

Vote Foreign Affairs

APPROPRIATION MINISTER(S): Minister of Foreign Affairs (M34)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Foreign Affairs and Trade (A20)

RESPONSIBLE MINISTER FOR MINISTRY OF FOREIGN AFFAIRS AND TRADE: Minister of Foreign Affairs

Overview of the Vote

The Minister of Foreign Affairs is responsible for appropriations in the Vote for the 2021/22 financial year covering a total of \$1,525 million for the following:

- a total of over \$49 million for the provision of analysis, advice and Ministerial services on New Zealand's foreign policy
- a total of over \$303 million for the delivery of all elements of New Zealand's foreign policy
- a total of nearly \$59 million for the delivery of services to support New Zealand individuals, businesses and agencies overseas
- a total of nearly \$91 million for managing of New Zealand's International Development Cooperation
- a total of \$20,000 to meet the costs of superannuation for local staff employed by overseas posts
- a total of nearly \$63 million on capital expenditure
- a total of nearly \$23 million on purchasing support for Antarctic research from the New Zealand Antarctic Institute
- a total of over \$7 million for New Zealand's participation at Expo 2020 Dubai
- a total of over \$1 million to the Pacific Cooperation Foundation for the promotion of mutual understanding and constructive linkages between New Zealanders and other countries and people of the Pacific
- a total of nearly \$6 million to the Asia New Zealand Foundation for the provision of services that build and sustain New Zealanders' knowledge and understanding of Asia
- a total of \$50,000 to cover any concessional terms and conditions that may apply to recoverable consular loans
- a total of over \$2 million on payments in accordance with the Diplomatic Privileges and Immunities Act 1968
- a total of nearly \$61 million on subscriptions to international organisations
- a total of over \$2 million in loans to assist New Zealanders in distress overseas
- a total of \$18 million to the New Zealand Antarctic Institute for capital expenditure
- a total of over \$20 million for planning and delivery of the operations and hosting elements of the Asia-Pacific Economic Cooperation 2021 event, and
- a total of nearly \$820 million for delivering International Development Cooperation.

The Minister of Foreign Affairs is also responsible for a capital injection of over \$21 million to the Ministry of Foreign Affairs and Trade to meet capital cost pressures including health and safety, and protected security requirements, and to provide the physical infrastructure needed to support the desired policy direction of the Pacific Reset.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Policy Advice and Representation - Other Countries PLA (M34) (A20) This appropriation is limited to meeting the costs, as set out in section 11 of the Foreign Affairs Act 1988, of superannuation for local staff employed by overseas posts to help with the management of New Zealand's foreign and trade relations with other countries.	20	20	20
Total Departmental Output Expenses	20	20	20
Departmental Capital Expenditure			
Ministry of Foreign Affairs and Trade - Capital Expenditure PLA (M34) (A20) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Foreign Affairs and Trade, as authorised by section 24(1) of the Public Finance Act 1989.	63,359	40,000	62,508
Total Departmental Capital Expenditure	63,359	40,000	62,508
Non-Departmental Output Expenses			
Antarctic Research and Support (M34) (A20) Provision of management and logistic support for New Zealand activities in the Antarctic. The provider is the New Zealand Antarctic Institute.	20,820	20,820	22,820
Expo 2020 Dubai (M34) (A20) This appropriation is limited to New Zealand's participation at Expo 2020 Dubai.	-	-	7,473
Pacific Cooperation Foundation (M34) (A20) The promotion of mutual understanding and constructive linkages between New Zealanders and the other countries and people of the Pacific. The provider is the Pacific Cooperation Foundation of New Zealand.	1,400	1,400	1,400
Promotion of Asian Skills and Relationships (M34) (A20) This appropriation is limited to the provision of services that build and sustain New Zealanders' knowledge and understanding of and relationships with Asia.	5,500	5,500	5,500
Total Non-Departmental Output Expenses	27,720	27,720	37,193
Non-Departmental Other Expenses			
Consular Loan Expenses (M34) (A20) This appropriation is limited to unrecoverable financial assistance provided to New Zealanders in distress overseas and expenses arising from any concessional terms and conditions that apply to recoverable financial assistance provided.	150	150	50
Disbursements Made and Exemptions from Taxation PLA (M34) (A20) Refund of New Zealand local body rates for offices and residential premises of overseas diplomatic missions and consular posts pursuant to section 21 of the Diplomatic Privileges and Immunities Act 1968.	2,400	2,400	2,400
Subscriptions to International Organisations (M34) (A20) This appropriation is limited to non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as a signatory to international treaties and conventions.	60,729	60,729	60,729
Total Non-Departmental Other Expenses	63,279	63,279	63,179

Titles and Scopes of Appropriations by Appropriation Type	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Capital Expenditure			
Consular Loans (M34) (A20) This appropriation is limited to recoverable financial assistance provided to New Zealanders in distress overseas to help them meet essential and immediate needs, including the costs of repatriation.	3,000	3,000	2,100
New Zealand Antarctic Institute (M34) (A20) To enable NZAI to maintain the Scott Base buildings and services infrastructure.	7,100	7,100	18,000
Total Non-Departmental Capital Expenditure	10,100	10,100	20,100
Multi-Category Expenses and Capital Expenditure			
Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA (M34) (A20) The single overarching purpose of this appropriation is to promote and protect New Zealand's interests and values in the world to build a safer, more prosperous and more sustainable future for New Zealanders.	470,767	441,987	502,204
<i>Departmental Output Expenses</i>			
<i>Analysis and advice to inform New Zealand's foreign policy</i> This category is limited to providing analysis, advice and Ministerial services, and undertaking related domestic engagement, on all elements of New Zealand's foreign policy, other than international development cooperation.	44,919	42,001	49,355
<i>Delivery of New Zealand's foreign policy</i> This category is limited to international representation, advocacy and negotiation on all elements of New Zealand's foreign policy, other than international development cooperation.	279,882	265,495	303,343
<i>Delivery of services</i> This category is limited to the delivery of services to support New Zealand individuals, businesses and agencies overseas, and host government services to the diplomatic and consular corps in New Zealand.	58,618	55,303	58,584
<i>Management of New Zealand's International Development Cooperation</i> This category is limited to advice (including related domestic engagement and Ministerial services), representation and advocacy on international development issues, and the management of the New Zealand Aid Programme.	87,348	79,188	90,922
Total Multi-Category Expenses and Capital Expenditure	470,767	441,987	502,204
Total Annual Appropriations and Forecast Permanent Appropriations	635,245	583,106	685,204

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Departmental Output Expenses		
Hosting APEC 2021 (M34) (A20) This appropriation is limited to enabling the planning and delivery of the year-long Asia-Pacific Economic Cooperation 2021. Commences: 01 July 2018 Expires: 30 June 2022	Original Appropriation Adjustments to 2019/20 Adjustments for 2020/21 Adjusted Appropriation Actual to 2019/20 Year End Estimated Actual for 2020/21 Estimate for 2021/22 Estimated Appropriation Remaining	99,560 84,580 (107,600) 76,540 19,044 37,356 20,140 -

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Output Expenses		
Expo 2020 Dubai (M34) (A20) This appropriation is limited to New Zealand's participation at Expo 2020 Dubai. Commences: 01 July 2017 Expires: 30 June 2021	Original Appropriation	53,240
	Adjustments to 2019/20	1,331
	Adjustments for 2020/21	1,142
	Adjusted Appropriation	55,713
	Actual to 2019/20 Year End	27,352
	Estimated Actual for 2020/21	28,361
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-
Non-Departmental Other Expenses		
International Development Cooperation (M34) (A20) This appropriation is limited to providing development cooperation and humanitarian assistance that support the sustainable development and welfare of Pacific Island and developing countries. Commences: 01 July 2018 Expires: 30 June 2021	Original Appropriation	2,186,718
	Adjustments to 2019/20	82,177
	Adjustments for 2020/21	607
	Adjusted Appropriation	2,269,502
	Actual to 2019/20 Year End	1,444,185
	Estimated Actual for 2020/21	825,317
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-
International Development Cooperation (M34) (A20) This appropriation is limited to providing development cooperation and humanitarian assistance that support the sustainable development and welfare of Pacific Island and developing countries. Commences: 01 July 2021 Expires: 30 June 2024	Original Appropriation	2,538,709
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	2,538,709
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	-
	Estimate for 2021/22	819,587
	Estimated Appropriation Remaining	1,719,122

Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	635,245	583,106	685,204
Total Forecast MYA Departmental Output Expenses	37,356	37,356	20,140
Total Forecast MYA Non-Departmental Output Expenses	28,361	28,361	-
Total Forecast MYA Non-Departmental Other Expenses	825,317	825,317	819,587
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	1,526,279	1,474,140	1,524,931

Capital Injection Authorisations

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Ministry of Foreign Affairs and Trade - Capital Injection (M34) (A20)	-	-	21,200

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Our Place in Antarctica - Redevelop Scott Base to maintain a safe presence in Antarctica to conduct high quality science	New Zealand Antarctic Institute					
	Non-Departmental Capital Expenditure	-	18,000	66,000	114,000	69,000
	Antarctic Research and Support					
	Non-Departmental Output Expenses	-	2,000	6,000	13,000	22,000
Provision of recoverable financial assistance to New Zealanders in distress overseas	Consular Loans					
	Non-Departmental Capital Expenditure	5,000	100	100	100	100
Expo 2020 COVID-19 and related postponement costs	Expo 2020 Dubai					
	Non-Departmental Output Expenses	-	7,280	500	-	-
Total Initiatives		5,000	27,380	72,600	127,100	91,100

1.2 - Trends in the Vote

Summary of Financial Activity

	2016/17	2017/18	2018/19	2019/20	2020/21		2021/22			2022/23	2023/24	2024/25
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	27,180	29,485	45,517	55,230	93,457	93,457	20,160	37,193	57,353	34,240	40,740	49,740
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	582,630	692,662	766,483	794,662	888,596	888,596	-	882,766	882,766	921,346	924,134	924,134
Capital Expenditure	58,550	46,430	53,160	45,197	73,459	50,100	62,508	20,100	82,608	139,032	188,480	152,172
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	379,922	387,172	433,444	444,488	477,367	441,987	502,204	-	502,204	490,825	490,124	490,462
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	1,048,282	1,155,749	1,298,604	1,339,577	1,532,879	1,474,140	584,872	940,059	1,524,931	1,585,443	1,643,478	1,616,508
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	1,209	1,910	870	229	400	400	N/A	400	400	400	400	400
Capital Receipts	-	-	-	613	3,000	3,000	N/A	2,100	2,100	100	100	100
Total Crown Revenue and Capital Receipts	1,209	1,910	870	842	3,400	3,400	N/A	2,500	2,500	500	500	500

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

1.3 - Analysis of Significant Trends

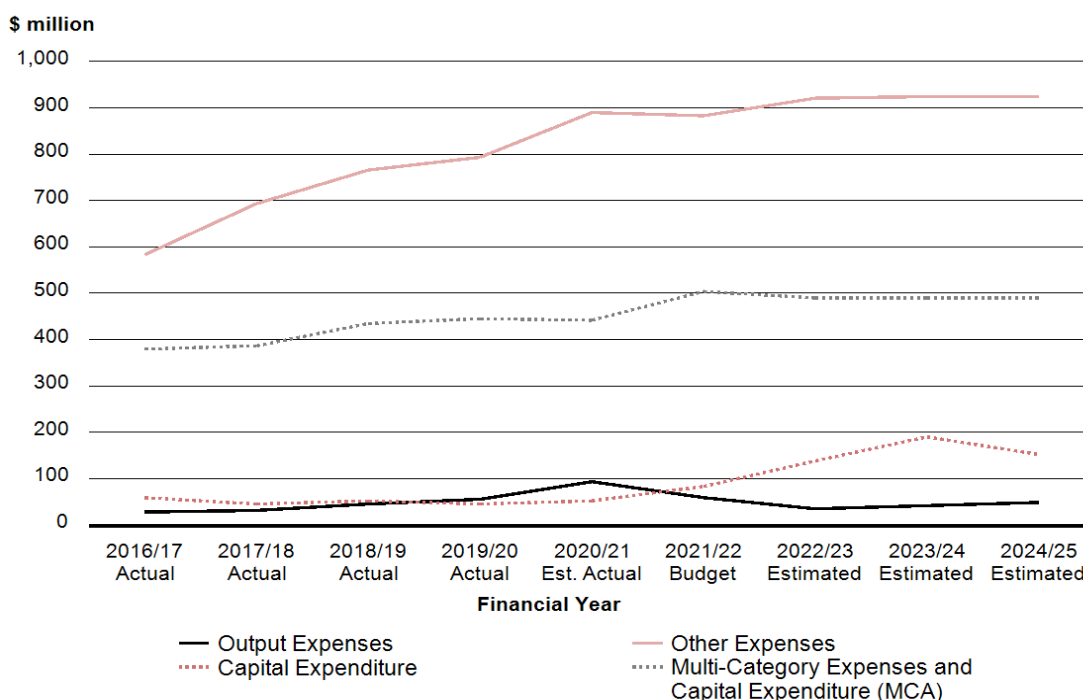
Total Vote: All Appropriations

Trends in actual expenditure since 2016/17, estimated expenditure for 2020/21 and the trajectory of appropriations out to 2024/25 are shown in Figure 1 below. The impact of COVID-19 is also evident from Figure 1 with actual expenditure in 2019/20 significantly below all appropriations, while estimated expenditure for 2020/21 is below the final supplementary estimates appropriations for departmental capital expenditure and the multi-category appropriation. Commentary on the key drivers of movements in the trend by appropriation type follows Figure 1.

COVID-19 has had a significant impact on the Ministry’s business operations, initiatives and activities in the 2020/21 financial year, particularly those that are travel dependent, and it appears set to continue to be disruptive during the 2021/22 financial year. The lower overall expenditure caused by COVID-19 enabled the Ministry to respond to the immediate needs arising from the event, notably providing assistance to the thousands of New Zealanders overseas, and to sustain New Zealand’s offshore network. The Ministry has used expense transfers and technical budget initiatives funded from savings help alleviate COVID-19 and other cost pressures; continue to respond to the needs of the offshore network; inject momentum into the Ministry’s Well-being, property and maintenance programmes, and advance a number of diplomatic initiatives, such as the ASEAN Plan of Action.

The significant changes in departmental and non-departmental appropriations are summarised below.

Figure 1 - Vote trends in actual expenses and capital expenditure by appropriation type



Source: Ministry of Foreign Affairs and Trade

Output Expenses

The Ministry has two departmental output expenses, of which Hosting APEC 2021 is the most significant, and five non-departmental output expenses, of which Antarctic Research and Support and Expo 2020 Dubai are the most significant. The initial increase in actual output expenses in 2016/17 is primarily attributable to a Budget 2016 increase in funding (\$3.035 million) for logistics support and a fiscally neutral transfer of \$3 million from Vote Foreign Affairs and Trade for Antarctica New Zealand. From the 2017/18 financial year there are progressive annual increases in output expenses through to 2024/25 reflecting the provision of policy initiative funding for:

- Expo 2020 Dubai (\$61.020 million), which commenced in 2017/18 and ceases in 2022/23
- Hosting APEC 2021 (\$184.140 million), which commenced in 2018/19 and ceases in 2021/22. In July 2020 Cabinet agreed that the amount appropriated for APEC could be reduced by \$107.600 million, reflecting the decision that New Zealand host a largely virtual APEC in 2021, including all high-level meetings and the Leaders' meeting, and
- Antarctic Research and Support (\$43 million), which commenced in 2021/22 through to 2024/25 to support the re-development of Scott Base.

Non-Departmental Other Expenses

The Ministry's non-departmental other expenses primarily comprise two appropriations, Subscriptions to International Organisations and International Development Cooperation. Actual prior year expenditure on the former from 2016/17 (\$50.669 million) through to the estimated actual for 2020/21 (\$60.729 million), and which remains unchanged in the outyears, has fluctuated due to changes both in the cost of subscriptions and the associated foreign currency exchange rates, in respect of the non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as a signatory to international treaties and conventions.

This is the final year of the multi-year appropriation (International Development Cooperation) approved for the three-year period 2018/19 to 2020/21. The appropriation increased to \$2,268.895 million reflecting new policy initiatives approved in Budget 2018 (\$432.677 million), Budget 2019 (\$29.502 million) and Budget 2020 (\$50.169 million). A new three-year multi-year appropriation totalling \$2,538.709 million comes into effect from 1 July 2021, and represents the conversion and transfer of three years of previously approved funding from the existing annual International Development Cooperation appropriation to the new multi-year appropriation.

