

National Adaptation Plan: Options for scope and structure

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Security Level	Policy and Privacy In-Confidence	MfE Priority:	Not Urgent

	Action sought:	Response by:
Hon James SHAW, Minister of Climate Change	Discuss at your meeting with officials on 25 August 2021.	25 August 2021

Actions for Minister's Office Staff	Return the signed report to MfE Attach this Briefing and BRF 466, with Appendix 5 as a cover for the meeting with officials on 25 August 2021
Number of appendices and attachments 6	Appendix 1: Draft Slide pack for Climate Response Ministers Group Appendix 2: Options Analysis for the Scope of the NAP Appendix 3: Options Analysis for NAP Document Structure Appendix 4: Proposed Chapter Structure for NAP under Option 1 Appendix 5: Draft agenda for your meeting with officials on 25 August Appendix 6: National Climate Change Risk Assessment – All Risks

Ministry for the Environment contacts

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National Adaptation Plan: options for scope and structure

Key messages

1. We are scheduled to meet with you on 25 August to discuss adaptation. We propose the meeting cover the scope and structure choices for the National Adaptation Plan and adaptation policy, including managed retreat issues. This briefing provides information on the former. Information on adaptation policy, including managed retreat issues is included in a separate briefing (BRF466).
2. Climate Response Ministers Group are meeting in September to discuss the scope of the NAP. This briefing seeks your direction on the options to present to the CRMG.

Direction from CRMG is needed in September for the NAP to meet its statutory deadline and be published by 3 August 2022

3. The NAP must set out the government's response to the National Climate Change Risk Assessment (the Risk Assessment). This first NAP will define adaptation action over the next 6 years.
4. Direction on scope is needed from the CRMG in September to shape the actions within the draft NAP. Formal consultation on the Draft NAP needs to start in Q1 of 2022 for the final NAP to be published by 3 August 2022. Further direction from the CRMG will be needed in December on actions to be included in the draft NAP.
5. We are also seeking decisions on document structure now so we can commence drafting the NAP from September. We provide three options for chapter structure that differ in subject and language and a detailed draft chapter outline of our recommended option which is to take an outcomes-based approach.

NAP risk scope and choices

6. The government's existing work programme will only partially address the most significant risks. In our meeting with you on 25 August we seek your direction as to which options you would like the CRMG to consider.
7. The NAP must at a minimum respond to the most significant risks identified in the Risk Assessment. For all options, a research strategy will be developed to address the knowledge gaps identified in the Risk Assessment, to inform the next Risk Assessment due in 2028.

8. s 9(2)(g)(i)



i. s 9(2)(g)(i) [Redacted]

Decisions on document structure

- 9. To consult on the draft NAP in early 2022 we need to commence drafting in September. We recommend you seek decisions on the NAP chapter structure from the CRMG in September to ensure consensus from the outset.
- 10. There are three main options for the NAP document structure: outcomes, building blocks, and hazard risk management. These options are based on research undertaken on the structure of other international NAPs, and the ERP chapter structure that was shaped by advice from the McGuiness Institute. We recommend an outcomes-based approach.
- 11. In terms of Ministerial accountability we propose a continuation of the current arrangements where lead agencies are leading the development of the actions plans. We also propose relevant Ministers hold responsibility for approving actions for inclusion in the NAP and the implementation of the action. We propose you as Climate Change Minister hold responsibility for the preparation of the NAP as a whole.

Budget 22 implications

- 12. Some of the actions in the NAP could be funded through the re-prioritisation or agency baselines.

s 9(2)(f)(iv) [Redacted]

Proactively released under the Official Information Act 1982



Recommendations

15. We recommend you:

- a. **Agree** to discuss feedback on the National Adaptation Plan scope and structure at the meeting with officials on 25 August.

Yes/No

- b. **Note** to align resourcing needs with the scope of the National Adaptation Plan, direction is needed from the Climate Response Ministers Group in September on the risk scope

- c. **Note** to be able to consult on the draft National Adaptation Plan in March/April 2022 decisions on accountability and document structure are needed from the Climate Response Ministers Group in September.

- d. s 9(2)(f)(iv) [Redacted]

Yes/No

- e. s 9(2)(f)(iv) [Redacted]

- f. **Agree** this briefing and appendices will be released proactively on the Ministry for the Environment’s website once consultation on the National Adaptation Plan has started.

