

# *Vote Foreign Affairs*

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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

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>Policy Advice and Representation - Other Countries PLA (M34) (A20)</b> 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	360	380
<b>Total Departmental Output Expenses</b>	20	360	380
<b>Departmental Capital Expenditure</b>			
<b>Ministry of Foreign Affairs and Trade - Capital Expenditure PLA (M34) (A20)</b> 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.	87,309	(45,554)	41,755
<b>Total Departmental Capital Expenditure</b>	87,309	(45,554)	41,755
<b>Non-Departmental Output Expenses</b>			
<b>Antarctic Research and Support (M34) (A20)</b> Provision of management and logistic support for New Zealand activities in the Antarctic. The provider is the New Zealand Antarctic Institute.	35,466	-	35,466
<b>Pacific Cooperation Foundation (M34) (A20)</b> 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
<b>Promotion of Asian Skills and Relationships (M34) (A20)</b> 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
<b>Total Non-Departmental Output Expenses</b>	42,366	-	42,366
<b>Non-Departmental Other Expenses</b>			
<b>Consular Loan Expenses (M34) (A20)</b> 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.	50	-	50
<b>Disbursements Made and Exemptions from Taxation PLA (M34) (A20)</b> 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.	2,700	600	3,300
<b>Subscriptions to International Organisations (M34) (A20)</b> 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.	60,976	5,000	65,976

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Support for Ukraine (M34) (A20)</b> This appropriation is limited to the provision of support to Ukraine not within the scope of other appropriations.	-	<b>6,500</b>	6,500
<b>Total Non-Departmental Other Expenses</b>	63,726	12,100	75,826
<b>Non-Departmental Capital Expenditure</b>			
<b>Consular Loans (M34) (A20)</b> 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.	100	<b>400</b>	500
<b>New Zealand Antarctic Institute (M34) (A20)</b> This appropriation is limited to the development of and investment in Scott Base.	179,000	<b>(28,000)</b>	151,000
<b>Total Non-Departmental Capital Expenditure</b>	179,100	(27,600)	151,500
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA (M34) (A20)</b> 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.	556,558	<b>9,150</b>	565,708
<b>Departmental Output Expenses</b>			
<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.	82,615	2,672	85,287
<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.	276,657	5,825	282,482
<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.	62,336	(711)	61,625
<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.	134,950	1,364	136,314
<b>Total Multi-Category Expenses and Capital Expenditure</b>	556,558	9,150	565,708
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	929,079	(51,544)	877,535

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Other Expenses</b>		
<b>International Development Cooperation (M34) (A20)</b> 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 2022/23	473,755
	Adjustments for 2023/24	-
	Adjusted Appropriation	3,012,464
	Actual to 2022/23 Year End	1,798,356
	Estimated Actual for 2023/24	1,214,108
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

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

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	929,079	(51,544)	877,535
Total Forecast MYA Non-Departmental Other Expenses	1,280,955	(66,847)	1,214,108
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>2,210,034</b>	<b>(118,391)</b>	<b>2,091,643</b>

## Capital Injection Authorisations

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Foreign Affairs and Trade - Capital Injection (M34) (A20)	16,225	1,950	18,175

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2023/24				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	42,386	360	-	360	42,746
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	1,344,681	-	(54,747)	(54,747)	1,289,934
Capital Expenditure	266,409	(45,554)	(27,600)	(73,154)	193,255
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	556,558	9,150	-	9,150	565,708
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	<b>2,210,034</b>	<b>(36,044)</b>	<b>(82,347)</b>	<b>(118,391)</b>	<b>2,091,643</b>
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	400	N/A	-	-	400
Capital Receipts	100	N/A	400	400	500
<b>Total Crown Revenue and Capital Receipts</b>	<b>500</b>	<b>N/A</b>	<b>400</b>	<b>400</b>	<b>900</b>

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### **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.

##### *Reasons for Change in Appropriation*

This appropriation increased by \$360,000 for 2023/24 due to fiscally neutral adjustment to fund a contractual commitment to the Washington Embassy local staff superannuation fund.