Capital Expenditure

The trend of capital expenditure reflects the timing and level of expenditure for the replacement and renewal of existing assets and additional capital investments, as reflected in the Ministry's Capital Plan.

Estimated actual Departmental expenditure in 2020/21 totals \$40 million, reflecting the adverse impact of COVID-19 on the delivery of the capital investment programme. The appropriation increases to \$62.508 million in 2020/21, reflecting the scheduling of building construction and refurbishment work within the Ministry's capital programme (funded from the Ministry's capital reserves), together with capital injections for the investment required to comply with updated health and safety legislation, and to keep our people, information and physical assets safe (\$10.500 million), and to provide the physical infrastructure needed to support the desired policy direction of the Pacific Reset (\$10.700 million). There are further capital injections totalling \$37.125 million for the Pacific Reset over the two outyears to 2023/24.

Non-Departmental Capital Expenditure

Non-Departmental capital expenditure comprises two appropriations as follows:

- New Zealand Antarctic Institute for the redevelopment of Scott Base, with funding of \$267 million over the planning horizon 2021/22 through to 2024/25, and
- Consular Loans for the provision of recoverable financial assistance to New Zealanders in distress overseas to help them meet essential and immediate needs, including the costs of repatriation, with funding of \$5.400 million over the planning horizon 2021/22 through to 2024/25.

Multi-Category Output Expenses

The multi-category appropriation was new in 2020/21, with the historical trend information through to 2019/20 represented by expenditure from a number of dis-established appropriations from the previous Vote Foreign Affairs and Trade and Vote Official Development Assistance.

The year-on-year upward trend in this appropriation through to 2021/22 (inclusive of expense transfers and technical budget initiatives funded by savings), which then stabilises in the outyears, primarily reflects annual funding increases from new initiative packages approved in successive budgets and effective from the 2017/18 financial year onwards. Actual expenditure in 2019/20 was below appropriation (4%) while estimated actual expenditure for 2020/21 is forecast to be some 8% below the final supplementary estimates. These two results reflect the impact of COVID-19 on the Ministry's business operations, initiatives and activities.

While actual expenditure was \$444.498 million in the COVID-19 affected 2019/20, the annual increases in the appropriation through the planning horizon reflecting the injection of additional funding, derive from the following key factors:

International Development Cooperation

The Government has historically targeted growth in the International Development Cooperation programme in line with movements in Gross National Income, and increased funding for the management of the programme has been commensurate, as follows:

- Budget 2018 new funding associated with "increasing our aid to tackle the biggest global and regional challenges of our time" totalling \$11.930 million in 2018/19, \$15.566 million in 2019/20, \$19.248 million in 2020/21 and \$22.892 million in 2021/22 and each of the outyears
- Budget 2019 new funding associated with "increasing New Zealand's Investment to Deliver on the Pacific Reset and to Demonstrate Global Leadership" totalling \$1.098 million in 2019/20, \$2.090 million in 2020/21, \$2.590 million in 2021/22 and \$6.756 million in 2022/23 and each of the outyears
- Budget 2020 new funding associated with "increasing New Zealand's international assistance to ensure strong governance and inclusive development" totalling \$5.420 million in 2020/21 only.

New Posts

Additional funding has been provided to enable the establishment of new overseas posts as follows:

- Budget 2016 funding for the establishment of an embassy in Bogota, Colombia, being \$3.626 million in 2018/19 and \$3.719 million in 2019/20 and each of the outyears
- Budget 2017 funding for the establishment of a New Zealand High Commission in Sri Lanka, and the establishment of a New Zealand Embassy in Ireland, totalling \$3.091 million in 2018/19, \$6.258 million in 2019/20, and \$6.278 million in 2020/21 and each of the outyears.

Growing Capability and Capacity

Investment has been made to ensure the Ministry of Foreign Affairs and Trade has the required capability and capacity to deliver on its strategic goals, as follows:

- Budget 2017 funding for the initiatives making New Zealanders more prosperous through trade and making New Zealanders more connected totalling \$6.541 million in 2018/19, \$7.139 million in 2019/20, \$8.864 million in 2020/21 and 2021/22, and \$8.602 million in 2022/23 and each of the outyears
- Budget 2018 funding for Foreign and Trade Policy Challenges comprising meeting departmental pressures, increasing departmental capability (including the establishment of a New Zealand embassy in Stockholm, Sweden), and departmental capital pressures totalling \$22.569 million in 2018/19, \$31.533 million in 2019/20, \$42.898 million in 2020/21 and \$53.434 million in 2021/22 and each of the outyears
- Budget 2020 funding over the planning horizon to 2023/24 for providing the physical infrastructure needed to support the desired policy direction of the Pacific Reset (\$14.600 million).

Savings Delivered

The Ministry's contribution to the Budget 2019 initiative Reprioritisation of Funding - Forecast Departmental Underspends totals \$20.217 million over the period 2018/19 to 2022/23.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Hosting APEC 2021 (M34) (A20)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Hosting APEC 2021 (M34) (A20) This appropriation is limited to enabling the planning and delivery of the year-long Asia-Pacific Economic Cooperation 2021. Commences: 01 July 2018 Expires: 30 June 2022	Original Appropriation	99,560
	Adjustments to 2019/20	84,580
	Adjustments for 2020/21	(107,600)
	Adjusted Appropriation	76,540
	Actual to 2019/20 Year End	19,044
	Estimated Actual for 2020/21	37,356
	Estimate for 2021/22	20,140
	Estimated Appropriation Remaining	-

Revenue

	Budget \$000
Revenue from the Crown to end of 2021/22	76,540
Revenue from Others to end of 2021/22	-
Total Revenue	76,540

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the planning and delivery of the operations and hosting elements of the year-long Asia-Pacific Economic Cooperation (APEC) 2021 mega-event.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Confirmed calendar of meetings, for all meetings during host year	Met	Met	Met
Fit for purpose and secure virtual meeting venues and technology	Met	Met	Met
Workforce planning completed and confidence in sourcing	Met	Met	Met
Establishment of SOM Chair Office	Met	Met	Met
Decommissioned and evaluated APEC 2021 host year	New measure	New measure	Met

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Foreign Affairs and Trade in its Annual Report to be tabled in the House.

Current and Past Policy Initiative

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
APEC 21 Programme - Enabling New Zealand to fulfil its Asia Pacific Economic Cooperation (APEC) hosting responsibilities	2019/20	24,062	42,303	-	-	-
APEC 21 Programme - Operations and Hosting	2018/19	23,358	46,717	-	-	-

Policy Advice and Representation - Other Countries PLA (M34) (A20)

Scope of Appropriation

This appropriation is limited to meeting the costs, as set out in section 11 of the Foreign Affairs Act 1988, of superannuation for local staff employed by overseas posts to help with the management of New Zealand's foreign and trade relations with other countries.

Expenses and Revenue

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	20	20	20
Revenue from the Crown	20	20	20
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the Ministry's obligation, as set out in section 11 of the Foreign Affairs Act 1988, of superannuation for local staff employed by overseas posts.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
New Zealand Government Superannuation Scheme for locally recruited staff in the United States of America continues to be funded to the required level by the Crown	Met	Met	Met

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Foreign Affairs and Trade in its Annual Report to be tabled in the House.

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry of Foreign Affairs and Trade - Capital Expenditure PLA (M34) (A20)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Foreign Affairs and Trade, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	53,159	32,800	51,798
Intangibles	10,200	7,200	10,710
Other	-	-	-
Total Appropriation	63,359	40,000	62,508

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of modern, secure and effective premises for accommodating NZ Inc.'s requirements offshore and modernising the Ministry's IT systems.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of chanceries with a Fit-for-Purpose performance gap of <=2 (see Note 1)	80%	79%	80%
Percentage of official residences with a Fit-for-Purpose performance gap of <=2 (see Note 1)	85%	91%	85%
Percentage of time our networks are available	99.7%	99.5%	99.7%
Percentage of time our critical services are available	99.7%	99.9%	99.7%

Note 1 - The Ministry uses a Fit for Purpose framework that rates every Chancery (office) and Official Residence property against five asset management criteria of *location*, *building and infrastructure quality*, *brand*, *functionality*, and *flexibility*. Weighted sub-criteria are used to reflect the criticality of each asset management criteria relative to specific locations. The current performance of each property asset in the above mentioned class is scored against pre-determined business defined target scores. The target scores reflect the relative importance of each of the five asset criteria as an enabler supporting the specific objectives and business model in each location.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Foreign Affairs and Trade in its Annual Report to be tabled in the House.

