



# COVERSHEET



<b>Ministers</b>	Hon Nicola Willis	<b>Portfolio</b>	Finance
	Hon Simeon Brown		State Owned Enterprises
	Hon Dr Shane Reti		Science, Innovation and Technology
<b>Title of Cabinet paper</b>	Weather Forecasting System Implementation Recommendations	<b>Date to be published</b>	27 June 2025

## List of documents that have been proactively released

Date	Title	Author
March 2025	Weather Forecasting System Implementation Recommendations	Office of the Minister of Science, Innovation and Technology
April 2025	Cabinet minute: ECO-25-MIN-0025.1	Cabinet Office
March 2025	Weather Forecasting System Implementation Recommendations Regulatory Impact Statement	Ministry of Business, Innovation and Employment
11 December 2025	Briefing REQ-0005324/T2024/3355: Weather Forecasting System – Final Decisions and Implementation Matters	Ministry of Business, Innovation and Employment and the Treasury
30 January 2025	Briefing REQ-0008086: Weather Forecasting Cabinet Paper	Ministry of Business, Innovation and Employment
9 April 2025	Letter to MetService	Hon Simon Brown
9 April 2025	Letter to NIWA	Hon Dr Shane Reti

## Information redacted

**YES / NO** *(please select)*

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of confidential advice to government, protecting privacy of an individual, commercial information, free and frank opinions and legal professional privilege.

The term "officials" used throughout the material refers to MBIE and Treasury. Other agencies are specifically named.



# BRIEFING

## Weather Forecasting System Cabinet Paper

<b>Date:</b>	30 January 2025	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	REQ-0008086

	Action sought	Deadline
Hon Nicola Willis <b>Minister of Finance</b>	<b>Note</b> the updates made to the Cabinet Paper following shareholding Ministers initial review and agency feedback.	11 February 2025
Hon Simeon Brown <b>Minister for State Owned Enterprises</b>	<b>Agree</b> for officials to lodge the final Cabinet Paper, subject to any feedback through Ministerial consultation that will be worked through with your office.	11 February 2025
Hon Dr Shane Reti <b>Minister of Science, Innovation and Technology</b>	<b>Agree</b> for shareholding Ministers to sign and send, for their respective entities, the attached letters to NIWA and MetService following Cabinet consideration and agreement to the recommendations in the Cabinet Paper.	11 February 2025
Hon David Seymour <b>Associate Minister of Finance</b>	For information.	
Hon Mark Mitchell <b>Minister for Emergency Management and Recovery</b>		
Hon Andrew Bayly <b>Minister of Commerce and Consumer Affairs</b>		
Hon James Meager <b>Associate Minister of Transport</b>		

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Nicola Scott	Manager, SI&T Performance and Monitoring, MBIE	<small>Privacy of a natural person</small>	✓

Eleanor O'Toole	Senior Advisor, SI&T Performance and Monitoring, MBIE	Privacy of a natural person	
<b>The following departments/agencies have been consulted</b>			
The Treasury			

**Minister's office to complete:**

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

**Comments**



# BRIEFING

## Weather Forecasting System Cabinet Paper

<b>Date:</b>	30 January 2025	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	REQ-0008086

### Purpose

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To provide you with an updated draft of the Weather Forecasting System Cabinet Paper following officials' work on implementation matters, and seek your agreement to lodge the final paper, subject to any concerns arising from Ministerial consultation that will be discussed with your offices prior to lodgement.

Draft letters to the National Institute of Water and Atmospheric Research Limited (NIWA) and the Meteorological Service of New Zealand Limited (MetService) are attached for signing and sending following Cabinet consideration and agreement. We also attach a working draft of the Regulatory Impact Statement for the proposed reforms.

## Recommended action

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The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** shareholding Ministers were provided with a draft Weather Forecasting System Cabinet Paper on implementation issues in December 2024 (briefing REQ-0005324/T2024-3355 refers).

*Noted* *Noted*  
Minister of Finance Minister for State Owned Enterprises

*Noted*  
Minister of Science, Innovation and Technology

- b **Note** further work has been undertaken on outstanding implementation issues and an updated Cabinet Paper is attached (Annex One).

*Noted* *Noted*  
Minister of Finance Minister for State Owned Enterprises

*Noted*  
Minister of Science, Innovation and Technology

- c **Note** Ministerial consultation is happening in parallel on the attached Cabinet Paper, as previously agreed by shareholding Ministers.

*Noted* *Noted*  
Minister of Finance Minister for State Owned Enterprises

*Noted*  
Minister of Science, Innovation and Technology

- d **Note** the Cabinet Paper includes a recommendation for any efficiencies from the integration of NIWA and MetService to be ring-fenced for reinvestment in the weather forecasting system for the next three years.

*Noted* *Noted*  
Minister of Finance Minister for State Owned Enterprises

*Noted*  
Minister of Science, Innovation and Technology

- e **Note** the Cabinet Paper includes a recommendation that the merged entity publish its weather data access policies.

