

Vote Foreign Affairs and Trade

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

APPROPRIATION ADMINISTRATOR: Ministry of Foreign Affairs and Trade

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2019/20		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Administration of Diplomatic Privileges and Immunities (M34) This appropriation is limited to the administration of diplomatic and consular privileges and immunities under the Diplomatic Privileges and Immunities Act 1968 and the Consular Privileges and Immunities Act 1971.	1,024	20	1,044
Consular Services (M34) The purchase of consular policy advice, consular services for New Zealanders abroad and notarial services.	28,176	(4,074)	24,102
Pacific Security Fund (M34) This appropriation is limited to the purchase of goods and services to support the security of Pacific Island countries.	2,672	2,389	5,061
Policy Advice and Representation - International Institutions (M34) The purchase of policy advice and representation activities related to the management of New Zealand's membership of, and foreign and trade interests in, international institutions.	49,952	(2,624)	47,328
Policy Advice and Representation - Other Countries (M34) This appropriation is limited to the purchase of policy advice and representation directed to the management of New Zealand's foreign relations and trade with other countries, bilaterally and in regional organisations, including using New Zealand's international connections to facilitate the flow of trade, investment, skills, and technology and improving the competitiveness of New Zealand business.	281,491	12,571	294,062
Policy Advice and Representation - Other Countries PLA (M34) 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
Promotional Activities - Other Countries (M34) The purchase of promoting New Zealand to other countries as an attractive market for trade and investment.	110	(40)	70
Services for Other New Zealand Agencies Overseas (M34) The purchase of accommodation and support services by other New Zealand agencies.	8,219	431	8,650
Total Departmental Output Expenses	371,664	8,673	380,337
Departmental Capital Expenditure			
Ministry of Foreign Affairs and Trade - Capital Expenditure PLA (M34) 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.	64,221	(6,221)	58,000
Total Departmental Capital Expenditure	64,221	(6,221)	58,000

	2019/20		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Output Expenses			
Antarctic Research and Support (M34)	20,870	-	20,870
Provision of management and logistic support for New Zealand activities in the Antarctic. The provider is the New Zealand Antarctic Institute.			
Pacific Broadcasting Services (M34)	941	-	941
This appropriation is limited to the provision of New Zealand-sourced television content and other media services and related technical support to countries in the Pacific.			
Pacific Cooperation Foundation (M34)	1,400	-	1,400
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.			
Promotion of Asian Skills and Relationships (M34)	5,000	-	5,000
This appropriation is limited to the provision of services that build and sustain New Zealanders' knowledge and understanding of and relationships with Asia.			
Total Non-Departmental Output Expenses	28,211	-	28,211
Non-Departmental Other Expenses			
Disbursements Made and Exemptions from Taxation PLA (M34)	2,400	-	2,400
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.			
Provision of ACC-equivalent cover for New Zealand employees working overseas PLA (M34)	135	-	135
This appropriation is limited to payments authorised by section 65ZG of the Public Finance Act 1989 under the indemnity given by the Minister of Finance under section 65ZD of that Act for the provision of ACC-equivalent cover of New Zealand employees working overseas as specified in the indemnity.			
Subscriptions to International Organisations (M34)	57,729	3,000	60,729
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.			
Total Non-Departmental Other Expenses	60,264	3,000	63,264
Non-Departmental Capital Expenditure			
New Zealand Antarctic Institute (M34)	8,200	-	8,200
To enable NZAI to maintain the Scott Base buildings and services infrastructure.			
Total Non-Departmental Capital Expenditure	8,200	-	8,200
Total Annual Appropriations and Forecast Permanent Appropriations	532,560	5,452	538,012

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Departmental Output Expenses		
Hosting APEC 2021 (M34) 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 2018/19	84,580
	Adjustments for 2019/20	-
	Adjusted Appropriation	184,140
	Actual to 2018/19 Year End	6,650
	Estimated Actual for 2019/20	17,422
	Estimate for 2020/21	71,048
	Estimated Appropriation Remaining	89,020
Non-Departmental Output Expenses		
Expo 2020 Dubai (M34) 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 2018/19	711
	Adjustments for 2019/20	620
	Adjusted Appropriation	54,571
	Actual to 2018/19 Year End	12,747
	Estimated Actual for 2019/20	26,412
	Estimate for 2020/21	15,412
	Estimated Appropriation Remaining	-

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

	2019/20		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	532,560	5,452	538,012
Total Forecast MYA Departmental Output Expenses	38,922	(21,500)	17,422
Total Forecast MYA Non-Departmental Output Expenses	18,216	8,196	26,412
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	589,698	(7,852)	581,846