Yes/No

Signature

Katherine Wilson	
Director - Climate Adaptation and Evidence	
Adaptation Team	

Hon James SHAW, Minister of Climate Change	
[Date field]	

National Adaptation Plan: options for scope and structure

Purpose

16. This briefing provides a progress update on the NAP and seeks your direction on options for the scope of the NAP to test with the Climate Response Ministers Group (CRMG) meeting in September.
17. You are scheduled to meet officials on 25 August to discuss Adaptation. An annotated agenda for this meeting is included in Appendix 5, covering the issues in this briefing, and BRF 466 which focuses specifically on managed retreat.

Context

This first National Adaptation Plan will define adaptation action over the next 6 years

18. The NAP must set out the government's response to the National Climate Change Risk Assessment (the Risk Assessment) (refer Appendix 6), as required by the Climate Change Response (Zero Carbon Amendment) Act (the CCRA). The CCRA requires the NAP to, at a minimum, set out how the objectives, strategies, policies, and proposals will address the most significant risks identified in the Risk Assessment.
19. This first NAP for Aotearoa New Zealand will define how climate change risks will be managed over the next 6 years. The Climate Change Commission will report on the implementation and effectiveness of the NAP every two years and issue the second National Climate Change Risk Assessment in 2026. The Government will develop the second NAP to be published in 2028.
20. This sets a process for the Government to prioritise and sequence actions to address the risks New Zealand faces due to climate change.

Direction from CRMG is needed in September for the NAP to meet its statutory deadline and be published by 3 August 2022

21. The statutory requirement differs from the Emissions Reduction Plan (ERP) in that we must publicly consult on a draft NAP, rather than, as for the ERP, a requirement to ensure that there has been adequate consultation and undertake further consultation if necessary.
22. In developing the NAP, you as the Minister of Climate Change must also take into account:
 - (a) economic, social, health, environmental, ecological, and cultural effects of climate change, including effects on iwi and Māori:
 - (b) the distribution of the effects of climate change across society, taking particular account of vulnerable groups or sectors:
 - (c) New Zealand's relevant obligations under international agreements:
 - (d) any information received as a result of requests made under section 5ZW:
 - (e) any relevant advice or reports received from the Commission:
 - (f) the ability of communities or organisations to undertake adaptation action, including how any action may be funded:
 - (g) scientific and technical advice.
23. Direction on scope is needed from the CRMG in September to shape the actions within the draft NAP. Formal consultation on the Draft NAP needs to start in Q1 of 2022 for the final NAP to be published by 3 August 2022. Further direction from the CRMG will be



needed in December on actions to be included in the draft NAP.

24. Table 1 illustrates the timeframes for the NAP and the series of decisions needed from both the CRMG and Cabinet.

Table 1: NAP timeframes – decisions needed from CRMG and Cabinet

Date	Decisions needed
September 2021	CRMG provides direction on scope, makes decisions on document structure and accountability
December 2021	CRMG provides direction on outline NAP
February/March 2022	Cabinet agrees to consult on draft NAP
March 2022	Consultation on draft NAP begins
June 2022	CRMG provides direction on final changes to NAP
July 2022	Publish and table NAP in parliament by August 2022

Cabinet has agreed, in-principle, to the strategic direction for the NAP

25. In March, Cabinet agreed in-principle to the strategic direction for the NAP (2020-C-07188 refers) subject to further refinement following engagement and consultation. The strategic direction includes a vision, a set of ten principles, five outcome areas (led by various agencies), and multiple objectives.
26. Cabinet also agreed in-principle to the 43 risks from the Risk Assessment being in scope for the development of the NAP, subject to further refinement in the action planning phase and after public consultation. This has guided work across agencies to develop potential actions for inclusion in the NAP.

Work is progressing across agencies, but direction on priorities is needed now so resources across the system can be managed

27. Work across agencies to develop the NAP is well underway. A long list of existing and potential new adaptation actions has been developed. The next step is to prioritise and sequence these. The resulting short list would be included in the draft NAP for consultation. Each action will detail which agency is responsible for implementing the action over the next six years.
28. Early engagement with iwi/Māori and local government, along with information on adaptation preparedness, emphasised the need to make progress on the key actions areas identified by the Climate Change Adaptation Technical Working Group. These include determining funding arrangements for adaptation (in some cases a lack of direction is resulting in inaction) and building adaptive capacity and capability and providing accessible information to enable action. Early engagement with iwi/Māori also highlighted the preference for a separate climate plan, for Māori, by Māori.



29. The Government has a full work programme across climate change and other major reform initiatives. Resourcing is stretched across government and agencies need clear direction on priorities from Ministers.
30. We have attached a draft slide pack setting out scope options for the NAP to support a discussion at CRMG agreement on the risk scope in September. This will guide both how agencies direct their resources over the coming 9 months to develop the NAP and have implications for the resources needed to implement the NAP over 2022-2028.