*Noted* *Noted*  
Minister of Finance Minister for State Owned Enterprises

*Noted*  
Minister of Science, Innovation and Technology

- f **Note** the feedback that has arisen from agency consultation.

*Noted* *Noted*  
Minister of Finance Minister for State Owned Enterprises

*Noted*  
Minister of Science, Innovation and Technology

g **Agree** for officials to lodge the final Cabinet Paper, subject to any substantive feedback through Ministerial consultation being discussed with your office prior to lodgement.

*Agree/Disagree*  
Minister of Finance

*Agree/Disagree*  
Minister for State Owned Enterprises

*Agree/Disagree*  
Minister of Science, Innovation and Technology

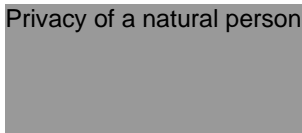
h **Agree** for the Minister of Science, Innovation and Technology and the Minister for State Owned Enterprises to respectively send the attached letters to NIWA and MetService following Cabinet consideration and agreement to the recommendations in the Cabinet Paper.

*Agree/Disagree*  
Minister of Finance

*Agree/Disagree*  
Minister for State Owned Enterprises

*Agree/Disagree*  
Minister of Science, Innovation and Technology

Privacy of a natural person



Nicola Scott  
**Manager, Science, Innovation and  
Technology, Performance and  
Monitoring, MBIE**

Hon Nicola Willis  
**Minister of Finance**

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Hon Simeon Brown  
**Minister for State Owned Enterprises**

Hon Dr Shane Reti  
**Minister of Science, Innovation and  
Technology**

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## Background

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1. In 2023, the Government commissioned the Weather Forecasting System Review (the Review) to determine the best approach to national weather forecasting in the future.
2. The Review was undertaken by the Sapere Research Group (the reviewer), with oversight from the Treasury, the Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Transport. The reviewer engaged with over 50 stakeholders<sup>1</sup> and received significant input from MetService, NIWA and key stakeholders.
3. The Review examined the optimal arrangements for the provision of national weather forecasting services, and the optimal structural configuration for MetService and NIWA, and whether changes to weather data access arrangements were required.
4. The Review identified that having two Crown-owned weather forecasting entities is the root cause of many issues within the current system. These include inefficiencies due to duplicated efforts and investments, a lack of integration between key scientific disciplines, inconsistent messaging during severe weather events causing public confusion, missed opportunities for system improvements, and restrictive data access management practices that hinder external innovation.
5. The report recommended a re-integration of meteorology services with climate science, hydrology, and oceanography (along with wider recommendations such as improved weather data access). Officials supported the recommendation of NIWA acquiring MetService initially as a wholly-owned subsidiary with MetService being retained as a brand and New Zealand's authorised meteorologist (briefing T2024/875; MBIE 2324-2570 refers).
6. In September 2024, the Government agreed in-principle for work to commence on bringing together the significant capabilities and resources of NIWA and MetService, subject to further work being completed on implementation matters [EXP-24-MIN-0051 and CAB-24-MIN-0360 refer].
7. In December 2024, shareholding Ministers were provided with a draft Cabinet Paper seeking a final decision for NIWA to acquire MetService (briefing REQ-0005324/T2024-3355 refers). The briefing agreed the substantive issues required for a final Cabinet decision.
8. The briefing also noted that further advice would be provided on possible ring fencing of merger efficiencies, which has been provided below alongside other updates made to the Cabinet Paper since the initial draft.
9. This briefing seeks agreement to lodge the final Cabinet Paper, subject to any concerns raised through interparty consultation, which is happening in parallel. Any substantive concerns will be discussed with your office prior to lodgement.

## Material changes to the Draft Cabinet Paper

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### Science system reform alignment and ensuring efficiencies are reinvested into the Weather Forecasting System

10. On 16 December 2024, Cabinet considered changes to the science, innovation and technology (SI&T) system, which included the establishment of four public research organisations (PROs) by merging or repurposing existing Crown Research Institutes (CRIs) [CAB-24-MIN-0504.02 refers]. Cabinet agreed to an earth sciences PRO through merging

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<sup>1</sup> Additionally, Sapere employed a survey in the review and received over 145 responses providing further input for consideration.

GNS Science and the National Institute of Weather and Atmospheric Research Limited (NIWA).

11. Cabinet also agreed in-principle that PROs will be constituted as Crown agents to give effect to government policy, subject to more detailed policy work.
12. As a State-Owned Enterprise, MetService has operated viably as a commercial entity since 1992. Crown Agent form, with settings allowing increased government oversight and direction, is a relatively untested model for managing commercial activities. If PROs are constituted as Crown agents as a result of the wider science system reforms, there is a risk commercial revenue streams associated with MetService will be eroded. This will need to be factored into final decisions on PRO entity form.
13. Further, we are concerned that any efficiencies achieved from the integration of NIWA and MetService will be redirected to support broader science system reforms, diluting the funding available to achieve the desired outcomes for the weather forecasting system.
14. We have therefore included a new recommendation in the Cabinet Paper (recommendation 18) that shareholding Ministers work with agencies on a methodology to ensure efficiencies are fairly reinvested into the weather forecasting system to ensure the vision for the weather forecasting system is achieved. This intention has also been reflected in the draft letters to NIWA and MetService (Annex Three).