*Capital Injections and Movements in Departmental Net Assets***Ministry of Foreign Affairs and Trade**

Details of Net Asset Schedule	2020/21 Estimated Actual \$000	2021/22 Projected \$000	Explanation of Projected Movements in 2021/22
Opening Balance	661,616	661,616	
Capital Injections	-	21,200	1) To fund the capital cost components of the health and safety, and protected security requirements (\$10.500 million), to be implemented mostly across the overseas posts, and 2) fund the physical property infrastructure needed in the Pacific posts as part of the Pacific reset policy (\$10.700 million)
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	661,616	682,816	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Antarctic Research and Support (M34) (A20)

Scope of Appropriation

Provision of management and logistic support for New Zealand activities in the Antarctic. The provider is the New Zealand Antarctic Institute.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	20,820	20,820	22,820

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the delivery of safe and effective support for New Zealand's Antarctic related activities and interests.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Health and Safety - notifiable incidents	Zero	Zero	Zero
Logistics Support Effectiveness - Antarctic programme participant's rating of how well their logistics support objectives were achieved against the agreed plan - for both science and non-science projects (including any impacts outside of Antarctica New Zealand's control. eg, weather)	85%	85%	85%
Environmental Management - retain credible certification for environmental management	Achieved (see Note 1)	Achieved	Achieved (see Note 1)
Environmental compliance - Antarctica New Zealand fully complies with the terms of its own Environmental Impact Assessments and permits issued under the Antarctica (Environmental Protection) Act 1994	Zero breaches	Zero breaches	Zero breaches
The Ministry of Foreign Affairs and Trade (MFAT) indicates satisfaction with (a) the quality and timeliness of environmental advice provided, including technical advice on the permitting of activities under the Antarctic (Environmental Protection) Act 1994 and (b) leadership on environmental policy in Antarctica through the Antarctic Treaty System - Committee on Environmental Protection (CEP)	Achieved	Achieved	Achieved

Note 1 - Annual key performance measures as agreed with MBIE are delivered in full.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the New Zealand Antarctic Institute in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Our Place in Antarctica - Redevelop Scott Base to maintain a safe presence in Antarctica to conduct high quality science	2021/22	-	2,000	6,000	13,000	22,000
Our Place in Antarctica - Enabling the redevelopment of Scott Base into a safe, fit-for-purpose facility	2019/20	900	900	900	900	900
Previous National-led Government						
Antarctica New Zealand - accommodation for National Antarctic programmes with operations based in Christchurch	2017/18	900	900	900	900	900
Antarctica New Zealand - increased funding for logistics support and related activity	2016/17	4,896	4,896	4,896	4,896	4,896

Reasons for Change in Appropriation

The appropriation increased by \$2 million to \$22.820 million for 2021/22 due to the new initiatives package approved for Budget 2021.

Expo 2020 Dubai (M34) (A20)

Scope of Appropriation

This appropriation is limited to New Zealand's participation at Expo 2020 Dubai.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	7,473

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable New Zealand's participation in the World Expo to be hosted in Dubai, United Arab Emirates. Expo 2020 will provide a springboard to promote New Zealand as an innovative, solution-focused economy to the 25 million visitors expected to attend. New Zealand's participation in Expo 2020 will focus on maximising benefits to New Zealand in alignment with the Government's international trade policy agenda with the overall objective to build a prosperous New Zealand.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
New Zealand Pavilion is complete and ready to open to the public by 1 October 2021	Achieved	Not yet measured - Expo 2020 postponed by 1 year	Achieved
Qualitative positive shift in perceptions of New Zealand as a result of experiencing the New Zealand pavilion, through data received via the digital experience	Achieved	Not yet measured - Expo 2020 postponed by 1 year	Achieved
Net Promoter Score from Leverage Programme participants of 30+	Achieved	Not yet measured - Expo 2020 postponed by 1 year	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by New Zealand Trade and Enterprise in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Expo 2020 COVID-19 and related postponement costs	2021/22	-	7,280	500	-	-
Previous National-led Government						
Expo 2020 Dubai - New Zealand's participation	2017/18	10,340	-	-	-	-

Reasons for Change in Appropriation

The Expo 2020 Dubai multi-year appropriation expires in 2020/21 with a final appropriation of \$28.631 million. The 2021/22 appropriation is a newly approved annual appropriation, created in July 2020 for inclusion in the COVID-19 Response and Recovery Fund. This initiative provides total funding of \$7.280 million in 2021/22 to meet the increased costs of New Zealand's participation at Expo 2020 Dubai, which was due to begin on 20 October 2020, however, owing to the COVID-19 pandemic the Expo has been postponed until 1 October 2021. In addition, the appropriation increased by \$193,000 in 2021/22 resulting from foreign exchange rate movements.

Pacific Cooperation Foundation (M34) (A20)

Scope of Appropriation

The promotion of mutual understanding and constructive linkages between New Zealanders and the other countries and people of the Pacific. The provider is the Pacific Cooperation Foundation of New Zealand.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,400	1,400	1,400

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve outputs to promote outcomes in particular on a pan-regional basis in three strategic priority areas: promoting economic sustainability and business growth in the Pacific, connecting people and organisations in the Pacific and New Zealand, and enhancing New Zealand's identity as a Pacific nation.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of objectives met as outlined in PCF's annual Purchase Agreement with MFAT	80%	70%	80%
Government priorities in the Pacific supported through PCF programmes (alignment of programmes in support of Government priorities. As measured on a scale of 1-7, with 1 = extremely unsatisfactory and 7 = extremely satisfactory)	Average results 5 or higher on scale	Average results 5 or higher on scale	Average results 5 or higher on scale
PCF stakeholders report satisfaction with PCF leadership, engagement, communications and support (As measured on a scale of 1-7 in an annual survey of all PCF stakeholders, with 1 = extremely unsatisfied and 7 = extremely satisfied)	Average results 5 or higher on scale	Average results 5 or higher on scale	Average results 5 or higher on scale
An independent audit of PCF is undertaken annually	Completed	Completed	Completed

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Pacific Cooperation Foundation in its Annual Report to be tabled in the House.

Promotion of Asian Skills and Relationships (M34) (A20)

Scope of Appropriation

This appropriation is limited to the provision of services that build and sustain New Zealanders' knowledge and understanding of and relationships with Asia.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,500	5,500	5,500

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve improving knowledge among New Zealanders about Asian countries and develop the necessary skills required by New Zealanders in their dealings with Asia.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Strategic Goal 1 - Deepening connections			
Level of New Zealand public awareness of the importance of Asia to New Zealand (social research)	Maintain	Not yet available	Maintain
Number of Track II dialogues conducted	8	8	8
Number of inward/outward Asia experiences	375	0	On hold pending removal of travel restrictions
Number of partnerships/sponsorships	20	22	20
Number of attendees at partnership/sponsorship event	18,000	18,000	18,000
Strategic Goal 2 - Growing awareness/knowledge			
Number of research reports published and distributed	5	5	5
Content about Asia on Foundation and Media digital platforms	250	300	250
Strategic Goal 3 - Growing confidence			
Number of supported entrepreneurs engaged with Asian counterparts	45	15	On hold pending removal of travel restrictions
Percentage increase in applications for internships	5%	Not measured	On hold pending removal of travel restrictions
Strategic Goal 4 - Organisational performance			
Stakeholders satisfied with what the Foundation is delivering (survey to be conducted biannually)	86% (response of good/very good/excellent)	Not yet available	Not measured (conducted biannually)

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Asia New Zealand Foundation in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Asia New Zealand Foundation: equipping New Zealanders to thrive in the Asian century	2018/19	1,500	1,500	1,500	1,500	1,500

3.4 - Non-Departmental Other Expenses

Consular Loan Expenses (M34) (A20)

Scope of Appropriation

This appropriation is limited to unrecoverable financial assistance provided to New Zealanders in distress overseas and expenses arising from any concessional terms and conditions that apply to recoverable financial assistance provided.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	150	150	50

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the coverage of unrecoverable financial assistance provided to New Zealanders in distress overseas and expenses arising from any concessional terms and conditions that apply to recoverable financial assistance provided.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Under 10% of the opening Loans balance is expensed in the year	New measure	Met	Met

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Foreign Affairs in a report to be appended to the Annual Report of the Ministry of Foreign Affairs and Trade to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Consular Loan Expenses	2020/21	150	50	50	50	50

Reasons for Change in Appropriation

In June 2020 approval was granted for the establishment of a non-departmental other expense appropriation to cover any concessional terms and conditions that may apply to recoverable consular loans, including foregone interest on consular loans and the write-off of any uncollectable loans. The appropriation was funded in 2020/21 by a fiscally neutral transfer from the multi-category appropriation "Act in the world to make New Zealanders safer and more prosperous", category "Delivery of Services".