As well as direction on risk scope from CRMG, we also need your direction on the structure of the NAP so we can start drafting the document

31. We are seeking decisions on document structure now so we can commence drafting the NAP from September. We provide three options for chapter structure that differ in subject and language. A detailed draft chapter outline of our recommended option is provided in Appendix 4.
32. The current governance structure for the NAP is that Ministers are accountable for the development and implementation of actions to address their relevant risks and contribute to achieving the strategic direction agreed by Cabinet in March 2021. This is due to the fact that the scope of the risks in the National Climate Change Risk Assessment is broad, and many agencies and are likely to have actions included in the NAP. Unlike the ERP, neither the NCCRA risks nor the outcomes articulated in the strategic direction align easily with Ministerial portfolios.

Analysis

NAP risk scope choices

Status quo: The government's existing work programme will only partially address the most significant risks

33. ^{s 9(2)(g)(i)}

34. In our meeting with you on 25 August we seek your direction as to which of these options you would like the CRMG to consider. Further details are in Appendix 2.

Option One: Set the Foundation

35. The NAP must at a minimum respond to the most significant risks identified in the Risk Assessment. Most of the risks are interconnected. ^{s 9(2)(g)(i)}

36. We consider that setting the foundation also requires actions that:

- a. Put in place the system-wide actions that are key adaptation enablers. This would include actions such as those highlighted by the Climate Change Adaptation Technical Working Group and actions to ensure Treaty obligations are fulfilled
- b. Have an immediate impact where there is urgency. There are six further risks that have high "more action needed" urgency scores in the Risk Assessment, bringing into scope risks to physical health, risks of conflict or disruption, risks

to the primary sector, risks to government and businesses from litigation, and risks to wastewater and stormwater systems.

37. The types of actions you can expect to see with this option could include:

- a. An adaptation data and information portal to enable access to locally relevant climate data, projections and risks
- b. A centre of excellence to help build adaptation capability and capacity
- c. An iwi/Māori climate action plan, or other actions to ensure Treaty obligations are fulfilled.

38. For all options, a research strategy will be developed to address the knowledge gaps identified in the Risk Assessment. The research strategy would seek to build the evidence base to inform the development of the second National Climate Change Risk Assessment, due from the Climate Change Commission in 2026.

Option Two: Prioritise upfront investment to reduce risks over time

39. Addressing all risks fully will require significant resources for development and implementation. Adaptation action involves significant upfront costs. However, international studies have shown that investing \$1 in preparation (adaptation) can save society \$4-6 in response and recovery costs to society¹.

40. However, climate impacts are increasingly felt across the country. Costs of inaction are starting to be felt now. In February 2022 the IPCC are due to publish their next report which assesses climate impacts, adaptation and vulnerability. This report will cover both a world-wide and regional views, including a Chapter on Australasia..

Option Three: Step up to build resilience

41. There are alternative options for Ministers to drive action within their portfolios, which would not require as much resourcing as the option two and could be added to over time.

Option 3a: Set the foundation and focus on resilient Government assets

42. This option focuses on central government using the levers it has direct control over to incentivise action. It covers risks related to land, assets and infrastructure that Government owns or manages. Over the next six years, the government is likely to invest \$138B on infrastructure. Ensuring this is optimised to incentivise climate resilience would provide a step up on option one, with a focus primarily on built environment risks.

Option 3b: Set the foundation and focus on communities

43. This option would focus on enabling communities and businesses to build resilience. New actions could boost engagement, improve knowledge development and transfer, mainstream adaptation across government, develop new tools and guidance, and provide funding. This option will also ensure prioritisation of the human component of communities and strengthen the resilience aspect of the emergency management system.

Decisions on document structure

44. To consult on the draft NAP in early 2022 we need to commence drafting in September. We recommend you seek decisions on the NAP chapter structure from the CRMG in September to ensure consensus from the outset.

¹ Natural Hazard Mitigation Saves: 2019 Report | National Institute of Building Sciences (nibs.org)