## 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*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	83,427	(43,172)	40,255
Intangibles	3,882	(2,382)	1,500
Other	-	-	-
<b>Total Appropriation</b>	<b>87,309</b>	<b>(45,554)</b>	<b>41,755</b>

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$45.554 million to \$41.755 million for 2023/24 due to the rephasing of expected expenditure on the Pacific Property Systems project, Wellington Head Office Accommodation project, and the Washington Chancery & Residence project which are now expected to occur in later years.

#### *Capital Injections and Movements in Departmental Net Assets*

##### Ministry of Foreign Affairs and Trade

Details of Net Asset Schedule	2023/24 Main Estimates Projections \$000	2023/24 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2023/24
Opening Balance	782,770	777,846	Supplementary Estimates opening balance reflects the audited results as at 30 June 2023.
Capital Injections	16,225	18,175	Capital injections increased by \$1.950 million to \$18.175 million due to support for Pacific Post infrastructure.
Capital Withdrawals	(13,223)	(18,623)	Capital to operating swap to fund software-as-a-service solutions.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>785,772</b>	<b>777,398</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.4 - Non-Departmental Other Expenses

#### 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.

##### *Reasons for Change in Appropriation*

This appropriation increased by \$600,000 to \$3.300 million for 2023/24 due to the higher costs of reimbursing New Zealand local body rates for offices and residential premises of diplomatic missions and consular posts in New Zealand.

#### International Development Cooperation (M34) (A20)

##### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>International Development Cooperation (M34) (A20)</b> 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 2022/23	473,755
	Adjustments for 2023/24	-
	Adjusted Appropriation	3,012,464
	Actual to 2022/23 Year End	1,798,356
	Estimated Actual for 2023/24	1,214,108
	Estimate for 2024/25	-
Estimated Appropriation Remaining	-	

##### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of people directly benefitting from activities which aim to increase resilience to climate change and environmental degradation (Number of Male/Female) (see Note 1)	Standard dependent on need	Standard dependent on need	Standard dependent on need
Number of percentage of people, who have been awarded scholarships, that complete tertiary or vocational/professional scholarships (Male/Female) (see Note 2)	>90% of people who were awarded scholarships	>90% of people who were awarded scholarships	>90% of people who were awarded scholarships



Note 1 - Amendment to measure definition to ensure quality is assessed across the entire IDC Programme.

Original measure: Number of people directly benefitting from activities which aim to increase resilience to climate change and environmental degradation (Number of Male/Female), of those number from new climate finance.

Note 2 - Amendment to wording provides clarity around what is being counted in practice. For example, professional training includes English language training for officials.

Original measure: Number and percentage of people, who have been awarded scholarships, that complete tertiary or vocational scholarships (Male/Female).

## 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.

### *Reasons for Change in Appropriation*

This appropriation increased by \$5 million to \$65.976 million for 2023/24 due to:

- unfavourable movements in foreign exchange rates reflecting a weaker New Zealand dollar, particularly against the Euro and United States dollar, and
- increases in subscriptions and memberships of international organisations including the United Nations regular budget assessment and United Nations peace keeping missions mandated by the Security Council.

## Support for Ukraine (M34) (A20)

### *Scope of Appropriation*

This appropriation is limited to the provision of support to Ukraine not within the scope of other appropriations.

### *Expenses*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	6,500	6,500

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the provision of support to Ukraine that is not within the scope of any other appropriation.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Funding to enable the provision of support to Ukraine is delivered as directed by the Government of New Zealand	Existing measure	Achieved	Achieved

### *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.

### *Reasons for Change in Appropriation*

This appropriation increased by \$6.500 million for 2023/24 due to:

- transfers totalling \$5 million for the provision of support to Ukraine from the Ministry of Foreign Affairs and Trade Departmental Multi-Category Appropriation, and
- a transfer of \$1.500 million from Vote Defence for the provision of support to Ukraine.

## 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.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$400,000 to \$500,000 for 2023/24 due to a transfer from the Ministry of Foreign Affairs and Trade: Capital Expenditure PLA in response to the Israel/Gaza conflict which included support for New Zealanders and Pacific Island nationals to depart Israel.

