. These can include housing, communal residential (hotels, retirement village), communal non-residential (church, public swimming pools), commercial (library, offices, restaurant), industrial (factory, warehouse).

25. Do you think that there is a role for government in supporting actions to make existing homes and/or buildings more resilient to future climate hazards? (yes/no/unsure)

If yes:

- a) what type of support would be effective?

26. From the proposed actions for buildings what groups are likely to be most impacted, and what actions or policies could help reduce these impacts?

27. What are some of the current barriers you have observed or experienced to increasing buildings' resilience to climate change impacts?

Infrastructure

28. Do you agree with the outcome and objectives in this chapter? (yes/no/partially). Please explain your answer.

29. What else should guide central government's actions to ensure infrastructure is fit for a changing climate?

30. Do you agree with the actions set out in this chapter? (yes/no/partially). Please explain your answer.

31. The National Adaptation Plan has identified several actions that are intended to support adaptation action in all infrastructure types, across all regions of Aotearoa:

- a) do you see any further potential for further aligning actions across local government, central government and private sector asset owners? (yes/no/unsure). Please explain your answer.

- b) do you see any further opportunities to ensure that mana whenua perspectives and Matauranga Māori are included in infrastructure adaptation decision-making locally? (yes/no/unsure). Please explain your answer.
- c) do you see any further opportunities to ensure that local community perspectives are included in infrastructure adaptation decision-making locally? (yes/no/unsure). Please explain your answer.
- d) do you see any further opportunities to ensure that the needs of groups who may be disproportionately impacted by climate change, or who are least able to adapt, including those on low incomes, beneficiaries, disabled people, women, older people, youth, and migrant communities access to infrastructure services are protected and enhanced as we adapt? (yes/no/unsure). Please explain your answer
- e) Do you think we have prioritized the right tools and guidance to support infrastructure asset owners to understand and manage climate risk? (Yes / no / unsure). Please explain your answer

32. Are there additional actions for infrastructure that would help to strengthen Māori climate resilience? (yes/no/unsure). Please explain your answer.

33. Are there any other tools or data that would support infrastructure asset owners to make better decisions?

Communities

34. Do you agree with the outcome and objectives in this chapter? (yes/no/partially). Please explain your answer.

35. Do you agree with the actions set out in this chapter? (yes/no/partially). Please explain your answer.

36. What actions will provide the greatest opportunities for you and your community to build climate resilience?

37. Are there other actions central government should consider to:

- a) support your health and wellbeing in the face of climate change? (yes/no/unsure). Please explain your answer.
- b) promote an inclusive response to climate change? (yes/no/unsure). Please explain your answer.
- c) target support to the most vulnerable and those disproportionately impacted? (yes/no/partially). Please explain your answer.

38. What do you identify as the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu, non-

government organisations, community groups) to strengthen community resilience in the face of climate change?

39. Are there additional actions could be included in the National Adaptation Plan to help strengthen climate resilience for iwi, hāpu and whanāu? (yes/no/partially). Please explain your answer.

The economy and financial system

40. Do you agree with the outcome and objectives in this chapter? (yes/no/partially). Please explain your answer.

41. What else should guide central government's actions to realise a productive, sustainable and inclusive economy, which adapts and builds resilience to a changing climate?

42. Do you agree with the actions set out in this chapter? (yes/no/partially). Please explain your answer.

43. Are there other actions central government should consider to:

- a) support sectors, businesses and regional economies to identify climate risks and adapt? (yes/no/unsure). Please explain your answer.
- b) promote a resilient financial system in the face of climate change? (yes/no/unsure). Please explain your answer.

44. What do you identify as the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu and/or other Māori groupings such as: business, forestry, fisheries, tourism, urban Māori, the private sector) to reduce the economic and financial risk they face from the impacts of climate change?

45. Are there additional actions that would help strengthen Māori climate resilience within the financial system? (yes/no/unsure). Please explain your answer.

Climate change poses challenges for the insurability of assets, such as residential buildings and homes. For example, insurers are getting better data on flood risk, while underlying flood risk is increasing due to climate change. The following set of questions ask about the role of insurance companies in managing residential flood risk.

47. In the context of other risk management options (eg, flood barriers, retreat from high-risk areas), what role should insurance have as a response to flood risk? Please explain your answer.

48. Should the Government have a role in supporting flood insurance as climate change risks cause private insurance retreat? (yes/no/unsure). Please explain your answer.

- a) does your answer to the above question depend on the particular circumstances (for example, who the owner is (eg, low income), the nature and characteristics of the asset (eg, residential or commercial property, contents and vehicles), what other risk management

options are available and their cost/benefit, and where the asset is located)? Please explain your answer.

49. If you think the Government should have a role in supporting flood insurance as climate change risks cause private insurance retreat:

- a) What do you envision the Government's role to be, and how is this best achieved (eg, direct support and/or indirect support such as reducing underlying flood risk)?

50. If the Government were to directly support flood insurance:

- a) what is the best way to provide this direct support?
- b) should the Government's focus be to support availability or affordability of insurance, or both?
- c) how should the costs of that support be funded, and by whom?
- d) what are the benefits and downsides of this approach?
- e) should this support be temporary or permanent?
- f) if temporary, what additional measures do you think would be needed (if any) to allow this support to be ultimately withdrawn (eg, wider flood protection work undertaken)?

51. How effective do you think the insurance 'price signal' (eg, higher premiums or loss of insurance) is for providing incentives to reduce flood risk?

52. In your view, should a Flood Re type scheme in New Zealand be used to address current and future access and affordability issues for flood insurance? Why or why not?

53. How do you think a Flood Re type scheme in New Zealand could support or hinder climate change adaptation initiatives in New Zealand?

Closing general question

54. Do you have anything else you wish to share in relation to the National Adaptation Plan content?