45. There are three main options for the NAP document structure: outcomes, building blocks, and hazard risk management. These options are based on research undertaken on the structure of other international NAPs, and the ERP chapter structure that was shaped by advice from the McGuiness Institute. A detailed analysis of these options is presented in Appendix 3.
46. **Option one is outcomes-based (“Outcomes”)**. The chapters would revolve around resilience goals in five areas- natural environment, homes buildings and places, infrastructure, community, and economy and finance. These outcome areas match those in the strategic direction for the NAP agreed in-principle by Cabinet.
47. An outcome-based approach to the NAP is aspirational and sets out clear goals. It covers the breath of the adaptation challenge and aligns with the risk assessment’s structure. It requires collaboration and cooperation across agencies to meet the goals, which may be challenging to adjust to at first but would likely result in the mainstreaming of adaptation. The breadth of the outcomes may affect how achievable the NAP is within a six-year cycle.
48. **Option two takes an action-based approach to structuring the NAP (“Building blocks”)**. It groups the actions in categories such as communicating climate risk, reducing vulnerability, adaptation mainstreaming, knowledge sharing, and building adaptive capacity.
49. This option assumes the adaptation action needed to address climate change is relatively uniform across different areas and recipients of the actions will build their own approaches. The link between actions and outcomes would likely be less clear, and there is potential for adaptation jargon to dominate the document. This structure would most closely align with the governance risks in the risk assessment (i.e., they enable a response to the other domain risks). Consequently, there may be less visibility of the specific actions to address specific risks.
50. **Option three structures the NAP along the line of biophysical changes (“Hazard risk management”)**; for example, flooding, drought, storms, and sea-level rise.
51. This approach may make a clearer linkage between climate hazards which are being felt and experienced by people and how they are being addressed by the Government. This approach does not easily align with the risks in the risk assessment, nor the outcomes set in the strategic direction for the NAP. Consequently, it would require a new approach to communicating the Government’s plan to respond to the NCCRA. This structure would be more akin to an emergency management manual.
52. We recommend option one (outcomes) for the structure of the NAP. The detailed structure for this option is included in Appendix 4. We recommend this structure as we consider it would clearly set out what the government aims to achieve, is hopeful and future focused, relatively simple and fits best with the full scope of risks. This approach also aligns with our current strategic direction (the NAP strategy) and requires minimal changes to the current workstream arrangements.
53. We note that the system-wide foundation actions could be chapters in themselves, depending what option is chosen. The final decision on NAP risk scope options will also require some minor amendments to the chapter structure.

Accountability for developing and implementing the National Adaptation Plan

54. The risks identified in the Risk Assessment and the adaptation planning outcomes do not line up neatly with Ministerial portfolios. Lead agencies currently developing action plans for the NAP include:
 - a. Natural Environment: Ministry for the Environment and Ministry for Primary Industries



- b. Homes, buildings and places: Ministry for Business, Innovation and Employment, Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development
- c. Infrastructure: Te Waihanga
- d. Communities: Te Puni Kokiri
- e. Economy and financial system: Ministry for Business, Innovation and Employment, The Treasury

55. We recommend continuing with these arrangements and:

- a. You as Climate Change Minister hold responsibility for the preparation of the NAP as a whole.
- b. Relevant Ministers hold responsibility for approving actions for inclusion in the NAP and contribute to the outcomes/objective workstreams. Each action in the NAP will identify an accountable Minister and agency.
- c. Shared actions (e.g., systemic changes) be jointly owned by the Climate Change Minister and other relevant Ministers.

Budget 22 implications

- 56. s 9(2)(f)(iv) [Redacted]
- 57. s 9(2)(f)(iv) [Redacted]
- 58. s 9(2)(f)(iv) [Redacted]
- 59. s 9(2)(f)(iv) [Redacted]

Next steps

60. The proposed next steps ahead of the meeting with the CRMG include:

25 August	You meet with officials to discuss this briefing
27 August	You receive the final draft CRMG papers
2 September	You circulate CRMG papers to Ministers
9 September (TBC)	CRMG meets

Note: The 9 September date for the CRMG meeting is indicative only.