Capital Injection Authorisations

	2019/20		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Foreign Affairs and Trade - Capital Injection (M34)	17,691	-	17,691

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2019/20				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	457,013	(12,827)	8,196	(4,631)	452,382
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	60,264	-	3,000	3,000	63,264
Capital Expenditure	72,421	(6,221)	-	(6,221)	66,200
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	589,698	(19,048)	11,196	(7,852)	581,846
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Administration of Diplomatic Privileges and Immunities (M34)

Scope of Appropriation

This appropriation is limited to the administration of diplomatic and consular privileges and immunities under the Diplomatic Privileges and Immunities Act 1968 and the Consular Privileges and Immunities Act 1971.

Reasons for Change in Appropriation

The appropriation increased by \$20,000 to \$1.044 million in 2019/20 due to a fiscally neutral adjustment to reflect the reprioritisation of resources across the Ministry's output expenses.

Consular Services (M34)

Scope of Appropriation

The purchase of consular policy advice, consular services for New Zealanders abroad and notarial services.

Expenses and Revenue

	2019/20		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	28,176	(4,074)	24,102
Revenue from the Crown	27,533	(4,074)	23,459
Revenue from Others	643	-	643

Reasons for Change in Appropriation

The appropriation decreased by \$4.074 million to \$24.102 million due to:

- a decrease of \$4.357 million resulting from a fiscally neutral adjustment to reflect the reprioritisation of resources across the Ministry's output expenses, and
- an expense transfer into 2020/21 of \$34,000 to progress Tranche 5 of the health and safety assessment and risk mitigation programme.

These decreases are partially offset by:

- a fiscally neutral transfer of funding from Vote Finance of \$267,000 for the lease of temporary accommodation for the New Zealand High Commission in London, and
- an increase of \$50,000 resulting from foreign exchange rate and overseas inflation movements.

Hosting APEC 2021 (M34)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Hosting APEC 2021 (M34)	Original Appropriation	99,560
This appropriation is limited to enabling the planning and delivery of the year-long Asia-Pacific Economic Cooperation 2021.	Adjustments to 2018/19	84,580
	Adjustments for 2019/20	-
Commences: 01 July 2018	Adjusted Appropriation	184,140
Expires: 30 June 2022	Actual to 2018/19 Year End	6,650
	Estimated Actual for 2019/20	17,422
	Estimate for 2020/21	71,048
	Estimated Appropriation Remaining	89,020

Revenue

	Budget \$000
Revenue from the Crown to end of 2020/21	95,120
Revenue from Others to end of 2020/21	-
Total Revenue	95,120

Pacific Security Fund (M34)

Scope of Appropriation

This appropriation is limited to the purchase of goods and services to support the security of Pacific Island countries.

Expenses and Revenue

	2019/20		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,672	2,389	5,061
Revenue from the Crown	2,672	2,389	5,061
Revenue from Others	-	-	-

Reasons for Change in Appropriation

The appropriation increased by \$2.389 million to \$5.061 million due to a fiscally neutral transfer of funding from Vote Official Development Assistance to enable the establishment and delivery of a Pacific Leader Development Programme.

Policy Advice and Representation - International Institutions (M34)

Scope of Appropriation

The purchase of policy advice and representation activities related to the management of New Zealand's membership of, and foreign and trade interests in, international institutions.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Assessment of Performance of the quality of the agency's policy advice papers (see Note 1)	3.5	3.5	3.5
Satisfaction of the portfolio Minister with the policy advice service (See Note 2)	4 or above	4 or above	4 or above

Note 1 - The Standard is on a scale of 1 to 5 and is based on DPMC's refreshed Policy Quality Framework to assess the quality of policy advice papers. An average score will be reported from the assessment of policy advice papers. A Standard on the distribution of scores will be identified in 2020-21.

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

Reasons for Change in Appropriation

The appropriation decreased by \$2.624 million to \$47.328 million due to:

- a decrease of \$2.918 million resulting from a fiscally neutral adjustment to reflect the reprioritisation of resources across the Ministry's output expenses, and
- an expense transfer into 2020/21 of \$72,000 to progress Tranche 5 of the health and safety assessment and risk mitigation programme.

These decreases are partially offset by:

- an increase of \$364,000 due to expense transfer from 2018/19 to advance New Zealand's trade, economic and diplomatic interests; ensure compliance with new legislative and Cabinet-approved protective security requirement; and advance Korea New Zealand Free Trade Agreement cooperation activities, and
- an increase of \$2,000 resulting from foreign exchange rate and overseas inflation movements.