Disbursements Made and Exemptions from Taxation PLA (M34) (A20)

Scope of Appropriation

Refund of New Zealand local body rates for offices and residential premises of overseas diplomatic missions and consular posts pursuant to section 21 of the Diplomatic Privileges and Immunities Act 1968.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,400	2,400	2,400

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the fulfilment of New Zealand's obligations pursuant to section 21 of the Diplomatic Privileges and Immunities Act 1968.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Number of rate reimbursements processed	65-80	48	65-80

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Foreign Affairs and appended to the Annual Report of the Ministry of Foreign Affairs and Trade to be presented to the House.

Service Providers

Provider	2020/21 Final Budgeted \$000	2020/21 Estimated Actual \$000	2021/22 Budget \$000	Expiry of Resourcing Commitment
Ministry of Foreign Affairs and Trade	2,400	2,400	2,400	Ongoing

Conditions on Use of Appropriation

Reference	Conditions
Diplomatic Privileges and Immunities Act 1968	Approval of the Minister of Finance and the Minister of Foreign Affairs and Trade

International Development Cooperation (M34) (A20)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
International Development Cooperation (M34) (A20) This appropriation is limited to providing development cooperation and humanitarian assistance that support the sustainable development and welfare of Pacific Island and developing countries. Commences: 01 July 2021 Expires: 30 June 2024	Original Appropriation	2,538,709
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	2,538,709
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	-
	Estimate for 2021/22	819,587
	Estimated Appropriation Remaining	1,719,122

Components of the Appropriation

The components of this appropriation include the design, management, implementation and monitoring and evaluation of activities intended to achieve sustainable development objectives. This can include capacity building initiatives, coordination support to partners, research on development issues and development education and awareness in New Zealand. Activities approved under the appropriation will reflect the Official Development Assistance definition and reporting directives of the Organisation for Economic Cooperation and Development along with the provision of assistance to Pacific Island countries irrespective of their eligibility for Official Development Assistance. There may also be a small amount of expenditure that does not meet either criterion. This may be due to definitional changes after a contract is signed or for other usually administrative reasons.

What is Intended to be Achieved with this Appropriation

This Appropriation is intended to achieve progress by Pacific Island and developing countries against their sustainable development priorities and against the 2030 Agenda and Sustainable Development Goals.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
International Development Cooperation Results (more directly attributable to New Zealand support)			
Number of Pacific Island countries that remain on track on their economic and public sector reform programme	Maintain or improve trend	Not measured yet	Maintain or improve trend
Number of people participating in a labour mobility initiative (No., M/F)	New measure	New measure	Maintain or improve trend

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of people directly benefitting from activities which aim to increase resilience to climate change and environmental degradation (No., M/F)	New measure	New measure	Standard dependent on need
Number of people supported to improve their livelihoods (No., M/F)	New measure	New measure	Standard dependent on need
Number of people directly benefitting from improved infrastructure and services (No., M/F)	New measure	New measure	Standard dependent on need
Number of people benefitting from sexual and reproductive health services (No., M/F)	New measure	New measure	Standard dependent on need
Number of people benefitting from enhanced learning through ICT (No., M/F)	New measure	New measure	Standard dependent on need
Number of people receiving training or capability-building support in priority sectors (No., M/F)	New measure	New measure	Standard dependent on need
People that complete tertiary or vocational training scholarships	>90% of people who were awarded scholarships	Not measured yet	>90% of people who were awarded scholarships
New Zealand responses to natural disasters in the Pacific are launched within mandated timeframes (%)	100%	100%	100%
Number of affected people provided with essential and useful assistance following a natural or human induced disaster (No., M/F) (see Note 1)	Standard dependent on need	Not measured yet	Standard dependent on need
Quality			
Percentage of Activities with effectiveness rated as good or better (based on MFAT Activity Completion Assessments)	Maintain or improve trend	Not measured yet	Maintain or improve trend
Commitment to Development Index score	Improve trend	Not measured yet	Improve trend

Note 1 - This is a Sustainable Development Goal Indicator. Detailed guidance can be found at <https://unstats.un.org/sdgs/metadata/>.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Foreign Affairs in a report to be appended to the Annual Report of the Ministry of Foreign Affairs and Trade to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Increasing New Zealand's international assistance to ensure strong governance and inclusive development	2020/21	50,169	-	-	-	-
Increasing New Zealand's investment to deliver on the Pacific Reset and to Demonstrate Global Leadership	2019/20	19,342	23,971	62,541	62,541	62,541
Increasing our aid to tackle the biggest global and regional challenges of our time	2018/19	178,164	211,904	211,904	211,904	211,904

Reasons for Change in Appropriation

The current International Development Cooperation three-year multi-year appropriation expires at the end of 2020/21 with the remaining appropriation of \$825.317 million. A new three-year multi-year appropriation totalling \$2,538.709 million comes into effect from 1 July 2021, and represents the conversion and transfer of three years of previously approved funding from the existing annual International Development Cooperation appropriation to the new multi-year appropriation.

Subscriptions to International Organisations (M34) (A20)

Scope of Appropriation

This appropriation is limited to non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as a signatory to international treaties and conventions.

Expenses

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	60,729	60,729	60,729

Components of the Appropriation

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Asia Pacific Economic Cooperation Business Advisory Council	62	62	61
Asia Pacific Economic Cooperation Pacific Economic Cooperation Council	63	63	65
Asia Pacific Economic Cooperation Secretariat	204	204	219
Arms Trade Treaty	6	6	6
Asia Europe Foundation	61	61	62
Biological Weapons Convention	15	15	15
Chemical Weapons Convention	334	334	361
Commonwealth Foundation	183	183	207
Commonwealth Secretariat	678	678	787
Conservation of Antarctic Marine Living Resources	141	141	147
Comprehensive Test Ban Treaty	570	570	620
Convention to Combat Desertification	37	37	39
Convention on Cluster Munitions	10	10	10
Convention on International Exhibitions	43	43	44
Export Controls for Arms and Ammunition	16	16	17
Global Environment Facility	2,001	2,001	2,001
Inhumane Weapons Convention	18	18	18

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
International Atomic Energy Agency	1,855	1,855	1,975
International Criminal Court	1,392	1,392	1,478
International Humanitarian Fact Finding Mission	3	3	3
International Organization of Wine and Vine	42	42	46
International Renewable Energy Agency	93	93	94
International Seabed Authority	37	37	44
International Whaling Commission	115	115	126
Law of Sea Conference	82	82	92
NZ/US Education Foundation	1,172	1,172	1,172
Organisation for Economic Cooperation and Development	4,749	4,749	4,933
Ottawa Mine Bank Convention	5	5	5
Permanent Court of Arbitration	11	11	11
Secretariat for the Antarctic Treaty	84	84	92
SPREP Noumea Convention	-	-	6
Treaty of the Non-Proliferation of Nuclear Weapons	12	12	12
World Trade Organisation	761	761	804
United Nations Subscription	11,881	11,881	12,879
United Nations Peacekeeping Operations	33,993	33,993	32,278
Total	60,729	60,729	60,729

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the funding of the non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as a signatory to international treaties and conventions.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption from reporting performance measures for this appropriation has been granted under s.15D(2)(b)(ii) of the Public Finance Act.

3.5 - Non-Departmental Capital Expenditure

Consular Loans (M34) (A20)

Scope of Appropriation

This appropriation is limited to recoverable financial assistance provided to New Zealanders in distress overseas to help them meet essential and immediate needs, including the costs of repatriation.