Appendix 6: National Climate Change Risk Assessment – All Risks

Natural	Human	Economy	Built	Governance
N1 Risks to coastal ecosystems, including the intertidal zone, estuaries, dunes, coastal lakes and wetlands, due to ongoing sea level rise and extreme weather events.	H1 Risks to social cohesion and community wellbeing from displacement of individuals, families and communities due to climate change impacts.	E1 Risks to governments from economic costs associated with lost productivity, disaster relief expenditure and unfunded contingent liabilities due to extreme events and ongoing, gradual changes.	B1 Risk to potable water supplies (availability and quality) due to changes in rainfall, temperature, drought, extreme weather events and ongoing sea level rise.	G1 Risk of maladaptation across all domains due to the application of practices, processes and tools that do not account for uncertainty and change over long timeframes.
N2 Risks to indigenous ecosystems and species from the enhanced spread, survival and establishment of invasive species due to climate change.	H2 Risks of exacerbating existing inequities and creating new and additional inequities due to differential distribution of climate change impacts.	E2 Risks to the financial system from instability due to extreme weather events and ongoing, gradual changes.	B2 Risks to buildings due to extreme weather events, drought, increased fire weather and ongoing sea level rise.	G2 Risk of exacerbating impacts across all domains because current institutions, legislation, decision-making frameworks, funding mechanisms are not fit for climate change.
N3 Risks to riverine ecosystems and species from alterations in the volume and variability of water flow, increased water temperatures, and more dynamic morphology (erosion and deposition) due to changes in rainfall and temperature.	H3 Risks to physical health from exposure to storm events, heatwaves, vector-borne and zoonotic diseases, water availability and resource quality and accessibility due to changes in temperature, rainfall and extreme weather events.	E3 Risks to land-based primary sector productivity and output due to changes in mean rainfall and temperature, seasonality, weather extremes and changes in the distribution of invasive species.	B3 Risks to landfills and contaminated sites due to extreme weather events and ongoing sea level rise.	G3 Risks to governments and businesses from climate change related litigation, due to inadequate or mistimed climate change adaptation.
N4 Risks to wetland ecosystems and species, particularly in eastern and northern parts of New Zealand, from reduced moisture status due to reduced rainfall.	H4 Risks of conflict, disruption and loss of trust in government from changing patterns in the value of assets and competition for access to scarce resources primarily due to extreme weather events and ongoing sea level rise.	E4 Risks to tourism from changes to landscapes and ecosystems and impacts on lifeline infrastructure, due to extreme weather events and ongoing, gradual changes.	B4 Risk to wastewater and stormwater systems (and levels of service) due to extreme weather events and ongoing sea level rise.	G4 Risk of a breach of Treaty obligations from a failure to engage adequately with and protect current and future generations of Māori from the impacts of climate change.
N5 Risks to migratory and/or coastal and river-bed nesting birds due to reduced ocean productivity, ongoing sea level rise and altered river flows.	H5 Risks to Māori social, cultural, spiritual and economic wellbeing from loss and degradation of lands and waters, as well as cultural assets such as marae, due to ongoing sea level rise, changes in rainfall and drought.	E5 Risks to fisheries from changes in the characteristics, productivity, and spatial distribution of fish stocks due to changes in ocean temperature and acidification.	B5 Risks to ports and associated infrastructure due to extreme weather events and ongoing sea level rise.	G5 Risks of delayed adaptation and maladaptation due to knowledge gaps resulting from under-investment in climate adaptation research and capacity building.
N6 Risks to lake ecosystems due to changes in temperature, lake water residence time, and thermal stratification and mixing.	H6 Risks to Māori social, cultural, spiritual and economic wellbeing from loss of species and biodiversity due to greater climate variability and ongoing sea level rise.	E6 Risks to the insurability of assets due to ongoing sea level rise and extreme weather events.	B6 Risks to linear transport networks due to changes in temperature, extreme weather events and ongoing sea level rise.	G6 Risks to the ability of the emergency management system to respond to an increasing frequency and scale of compounding and cascading climate change impacts in New Zealand and the Pacific region.
N7 Risks to terrestrial, freshwater and marine ecosystems due to increased extreme weather events, drought, and fire weather.	H7 Risks to mental health, identity, autonomy and sense of belonging and wellbeing from trauma due to ongoing sea level rise, extreme weather events and drought.	E7 Risks to businesses and public organisations from supply chain and distribution network disruptions due to extreme weather events and ongoing, gradual changes.	B7 Risk to airports due to changes in temperature, wind, extreme weather events and ongoing sea level rise.	G7 Risk that effective climate change adaptation policy will not be implemented and sustained due to a failure to secure sufficient parliamentary agreement.
N8 Risks to oceanic ecosystem productivity and functioning due to changes in sea surface temperature, ocean mixing, nutrient availability, chemical composition and vertical particle flux.	H8 Risks to Māori and European cultural heritage sites due to ongoing sea level rise, extreme weather events and increasing fire weather.		B8 Risks to electricity infrastructure due to changes in temperature, rainfall, snow, extreme weather events, wind and increased fire weather.	G8 Risk to the ability of democratic institutions to follow due democratic decision-making processes under pressure from an increasing frequency and scale of compounding and cascading climate change impacts.
N9 Risks to sub-alpine ecosystems due to changes in temperature and a reduction in snow cover.				
N10 Risks to carbonate-based, hard-shelled species from ocean acidification due to increased atmospheric concentrations of CO ₂ .				
N11 Risks to the long-term composition and stability of indigenous forest ecosystems due to changes in temperature, rainfall, wind and drought.				
N12 Risks to the diverse range of threatened and endangered species that are dependent on New Zealand's offshore islands.				

10 most significant risks