### New Zealand Antarctic Institute (M34) (A20)

#### *Scope of Appropriation*

This appropriation is limited to the development of and investment in Scott Base.

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$28 million to \$151 million for 2023/24 due to the transfer of unspent funding for the redevelopment of Scott Base to a tagged contingency with future draw-down subject to Cabinet approval of a revised business case for the project.

# 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*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>556,558</b>	<b>9,150</b>	<b>565,708</b>
<b>Departmental Output Expenses</b>			
Analysis and advice to inform New Zealand's foreign policy	82,615	2,672	85,287
Delivery of New Zealand's foreign policy	276,657	5,825	282,482
Delivery of services	62,336	(711)	61,625
Management of New Zealand's International Development Cooperation	134,950	1,364	136,314

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>546,132</b>	<b>8,871</b>	<b>555,003</b>
Analysis and advice to inform New Zealand's foreign policy	82,615	2,397	85,012
Delivery of New Zealand's foreign policy	276,657	5,546	282,203
Delivery of services	51,910	(436)	51,474
Management of New Zealand's International Development Cooperation	134,950	1,364	136,314
<b>Revenue from Others</b>	<b>10,426</b>	<b>279</b>	<b>10,705</b>
Analysis and advice to inform New Zealand's foreign policy	-	275	275
Delivery of New Zealand's foreign policy	-	279	279
Delivery of services	10,426	(275)	10,151

### *How Performance will be Assessed for this Appropriation*

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
<b>Analysis and advice to inform New Zealand's foreign policy</b>			
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.			
<b>Policy Advice</b>			
Assessment of performance of the quality of the Ministry's policy advice papers (see Note 1)	4	3.7	3.5 (see Note 2)
In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework:	-	-	-
Score of 4.5 or higher will be no less than	40%	25%	25% (see Note 3)
<b>Ministerial Services</b>			
Percentage of Ministerial Correspondence completed within 15 working days	90%	Retire measure	Retire measure
Number of Ministerial letters prepared for Ministers based on correspondence received from the public (see Note 4)	1,000-1,250	1,000-1,250	1,000-1,250
Number of parliamentary questions responses provided to the Minister's office so that answers can meet the time frame set in Parliamentary standing orders (see Notes 5 and 6)	300-500	300	300-500
<b>New Zealand domestic engagement</b>			
Percentage of domestic stakeholders who are satisfied with their engagement with MFAT (see Note 7)	90%	80%	80% (see Note 8)

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Delivery of New Zealand's foreign policy</b>			
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.			
<b>Embed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers regional stability and economic integration</b>			
Number of policy statements and initiative led or co-sponsored by New Zealand in Indo-Pacific regional fora (see Note 9)	18-28	18	18-28
<b>Promote a stable, prosperous and resilient Pacific in which New Zealand's interests and influence are safeguarded</b>			
Inwards Guest of Government visits from Pacific countries supported by the Ministry	4-8	Retire measure	Retire measure
Number of outward bilateral visits to Pacific countries on which New Zealand Ministers are supported by the Ministry	5-12	Retire measure	Retire measure
Number of Inwards Guests of Government visits supported by the Ministry	-	New Measure - 30-45	New Measure - 30-45 (see Note 10)
<b>Build and leverage targeted international relationships to achieve our goals</b>			
Inwards Guest of Government visits supported by the Ministry (from outside the Pacific)	20-30	Retire measure	Retire measure
Number of outward bilateral visits on which New Zealand Ministers are supported by the Ministry (outside the Pacific)	30-40	Retire measure	Retire measure
Number of outward visits (bilateral, multilateral, plurilateral) on which New Zealand Ministers are supported by the Ministry	-	New Measure - 50-70	New Measure - 50-70 (see Note 11)
Number of High-Level Consultations between New Zealand and bilateral partners on climate change issues	5	Retire measure	Retire measure
<b>Delivery of services</b>			
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.			
<b>Services to New Zealand exporters and businesses to help them succeed overseas</b>			
Percentage of exporters who are satisfied that MFAT solved their queries	95%	85%	85% (see Note 12)
<b>Consular services to keep New Zealanders safer abroad</b>			
Percentage of respondents satisfied with the quality of consular services	85%	80%	80% (see Note 13)