Policy Advice and Representation - Other Countries (M34)

Scope of Appropriation

This appropriation is limited to the purchase of policy advice and representation directed to the management of New Zealand's foreign relations and trade with other countries, bilaterally and in regional organisations, including using New Zealand's international connections to facilitate the flow of trade, investment, skills, and technology and improving the competitiveness of New Zealand business.

Expenses and Revenue

	2019/20		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	281,491	12,571	294,062
Revenue from the Crown	281,138	12,181	293,319
Revenue from Others	353	390	743

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Assessment of Performance of the quality of the agency's policy advice papers (see Note 1)	3.5	3.5	3.5
Satisfaction of the portfolio Minister with the policy advice service (See Note 2)	4 or above	4 or above	4 or above

Note 1 - The Standard is on a scale of 1 to 5 and is based on DPMC's refreshed Policy Quality Framework to assess the quality of policy advice papers. An average score will be reported from the assessment of policy advice papers. A Standard on the distribution of scores will be identified in 2020-21.

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

Reasons for Change in Appropriation

The appropriation increased by \$12.571 million to \$294.062 million due to:

- an increase of \$7.295 million resulting from a fiscally neutral adjustment to reflect the reprioritisation of resources across the Ministry's output expenses
- an increase of \$3.309 million from a fiscally neutral transfer of funding from Vote Finance for the lease of temporary accommodation for the New Zealand High Commission in London
- an increase of \$1.200 million from a fiscally neutral transfer of funding from Vote Official Development Assistance for the Pacific Enabling Fund
- an increase of \$819,000 resulting from foreign exchange rate and overseas inflation movements, and
- an increase of \$390,000 for the provision of additional departmental services, including the China Capable Public Service programme and Small Advanced Economies Initiative - Secretariat Function.

These increases are partially offset by an expense transfer into 2020/21 of \$442,000 for Tranche 5 of the health and safety assessment and risk mitigation programme.

Promotional Activities - Other Countries (M34)

Scope of Appropriation

The purchase of promoting New Zealand to other countries as an attractive market for trade and investment.

Reasons for Change in Appropriation

The appropriation decreased by \$40,000 to \$70,000 in 2019/20 due to a fiscally neutral adjustment to reflect the reprioritisation of resources across the Ministry's output expenses.

Services for Other New Zealand Agencies Overseas (M34)

Scope of Appropriation

The purchase of accommodation and support services by other New Zealand agencies.

Reasons for Change in Appropriation

The appropriation increased by \$431,000 to \$8.650 million in 2019/20 due to a change in demand from other agencies co-located with the Ministry at overseas posts for staffing, accommodation and services.

2.3 - Departmental Capital Expenditure and Capital Injections

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

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

	2019/20		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	57,033	(8,533)	48,500
Intangibles	7,188	2,312	9,500
Other	-	-	-
Total Appropriation	64,221	(6,221)	58,000

Reasons for Change in Appropriation

The appropriation decreased by \$6.221 million to \$58.000 million for 2019/20 due to the latest five year capital plan requirements including the rescheduling of the Chancery buildings construction programme and the acquisition of owned Official Residences.

Capital Injections and Movements in Departmental Net Assets

Ministry of Foreign Affairs and Trade

Details of Net Asset Schedule	2019/20 Main Estimates Projections \$000	2019/20 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2019/20
Opening Balance	649,034	643,562	Supplementary Estimates opening balance reflects the audited results as at 30 June 2019.
Capital Injections	17,691	17,691	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	666,725	661,253	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Expo 2020 Dubai (M34)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Expo 2020 Dubai (M34) 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 2018/19	711
	Adjustments for 2019/20	620
	Adjusted Appropriation	54,571
	Actual to 2018/19 Year End	12,747
	Estimated Actual for 2019/20	26,412
	Estimate for 2020/21	15,412
	Estimated Appropriation Remaining	-

Reasons for Change in Appropriation

The adjustment of \$620,000 in 2019/20 reflects the capital charge on the pavilion asset.

3.4 - Non-Departmental Other Expenses

Subscriptions to International Organisations (M34)

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

	2019/20		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	57,729	3,000	60,729

Reasons for Change in Appropriation

The appropriation increased by \$3 million to \$60.729 million reflecting the weaker New Zealand dollar and cost increases for the United Nations regular budget assessment and some of the UN peacemaking missions mandated by the Security Council.