Capital Expenditure

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,000	3,000	2,100

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of recoverable financial assistance to New Zealanders in distress overseas to help them meet essential and immediate needs, including the costs of repatriation.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Number of new approved consular loans	New measure	13	50

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Foreign Affairs in a report to be appended to the Annual Report of the Ministry of Foreign Affairs and Trade to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Consular Loans	2020/21	5,000	100	100	100	100

Reasons for Change in Appropriation

In June 2020 approval was granted for the establishment of a non-departmental capital expenditure appropriation for the funding of consular loans to New Zealanders in distress overseas, to help them meet essential and immediate needs, including the costs of repatriation. An appropriation of \$5 million was approved for the 2020/21 financial year. The volume of consular demands in 2020/21 has been lower than assumed and the demand for financial assistance for the remainder of the year can be managed within a total appropriation of \$3 million. The impact of COVID-19 on consular demands is expected to be longer than originally assumed. Consequently the residual \$2 million of the original appropriation has been transferred to the 2021/2022 financial year so that the Ministry has the financial capacity to respond to increased consular demands.

New Zealand Antarctic Institute (M34) (A20)

Scope of Appropriation

To enable NZAI to maintain the Scott Base buildings and services infrastructure.

Capital Expenditure

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,100	7,100	18,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide the necessary resource in the form of design, engineering, site survey, environmental impact assessment and project planning that is necessary to complete a full concept, developed design and detailed business case for a modern, low-impact, efficient facility that satisfies New Zealand's strategic interests.

How Performance will be Assessed and End of Year Reporting Requirements

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Scott Base redevelopment project	Achieved (see Note 1)	Achieved	Baseline to be set

Note 1 - Budget bid and associated implementation business case for the future redevelopment of Scott Base are submitted to Treasury in accordance with Budget 2021 timetable.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the New Zealand Antarctic Institute in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Our Place in Antarctica - Redevelop Scott Base to maintain a safe presence in Antarctica to conduct high quality science	2021/22	-	18,000	66,000	114,000	69,000
Our Place in Antarctica - the Redevelopment of Scott Base into a Safe, Fit-for-Purpose Facility	2019/20	7,100	-	-	-	-

Reasons for Change in Appropriation

The appropriation of \$18 million in 2021/22 is due to the new funding for the redevelopment of Scott Base.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders (M34) (A20)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to promote and protect New Zealand's interests and values in the world to build a safer, more prosperous and more sustainable future for New Zealanders.

Scope of Appropriation

Departmental Output Expenses

Analysis and advice to inform New Zealand's foreign policy

This category is limited to providing analysis, advice and Ministerial services, and undertaking related domestic engagement, on all elements of New Zealand's foreign policy, other than international development cooperation.

Delivery of New Zealand's foreign policy

This category is limited to international representation, advocacy and negotiation on all elements of New Zealand's foreign policy, other than international development cooperation.

Delivery of services

This category is limited to the delivery of services to support New Zealand individuals, businesses and agencies overseas, and host government services to the diplomatic and consular corps in New Zealand.

Management of New Zealand's International Development Cooperation

This category is limited to advice (including related domestic engagement and Ministerial services), representation and advocacy on international development issues, and the management of the New Zealand Aid Programme.

Expenses, Revenue and Capital Expenditure

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	470,767	441,987	502,204
Departmental Output Expenses			
Analysis and advice to inform New Zealand's foreign policy	44,919	42,001	49,355
Delivery of New Zealand's foreign policy	279,882	265,495	303,343
Delivery of services	58,618	55,303	58,584
Management of New Zealand's International Development Cooperation	87,348	79,188	90,922

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	460,782	467,382	492,219
Analysis and advice to inform New Zealand's foreign policy	44,919	45,604	49,355
Delivery of New Zealand's foreign policy	279,882	284,559	303,343
Delivery of services	48,718	49,210	48,684
Management of New Zealand's International Development Cooperation	87,263	88,009	90,837
Revenue from Others	9,985	9,985	9,985
Delivery of services	9,900	9,900	9,900
Management of New Zealand's International Development Cooperation	85	85	85

Components of the Appropriation

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expense			
Analysis and Advice to inform New Zealand's foreign policy			
Policy Advice	32,256	30,161	35,442
Ministerial services	2,356	2,203	2,589
Monitor Crown Entities	164	153	180
New Zealand domestic engagement	10,143	9,484	11,144
Total Analysis and Advice to inform New Zealand's foreign policy	44,919	42,001	49,355
Departmental Output Expense			
Delivery of New Zealand's foreign policy			
Strengthen, protect and use international rules and institutions to pursue New Zealand values and interests	25,800	24,473	27,962
Grow sustainable economic returns and resilience from trade, investment and other international connections	58,265	55,270	63,149
Embed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers regional stability and economic integration	14,411	13,670	15,619
Promote a stable, prosperous and resilient Pacific in which New Zealand's interests and influence are safeguarded	37,974	36,022	41,157
Promote sustainable international solutions to global environment and natural resource challenges that impact on New Zealand	14,158	13,431	15,345
Lead New Zealand's international action to advance and protect New Zealanders' safety and New Zealand's security	14,087	13,363	15,268
Build and leverage targeted international relationships to achieve our goals	115,187	109,266	124,843
Total Delivery of New Zealand's foreign policy	279,882	265,495	303,343

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expense			
Delivery of services			
Services to New Zealand exporters and businesses to help them succeed	10,176	9,601	10,170
Consular services to keep New Zealanders safer abroad	35,034	33,052	35,014
Host government services to the diplomatic and consular corps in New Zealand	304	287	304
Services to other New Zealand agencies overseas	13,104	12,363	13,096
Total Delivery of services	58,618	55,303	58,584
Departmental Output Expense			
Management of New Zealand's International Development Cooperation			
Policy advice	2,571	2,331	2,676
Ministerial services	517	469	538
Representation and advocacy	8,441	7,652	8,786
New Zealand domestic engagement	7,146	6,478	7,438
Delivery of the New Zealand Aid Programme	68,673	62,258	71,484
Total Management of New Zealand's International Development Cooperation	87,348	79,188	90,922
Total Multi-Category Appropriation	470,767	441,987	502,204

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of analysis and advice, and delivery of New Zealand's foreign policy through representation, advocacy and negotiation; the delivery of services to support New Zealand individuals, businesses and agencies overseas, and host government services to the diplomatic and consular corps in New Zealand; and management of New Zealand's international development cooperation (including related advice, representation and advocacy).

How Performance will be Assessed for this Appropriation

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of stakeholders who are satisfied with MFAT's effectiveness at representing New Zealand interests	80%	Result not available this year (see Note 1)	80%

Note 1 - The Ministry's stakeholder engagement survey was not conducted during the 2020-21 year due to the impacts of COVID-19 on stakeholders.

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Analysis and advice to inform New Zealand's foreign policy			
This category is limited to providing analysis, advice and Ministerial services, and undertaking related domestic engagement, on all elements of New Zealand's foreign policy, other than international development cooperation.			
Policy Advice			
Policy submissions produced for Ministers	550-850	750	550-750
Assessment of performance of the quality of the agency's policy advice papers (see Note 1)	3.5	4	4
Distribution of scores on the quality of the agency's policy advice papers	New measure	New measure	40% of papers scoring 4.5 or higher
Satisfaction of the portfolio Minister with the policy advice service (see Note 2)	4 or above	4 or above	4 or above
Ministerial Services			
Number of Ministerial letters prepared	1,000-1,150	1,150	1,000-1,150
Number of Parliamentary Question responses provided	170-250	250	170-250
Number of Ministry Official Information Act request (OIA) responses provided	250-320	250	250-300
Percentage of Ministerial correspondence completed within 15 working days	90%	90%	90%
Percentage of Ministry OIA requests responded to within statutory timeframes (see Note 3)	90%	90%	90%
Percentage of Ministerial OIA request replies completed five days prior to the statutory time limit, unless otherwise agreed (see Note 3)	90%	90%	90%
Percentage of Ministerial OIA request responses that are factually accurate, meet any legislative requirements, and contain no avoidable errors, measured by rejection rates by the office of each Minister	95%	95%	95%
Average number of days to send final OIA request response to a requestor (for Ministry OIAs) (see Note 3)	25 days	25 days	25 days
Monitor Crown entities			
Ministers receive advice on the performance of Crown entities within agreed timeframes	100%	100%	100%
New Zealand domestic engagement			
Percentage of domestic stakeholders who are satisfied with their engagement with MFAT	90%	Result not available this year (see Note 4)	90%