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
<b>Management of New Zealand agencies overseas</b>			
This category is limited to advice (including related domestic engagement and Ministerial services), representation and advocacy on international development issues, and the management of New Zealand Aid Programme. Please note Aotearoa New Zealand's International climate finance is delivered through the International Development Cooperation MYA and therefore the suite of IDC measures in the Management of IDC category and also cover Aotearoa New Zealand's climate finance.			
<b>Delivery of New Zealand's International Development Cooperation</b>			
<b>Policy Advice</b>			
Assessment of performance of the quality of the Ministry's policy advice papers (see Note 14)	4	3.7	3.5 (see Note 15)
In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework:	-	-	-
Score of 4.5 or higher will be no less than	40%	25%	25% (see Note 16)
<b>Ministerial Services</b>			
Number of Ministerial letters prepared for Ministers based on correspondence received from the public (see Note 17)	1,000-1250	1,000	1,000-1,250
Number of parliamentary questions responses provided to the Minister's office so that answers can meet the time frame set in Parliamentary standing orders (see Notes 18 and 19)	300-500	300	300-500
<b>New Zealand domestic engagement</b>			
Percentage of domestic stakeholders who are satisfied with their engagement with MFAT (see Note 20)	90%	80%	80% (see Note 21)
<b>Delivery of the New Zealand Aid Programme</b>			
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%	Establish baseline	Establish baseline (see Note 22)
Percentage of climate finance Activities rated 4 or higher on a scale of 1-5 by review against the Ministry's quality standard for activity management	-	New measure - Establish baseline	New measure - Establish baseline (see Note 23)
Percentage of Ministerial correspondence completed within 15 working days	90%	Retire measure	Retire measure

Notes 1 and 14 - The budget 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 independent assessment of policy advice papers.

Scale for scoring the quality of policy advice:

- 1 - Unacceptable: Does not meet the relevant quality standards in fundamental ways.
- 2 - Poor: Does not meet the relevant quality standards in material ways.
- 3 - Acceptable: Meets the relevant quality standards overall, but with some shortfalls.
- 4 - Good: Meets all the relevant quality standards.
- 5 - Outstanding: Meets all the relevant quality standards and adds something extra.

Notes 2 and 15 - The Ministry has consistently been a "top 3" performer when compared with other government agencies through the annual NZIER independent policy quality assessment process. However, our ambitious budget standard of scoring 4 out of 5 across all papers means that MFAT is "not achieving" our budget indicators for policy quality while other agencies are "achieving" with lower scores. The budget standard has been revised to 3.5 to be in-line with other government agencies.

Notes 3 and 16 - Our ambitious budget standard of 40% of policy papers scoring 4.5 or higher has been reviewed, as we have not achieved this target since the measure was put in place (Actual result of 30% in 2021/22 and 17.5% in 2022/23, Average of actual results to date = 23.75%). Revising the budget standard to 25% is a more realistic standard.

Notes 4 and 17 - Amendment to wording aims to improve the meaningfulness of the measure by providing context and purpose of the output.

*Original measure: Number of Ministerial letters prepared.*

Notes 5 and 18 - Standing Orders of the House of Representatives are the rules of procedure for the House and its Committees. The 2023 edition of the Standing Orders of the House of Representatives is available at: <https://www.parliament.nz/media/10573/standing-orders-2023.pdf>.

Notes 6 and 19 - Amendment to wording aims to improve the meaningfulness of the measure by providing context and purpose of the output.

*Original measure: Number of parliamentary questions responses provided.*

Notes 7 and 20 - The Ministry conducts the Stakeholder Engagement Survey biennially. As majority of the Ministry's work is longitudinal and often takes a few years before impact or results become available, surveying annually is unlikely to see major changes in trends. Looking back at the survey data since 2017, the Ministry's stakeholder perceptions and satisfaction are largely consistent, on both positive perceptions and some persistent pain points. Given the 2023/24 survey is currently underway, the Ministry expects there will not be any material change in the results for 2024/25 and will not affect the appropriateness of the performance reporting. The 2021/22 result was 86%. The 2023/24 Stakeholder Engagement Survey results will be reported in the Ministry's 2023/24 Annual Report.

