



# Cabinet Economic Policy Committee

## Minute of Decision

---

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

---

### Progressing the Adaptation Framework

**Portfolio**                      **Climate Change**

On 10 April 2024, the Cabinet Economic Policy Committee:

#### Adaptation framework

- 1        **agreed** to initiate work to develop an adaptation framework that is enduring, joined-up, and based on clear guiding principles;
- 2        **agreed in principle**, subject to paragraph 12 below, that the objectives of the adaptation framework are to:
  - 2.1        minimise expected long-term costs;
  - 2.2        ensure responses and funding support to property owners, if any, are predictable, principled, fair, and rules-based wherever possible (ie, not decided after each event);
  - 2.3        improve climate risk and response information flows;
  - 2.4        address market failures and support market efficiency;
  - 2.5        people have the incentive and ability to manage risk;
- 3        **agreed** that the following areas are in scope of the adaptation framework:
  - 3.1        where people live and work and the associated infrastructure (including future development);
  - 3.2        all types of natural hazards as a default;
- 4        **agreed** that developing the adaptation framework will include the following workstreams:
  - 4.1        principles for investment in risk response;
  - 4.2        principles for cost-sharing pre- and post-event;
  - 4.3        roles and responsibilities;
  - 4.4        risk and response information sharing;

- 5 **invited** the Minister of Climate Change to work with Ministers responsible for work programmes on Local Water Done Well, resource management (RMA) reform, emergency management system improvements (including recovery settings), Critical Infrastructure Resilience work programme, Regional Infrastructure Fund, Going for Housing Growth work programme, RMA instruments such as the National Policy Statement on Natural Hazard Decision-Making, and the building consent system, to:
- 5.1 align objectives as far as possible;
  - 5.2 manage trade-offs through appropriate governance arrangements such as regular meetings, bilaterals or the Climate Priorities Ministerial Group;
  - 5.3 provide any relevant adaptation matters for consideration in those work programmes that may arise during the development of the framework;

### Select Committee

- 6 **noted** that in February 2024, the Cabinet Legislation Committee:
- 6.1 agreed in principle to support a motion in the House to establish an ad hoc Select Committee to lead an inquiry into climate adaptation, subject to consultation with the Speaker, the Business Committee, the Clerk of the House, and all Parliamentary parties;
  - 6.2 invited the Minister of Climate Change to report back once consultation had been completed;
- [LEG-24-MIN-0001]
- 7 **noted** that the Minister of Climate Change has consulted with the Leader of the House, other parties and the Clerk of the House on the above proposal and that the paper under ECO-24-SUB-0058 fulfils the report-back request;
- 8 **agreed** to support a motion in the House that the Finance and Expenditure Select Committee (FEC) leads an inquiry into climate adaptation and that the current Environment Committee inquiry on climate adaptation, including the submissions of this inquiry, should be transferred to the FEC;
- 9 **agreed** that the motion will include an instruction to the FEC to commence an inquiry into the adaptation framework, informed by the draft terms attached at Appendix A under ECO-24-SUB-0058;
- 10 **noted** that:
- 10.1 the motion will also include an instruction for the Environment Committee to cease their inquiry into climate adaptation at the commencement of the FEC inquiry;
  - 10.2 the Minister of Climate Change will write to both select committees encouraging the transfer of submissions already received to the FEC;
- 11 **authorised** the Minister of Climate Change, after consultation with the Leader of the House and any other necessary consultation across the House, to finalise and lodge a motion in line with the above decisions;

- 12 **noted** that the FEC may choose to make recommendations regarding the objectives of an adaptation framework.

Rachel Clarke  
Committee Secretary

---

**Present:**

Rt Hon Christopher Luxon  
Hon David Seymour  
Hon Brooke van Velden  
Hon Shane Jones  
Hon Chris Bishop (Chair)  
Hon Simeon Brown  
Hon Todd McClay  
Hon Tama Potaka  
Hon Matt Doocey  
Hon Melissa Lee  
Hon Simon Watts  
Hon Penny Simmonds  
Hon Chris Penk  
Hon Andrew Bayly  
Hon Andrew Hoggard  
Hon Mark Patterson  
Simon Court MP

**Officials present from:**

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