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Delivery of New Zealand's foreign policy			
This category is intended to achieve international representation, advocacy and negotiation on all elements of New Zealand's foreign policy, other than international development cooperation.			
<i>Strengthen, protect and use international rules and institutions to pursue New Zealand values and interests</i>			
Number of multilateral meetings in which Ministers are supported to participate (UN, WTO, Commonwealth, OECD and other relevant meetings) (see Note 5)	New measure	New measure	15-25
Number of resolutions New Zealand leads or co-sponsors in the UN General Assembly and the Human Rights Council	New measure	New measure	20-30
Number of negotiations concluded in line with Cabinet mandates	New measure	New measure	5-10
Proportion of issues raised by New Zealand in WTO committees resolved to the satisfaction of our domestic traders	New measure	New measure	10% (see Note 6)
Percentage of WTO notification obligations that New Zealand has complied with in a timely manner	New measure	New measure	90%
<i>Grow sustainable economic returns and resilience from trade, investment and other international connections</i>			
Number of visits on which New Zealand Trade Ministers are supported by the Ministry	New measure	New measure	Pending removal of travel restrictions
Number of trade negotiations concluded in line with Cabinet mandate and signed	3	3	3
Number of trade negotiations in progress	New measure	New measure	5-8
Number of Non-Tariff Barriers resolved for exporters	At least 28	14	15
<i>Embed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers regional stability and economic integration</i>			
Number of APEC, ASEAN, EAS, ARF, ASEM, FEALAC meetings in which Ministers are supported to participate (see Note 5)	New measure	New measure	20-30 (see Note 7)
Number of official-level Indo-Pacific regional meetings MFAT participates in	New measure	New measure	100-140 (see Note 7)
Number of policy statements and initiatives initiated or co-sponsored by New Zealand in Indo-Pacific regional fora	At least 4	27	22-32 (see Note 7)
Percentage of New Zealand's commitments in the ASEAN Plan of Action assessed as on track or completed at the end of the financial year	70%	70%	70%
<i>Promote a stable, prosperous and resilient Pacific in which New Zealand's interests and influence are safeguarded</i>			
Inwards Guest of Government visits from Pacific countries supported by the Ministry	10-14	1	Pending removal of travel restrictions
Number of outward bilateral visits to Pacific countries on which New Zealand Ministers are supported by the Ministry	20-24	0	Pending removal of travel restrictions
Number of High Level Consultations between New Zealand and Pacific bilateral partners	New measure	New measure	12
Number of High Level Consultations between New Zealand and Pacific Regional Agencies	New measure	New measure	2
Formal engagements focused on the Pacific between New Zealand and non-Pacific bilateral partners	New measure	New measure	5

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of implemented Pacific Security Fund projects which meet stated objectives	New measure	New measure	100%
Percentage of implemented Pacific Enabling Fund projects which meet stated objectives	New measure	New measure	100%
<i>Promote sustainable international solutions to global environment and natural resource challenges that impact on New Zealand</i>			
Number of multilateral or plurilateral environment and climate change-related meetings in which Ministers are supported to participate (see Note 5)	New measure	New measure	15-20
Initiatives New Zealand leads or co-leads are adopted by the Antarctic Treaty System	New measure	New measure	Met
Number of countries that support New Zealand's proposals on fossil fuel subsidy reform	New measure	New measure	At least 20
New Zealand's proposals on fish subsidy disciplines are adopted by other countries	New measure	New measure	Met
Number of negotiations concluded in line with Cabinet mandates	New measure	New measure	3
Number of High-Level Consultations between New Zealand and bilateral partners on climate change issues	New measure	New measure	5
<i>Lead New Zealand's international action to advance and protect New Zealanders' safety and New Zealand's security</i>			
Number of multilateral and regional security-related meetings in which Ministers are supported to participate (see Note 5)	New measure	New measure	20-25
Number of people trained to lift security capability in the South East Asia region from MFAT's Global Security Fund	250-300	250-300	250-300
Number of export control permits assessed	New measure	New measure	700-800
Number of space payload approvals assessed	New measure	New measure	15-20
Number of peace and security-related deployments approved by Cabinet	New measure	New measure	1-3
<i>Build and leverage targeted international relationships to achieve our goals</i>			
Inwards Guest of Government visits supported by the Ministry (from outside the Pacific)	30-40	0	Pending removal of travel restrictions
Number of outward bilateral visits on which New Zealand Ministers are supported by the Ministry (outside the Pacific)	40-50	0	Pending removal of travel restrictions
Percentage of visits rated as 4 or better on a scale of 1-5 by internal review against the Ministry's quality standard for visits management	80%	Not measured	Pending removal of travel restrictions
Number of joint Ministerial statements delivered with bilateral partners	New measure	New measure	15-25
Number of Foreign Ministry Consultations between New Zealand and bilateral partners	New measure	New measure	30-40
Delivery of services			
This category is intended to achieve the delivery of services to support New Zealand individuals, businesses and agencies overseas, and host government services to the diplomatic and consular corps in New Zealand.			

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
<i>Services to New Zealand exporters and businesses to help them succeed overseas</i>			
Percentage of exporters who are satisfied that MFAT solved their queries	95%	87%	95%
Number of unique visits on Tradebarriers.govt.nz and Tariff finder online services	35,000-40,000	59,000	35,000-40,000
Number of "market insight" reports on the conditions in offshore countries published by the Ministry for exporters	New measure	New measure	90-110
Number of unique visits on "market insight" report pages on the Ministry website	New measure	New measure	25,000-35,000
<i>Consular services to keep New Zealanders safer abroad</i>			
Number of overseas locations where consular services are provided	70	69	69
Distressed New Zealanders overseas who received consular services (demand driven)	3,000-3,500	4,606	3,000-3,500
General consular advice enquiries responded to (demand driven)	25,000-35,000	43,572	25,000-35,000
Notarial services provided (demand driven)	11,000-13,000	8,013	7,000-10,000
Consular emergencies responded to	25	35	30
Percentage of seconded MFAT staff who undertake consular training before beginning an overseas posting	New measure	New measure	80%
<i>Host government services to the diplomatic and consular corps in New Zealand</i>			
Number of foreign diplomatic missions and consular posts resident in New Zealand (including those led by Honorary Consuls or Honorary Consuls General)	170-180	172	160-180
Number of foreign diplomatic and consular staff (and their dependents) resident in New Zealand	1,350-1,450	1,363	1,300-1,450
Percentage of relevant formal New Zealand appointment documentation prepared in compliance with the Diplomatic Privileges and Immunities Act 1968 and Consular Privileges and Immunities Act 1971 and the Vienna Convention on Diplomatic Relations and the Vienna Convention on Consular Relations	100%	100%	100%
Percentage of arrival and departure documentation for foreign diplomatic and consular staff resident in New Zealand completed within 10 working days	90-100%	88.4%	80-100%
<i>Services for other New Zealand agencies overseas</i>			
Average satisfaction score on the Ministry's service provision on a five point scale (see Note 8)	3.5	Result not available this year (see Note 4)	3.5

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Management of New Zealand's International Development Cooperation			
This category is limited to advice (including related domestic engagement and Ministerial services), representation and advocacy on international development issues, and the management of the New Zealand Aid Programme.			
Policy Advice			
Policy submissions produced for Ministers	150-200	150	150-200
Assessment of performance of the quality of the agency's policy advice papers (see Note 1)	3.5	4	4
Distribution of scores on the quality of the agency's policy advice papers	New measure	New measure	40% of papers scoring 4.5 or higher
Satisfaction of the portfolio Minister with the policy advice service (see Note 2)	4 or above	4 or above	4 or above
Ministerial Services			
Number of Ministerial letters prepared	60-90	75	75-125
Number of Parliamentary Question responses provided	20-50	30	20-50
Number of Official Information Act request (OIA) responses provided	20-50	50-60	30-60
Percentage of Ministerial correspondence completed within 15 working days	90%	90%	90%
Percentage of Ministry OIA requests responded to within statutory timeframes (see Note 3)	90%	90%	90%
Percentage of Ministerial OIA request replies completed five days prior to the statutory time limit, unless otherwise agreed (see Note 3)	90%	90%	90%
Percentage of Ministerial OIA request responses that are factually accurate, meet any legislative requirements, and contain no avoidable errors, measured by rejection rates by the office of each Minister	95%	95%	95%
Average number of days to send final OIA request response to a requestor (for Ministry OIAs) (see Note 3)	25 days	25 days	25 days
New Zealand domestic engagement			
Percentage of domestic stakeholders who are satisfied with their engagement with MFAT	90%	Result not available this year (see Note 4)	90%
Representation and advocacy			
Participation in governance mechanisms of targeted multilateral institutions which New Zealand core funds (% of institutions)	New measure	New measure	100%
Participation in governance mechanisms of targeted Pacific regional institutions which New Zealand core funds (% of institutions)	New measure	New measure	100%