Notes 8 and 21 - As noted by Kantar Public (our survey conductor), the overall perceptions of the Ministry's engagement with our domestic stakeholders remains consistently high (2022/23 actual - 86%). The satisfaction score also compares very favourable to the Kantar Public benchmark for other similar stakeholder surveys. This means MFAT is one of the highest rated public sector agencies in this category. Our ambitious budget standard of achieving 90% domestic stakeholder satisfaction is distorting the perception of our performance. The revised budget standard of 80% also aligns with our other measure on stakeholder satisfaction.



Note 9 - Amendment to measure wording with using plain English (from initiated to led) improves understandability.

*Original measure: Percentage of policy statements and initiatives initiated or co-sponsored by New Zealand in Indo-Pacific regional fora.*

Note 10 - The new measure has been proposed as a way to sharpen our performance story, by consolidating the existing inwards visits into one. The basis of new measure budget standard is obtained by adding the two existing measures together. The range has been extended and increased to reflect the Ministry's work programme in 2023/24.

*Replaces the following measures:*

- *Inwards Guest of Government visits from Pacific countries supported by the Ministry*
- *Inwards Guest of Government visits supported by the Ministry (from outside the Pacific)*

Note 11 - The new measure has been proposed as a way to sharpen our performance story, by consolidating the existing outwards visits into one. We have also improved the meaningfulness aspect of the measure by including the types of outward visits supported. The basis of new measure budget standard is obtained by adding the two existing measures together. The range has been extended and increased to reflect the Ministry's work programme in 2023/24.

*Replaces the following measures:*

- *Number of outwards bilateral visits to Pacific countries on which New Zealand Ministers are supported by the Ministry*
- *Number of outwards bilateral visits on which New Zealand Ministers are supported by the Ministry (from outside the Pacific)*

Note 12 - Our ambitious budget standard of achieving 95% exporter satisfaction has been reviewed, as we have not achieved this target since the measure was put in place (actual result of 90.1% in 2020/21, 84% in 2021/22 and 86% in 2022/23, average of actual results to date = 86.7%). There are a number of factors that can contribute to satisfaction ratings (refer to 2022/23 Annual Report, p. 129). The existing budget standard of 95% does not fully account for these complexities. Revising the budget standard to 85% is a more realistic approach.

Note 13 - Our ambitious budget standard of achieving 85% satisfaction has been reviewed, as we have not achieved this target since 2017/18. (Average of actual results 2017/18-2022/23= 73%). There are a number of factors that can contribute to satisfaction ratings (refer to 2022/23 Annual Report, p.117, p.130). Revising the budget standard to 80% is a more realistic approach.

Note 22 - A change of measurement methodology for the annual Quality Management Review, to focus on a subset of the activity life cycle and a significant increased number of activities, necessitates a reset of the performance standard.

Note 23 - A measure to assesses the quality of management of climate related activities specifically, per Note 7 in Supplementary Estimates 2022/23.

### *Reasons for Change in Appropriation*

This appropriation increased by \$9.150 million to \$565.708 million for 2023/24 due to:

- an increase of \$7.927 million for expense transfers from 2022/23
- an increase of \$4.875 million to reflect a capital to operating swap for software-as-a-service
- an increase of \$3.559 million resulting from movements in foreign exchange rates and overseas inflation rates, and
- an increase of \$279,000 to support promotional events relating to the FIFA Women's World Cup.

These increases are partially offset by:

- a decrease of \$5 million transferred to Non-Departmental Other Expense Support for Ukraine for the provision of support to Ukraine
- a decrease of \$2.130 million for an expense transfer to 2024/25 and 2025/26 due to delays in expenditure due to the non-availability of resources leading to a rephasing of the Wellington Head Office Accommodation project, and
- a decrease of \$360,000 transferred to Departmental Output Expense: Policy Advice and Representation - Other Countries PLA to fund a contractual commitment to the Washington Embassy local staff superannuation fund.