#### **Obligation to publish data access policies**

15. To promote transparency and accountability, we recommend that shareholding Ministers set explicit expectations that the merged entity is to publish its weather data access policies on its website to demonstrate a commitment to more open weather data.
16. The Commerce Commission consider that a statutory clause should be included in legislation to that effect. However, we consider at this point, a statutory clause is not necessary to achieve the outcomes and would increase the complexity of the Bill.
17. Instead, we consider that a Cabinet recommendation for NIWA and MetService to publish weather data policies and terms of access is sufficient, and we have included this as part of recommendation 9 in the Cabinet Paper. This decision has been reflected in the proposed letters to NIWA and MetService (attached).
18. Data access policies across the science system will also be considered as part of the wider science system reform.

### **Update on other outstanding issues**

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#### **Treaty of Waitangi considerations**

19. The Crown has Treaty of Waitangi obligations under section 9 of the State-Owned Enterprises (SOE) Act 1986 when considering the acquisition transaction and removal of MetService from the SOE Act. As this is an intra-Crown transfer, the Crown's overarching Treaty of Waitangi obligations will remain, and there has been consideration of whether Māori rights and interests may be affected by the transaction.
20. Section 8A of the Treaty of Waitangi Act 1975 and sections 27, 27A and 27B of the SOE Act mean the Paraparaumu land owned by MetService will remain protected under the statutory memorial scheme and the memorial on the title will remain, irrespective of who owns it, whether MetService is controlled by another entity, or whether MetService is no longer a SOE.



21. Given the changes to MetService and the future weather forecasting system, consultation with relevant Iwi will be undertaken in early 2025, including with those that have existing contractual agreements for access to weather stations on Iwi land. These agreements will remain in place following the transition.

## Implementation

22. We are still waiting on confirmation of the 2025 Legislation Programme. We are proposing to include the Bill in the Legislation Programme with a Category 2 (must be passed by the end of the calendar year 2025). We are also proposing a shortened Select Committee report-back period, to ensure this timeframe can be met. We note that there is wide stakeholder support for integration of the weather forecasting system.
23. Subject to the outcomes of ministerial consultation and Cabinet decisions, the high-level implementation plan is as follows:

Milestone/Activity	Timeframe
Issue drafting instructions to Parliamentary Counsel Office for it to draft Bill	March 2025
Review bill and conduct departmental consultation on the Bill	April 2025
Seek LEG and Cabinet approval of Bill	May 2025
Bill introduced to House	Confidential advice to Govern

## Consultation Feedback on the Cabinet Paper

24. *The Commerce Commission stated their strong preference for data to be made fully open from a competition perspective.* However, it noted it would leave the decision to officials and Government to consider in light of wider constraints and considerations.
25. *Department of the Prime Minister and Cabinet also stated a preference for data being made full open.* However, we do not recommend observational weather data access is made fully open without additional funding (estimated to cost \$10 million per year). If this data is required to be made fully open, the weather data stations will need to be reduced, impacting on the reliability of the weather forecasting system as a whole. Some improvements to data will be made through the acquisition in line with recommendations of the Review. In particular, NIWA and MetService will self-fund the development of a single data access platform to increase usability, as well as increasing the range of data that is made available, including rain radar data (estimated to cost \$2.0 - \$2.5 million).
26. *The Commerce Commission also suggested the need for some form of additional regulatory control or oversight of the merged entity, as there is a risk the merged entity may be incentivised to increase prices to competitors.* We consider that increased expectations through Letters of Expectation and a report back from the merged entity on data access arrangements three years post-acquisition, with the opportunity to set up a review is sufficient. We consider, the potential cost of any further legislative or regulatory interventions would outweigh the benefits.
27. *The Ministry of Transport recommended that the funding for administration of the MetService contract is transferred to MBIE in 2026/27.* Funding will be considered as part of the wider reforms, so we have not addressed it in this draft Cabinet Paper.

28. Te Arawhiti provided advice in relation to the statutory memorial scheme and the memorial on MetService's land in Paraparaumu, and this advice was incorporated into the Cabinet paper.
29. The Parliamentary Counsel Office, Ministry for the Environment, Ministry for Regulation, and the Public Service Commission did not raise any material concerns.

## **Next steps**

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30. Subject to any material feedback following consultation, and your agreement, officials will lodge the Cabinet Paper on 13 February 2025.
31. If Cabinet agrees to the recommendations in the Cabinet Paper, we recommend the Minister of Science, Innovation and Technology and the Minister for State-Owned Enterprises respectively, send the attached letters to NIWA and MetService notifying them of the decision and outlining your expectations for the transition and what shareholding Ministers want to achieve.

## **Annexes**

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Annex One: Final Cabinet Paper

Annex Two: Working draft of the Regulatory Impact Statement

Annex Three: Proposed letters to NIWA and MetService