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
<i>Delivery of the New Zealand Aid Programme</i>			
Percentage of development cooperation funding for the partner government sector disbursed in year for which it was scheduled (Bilateral programmes only)	90%	90%	90%
Proportion of Pacific country partner governments provided with an indicative Total Country Aid Programme Budget for the current year plus projections for two or more years in the future	100%	100%	100%
Amount and percentage of Crown ODA resources spent on the Pacific	60% for the triennium (+/- 5% for any given year)	60% for the triennium (+/- 5% for any given year)	60% for the triennium (+/- 5% for any given year)
Amount and percentage of Crown ODA resources spent in Least Developed Countries (LDCs)	Baseline to be set	Baseline to be set	Baseline to be set
Amount and percentage of Crown ODA resources spent on Activities where climate change is a principal objective	Increasing trend	Increasing trend	Increasing trend
Amount and percentage of Crown ODA resources spent on Activities where gender equality and women's empowerment is a principal objective	Increasing trend	At least 4%	At least 4%
Amount and percentage of Crown ODA resources spent on Aid for Trade	At least 20% of ODA	At least 20% of ODA	At least 20% of ODA
Amount and percentage of Crown ODA resources spent on scholarships	10-12% of annual spend	10-12% of core baseline annual spend	10-12% of core baseline annual spend
Amount and percentage of Crown ODA resources spent on strengthening Pacific statistics	Increasing trend	Increasing trend	Increasing trend
Percentage of Activity Monitoring Assessments (AMAs) and Activity Completion Assessments (ACAs) rated as robust (as assessed annually by the independent Annual Assessment of Results) (see Note 9)	Increasing trend	Increasing trend	Increasing trend
Percentage of evaluations (or summaries) that are published to MFAT website within 3 months of completion	100%	100%	100%
Percentage of Programmes rated 4 or higher on a scale of 1-5 by review against the Ministry's quality standard for programme management	>90%	>90%	>90%
Percentage of Activities rated 4 or higher on a scale of 1-5 by review against the Ministry's quality standard for activity management	>90%	>90%	>90%
NZ score in Aid Transparency Index	Increasing trend	Increasing trend	Increasing trend

Note 1 - The Standard is on a scale of 1 to 5 and is based on using DPMC's Policy Quality Framework to assess the quality of policy advice papers. An average score will be reported from the assessment of policy advice papers.

Note 2 - The Standard is on a scale of 1 to 5 and is based on DPMC's Ministerial Satisfaction Survey to assess ministerial satisfaction with the policy service.

Note 3 - Ministerial OIAs are requests of the Minister responsible for the Foreign Affairs and Trade and Export Growth portfolios. Ministry OIAs are requests of the Chief Executive of the Ministry of Foreign Affairs and Trade.

Note 4 - The Ministry's stakeholder engagement survey was not conducted during the 2020-21 year due to the impacts of COVID-19 on stakeholders.

Note 5 - The Budget Standard includes both number of meetings and number of Ministers supported for each meeting.

Note 6 - The Budget Standard recognises that issues can span a number of years with few resolved in any one year through being raised in the WTO alone. However, New Zealand traders benefit significantly when issues are resolved.

Note 7 - The Budget Standard is high in 2021-22 due to New Zealand hosting APEC in 2021.

Note 8 - Based on surveys of NZ Inc. secondees and head office contacts.

Note 9 - AMAs are annual internal assessments completed by the Ministry of Foreign Affairs and Trade to monitor the performance of Activities in implementation, while ACAs are internal Ministry of Foreign Affairs and Trade assessments of performance undertaken after the completion of the Activity.

The Ministry applies safeguards to ensure accountability of the International Development budget. These include:

- approved financial delegations
- triennium allocations approved by the Minister of Foreign Affairs
- a robust online system of aid management that captures information on budgets, contracts and performance information, from the appropriation level down to the individual contract level
- quality standards for programme and activity management that are assessed through an annual quality management review
- transparency commitments, which include reporting activity data to the OECD and International Aid Transparency Initiative, and
- public reporting including: indicative annual allocations by Programme on www.MFAT.govt.nz at the time of approval; actual spend by Programme and appropriation in the Ministry of Foreign Affairs and Trade Annual Report. This also incorporates Public Finance Act - Section 19B reporting on the performance of Non-Departmental appropriations; and each multi-year appropriation, forecast by year, in the Strategic Intentions, Estimates and Information Supporting the Estimates.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Foreign Affairs and Trade in its Annual Report to be tabled in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Increasing New Zealand's international assistance to ensure strong governance and inclusive development	2020/21	5,420	-	-	-	-
Enhancing Pacific Property	2020/21	1,600	2,000	3,800	7,200	7,200
Increasing New Zealand's Investment to Deliver on the Pacific Reset and to Demonstrate Global Leadership	2019/20	2,090	2,590	6,756	6,756	6,756
Reprioritisation of Funding - Forecast Departmental Underspends	2018/19	(4,043)	(4,043)	(5,200)	-	-
Foreign and Trade Policy Challenges - Meeting Departmental Pressures	2018/19	15,259	21,545	21,545	21,545	21,545
Foreign and Trade Policy Challenges - Increasing Departmental Capability	2018/19	17,750	22,000	22,000	22,000	22,000
Foreign and Trade Policy Challenges - Departmental Capital Pressures	2018/19	9,889	9,889	9,889	9,889	9,889
Increasing our aid to tackle the biggest global and regional challenges of our time	2018/19	19,248	22,892	22,892	22,892	22,892
Previous National-led Government						
Establishment of a New Zealand Embassy in Bogota, Colombia	2016/17	3,719	3,719	3,719	3,719	3,719
Making New Zealanders more prosperous through trade	2017/18	6,809	6,809	6,547	6,547	6,547
Making New Zealanders more connected	2017/18	2,055	2,055	2,055	2,055	2,055
New Zealand High Commission in Colombo, Sri Lanka - Establishment	2017/18	2,917	2,917	2,917	2,917	2,917
New Zealand Embassy in Dublin, Ireland - Establishment	2017/18	3,361	3,361	3,361	3,361	3,361

Reasons for Change in Appropriation

The increase of \$31.437 million in the appropriation to \$502.204 million in 2021/22, is primarily due to:

- an increase of \$18.469 million from expense transfers from 2020/21 into 2021/22
- an increase of \$13.200 million from a savings-funded technical budget initiative package, which includes the ASEAN Plan of Action and COVID-19 Recovery Initiatives
- an increase of \$9.660 million from the new initiatives packages in prior year Budgets (as detailed in the Current and Past Policy Initiatives table above)
- an increase of \$765,000 reflecting a fiscally neutral transfer in 2020/21 of the balance of funding from the air freight arrangement proposed by the Government of Singapore, to Vote Transport
- an increase of \$424,000 resulting from foreign exchange rate and overseas inflation movements, and
- an increase of \$100,000 reflecting a fiscally neutral transfer of funding to Consular Loan Expenses.

These increases are partially offset by:

- a decrease of \$7.054 million from prior year expense transfers into 2020/21
- a decrease of \$3.008 million from the retention of 2019/20 underspends in 2020/21
- a decrease of \$991,000 to reflect the actual 2019/20 under-expenditure on the air freight arrangement proposed by the Government of Singapore, and
- a decrease of \$128,000 reflecting the reduction in the capital charge rate from 6% to 5% with effect from 1 July 2020.

Conditions on Use of Appropriation

Reference	Conditions
Departmental Output Expense	
<i>Delivery of services</i>	
Diplomatic Privileges and Immunities Act 1968 and the Consular Privileges Act 1971	These acts gave effect to the 1961 Vienna Convention on Diplomatic Relations and the 1963 Vienna Convention on Consular Relations and set out New Zealand's rights and obligations under the Conventions
Departmental Output Expense	
<i>Delivery of services - Services for other New Zealand agencies overseas</i>	
Agency Agreements	Agency Agreements set out the services to be provided and any other conditions on their provision as agreed with the agency concerned.