

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
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.	58	45	103
Total Departmental Output Expenses	58	45	103
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.	79,975	12,625	92,600
Total Departmental Capital Expenditure	79,975	12,625	92,600
Non-Departmental Output Expenses			
Antarctic Research, Operations and Cooperation (M34) (A20) This appropriation is limited to New Zealand's activities and cooperation with other programmes in Antarctica and the Southern Ocean.	27,836	(900)	26,936
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.	5,145	-	5,145
Total Non-Departmental Output Expenses	32,981	(900)	32,081
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.	50	-	50
Disbursements Made and Exemptions from Taxation PLA (M34) (A20) This appropriation is limited to the 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.	3,300	500	3,800
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.	65,976	3,000	68,976
Support for Ukraine (M34) (A20) This appropriation is limited to the provision of support to Ukraine not within the scope of other appropriations.	-	14,000	14,000
Total Non-Departmental Other Expenses	69,326	17,500	86,826

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
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.	100	-	100
New Zealand Antarctic Institute (M34) (A20) This appropriation is limited to the development of and investment in Scott Base.	22,000	-	22,000
Total Non-Departmental Capital Expenditure	22,100	-	22,100
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.	561,942	(8,592)	553,350
Departmental Output Expenses			
Analysis and advice to inform New Zealand's foreign policy This category is limited to providing analysis, advice, Ministerial services, and undertaking related domestic engagement with stakeholders on New Zealand's foreign policy.	101,496	(10,344)	91,152
Deliver consular, business and diplomatic support 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.	62,090	21,488	83,578
Management of New Zealand's International Development Cooperation This category is limited to the management of New Zealand's International Development Cooperation.	99,670	(5,634)	94,036
Representation and advocacy on New Zealand's foreign policy This category is limited to international representation, advocacy, and negotiation on New Zealand's foreign policy.	298,686	(14,102)	284,584
Total Multi-Category Expenses and Capital Expenditure	561,942	(8,592)	553,350
Total Annual Appropriations and Forecast Permanent Appropriations	766,382	20,678	787,060

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
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 2024 Expires: 30 June 2027	Original Appropriation	2,910,020
	Adjustments to 2023/24	-
	Adjustments for 2024/25	153,518
	Adjusted Appropriation	3,063,538
	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	1,115,649
	Estimate for 2025/26	999,045
	Estimated Appropriation Remaining	948,844

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

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	766,382	20,678	787,060
Total Forecast MYA Non-Departmental Other Expenses	1,103,340	12,309	1,115,649
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	1,869,722	32,987	1,902,709

Capital Injection Authorisations

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Foreign Affairs and Trade - Capital Injection (M34) (A20)	1,350	-	1,350

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2024/25				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	33,039	45	(900)	(855)	32,184
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	1,172,666	-	29,809	29,809	1,202,475
Capital Expenditure	102,075	12,625	-	12,625	114,700
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	561,942	(8,592)	-	(8,592)	553,350
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	1,869,722	4,078	28,909	32,987	1,902,709
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	400	N/A	-	-	400
Capital Receipts	100	N/A	-	-	100
Total Crown Revenue and Capital Receipts	500	N/A	-	-	500

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 \$45,000 to \$103,000 for 2024/25 due to a 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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	78,975	11,625	90,600
Intangibles	1,000	1,000	2,000
Other	-	-	-
Total Appropriation	79,975	12,625	92,600

How Performance will be Assessed and End of Year Reporting Requirements

	2024/25		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of time our networks are available	99.7%	RETIRED	RETIRED
Percentage of time our critical services are available	99.7%	RETIRED	RETIRED
The average score for assessment of sustainability of on-premise virtualisation environment, comprised of: Carbon footprint, Power consumption, Environmental impact, Clean demand, Lean operation (see Note 1)	New measure: 70% or above	New measure: 70% or above	New measure: 70% or above
The average score measuring cloud workloads alignment to best practices from the following perspectives: Cost, Security, Reliability, Operational excellence, Performance (see Note 1)	New measure: 70% or above	New measure: 70% or above	New measure: 70% or above

Note 1 - New performance measures to reflect the modernised cloud-delivered information technology systems.

MFAT uses a mix of cloud and on-premise systems to get the benefits like flexibility and scalability, while keeping control and security of its own infrastructure.

The first measure is focused on making the on-premise virtualisation system more sustainable. This involves running virtual machines (VMs) on physical servers in our data centres. By using fewer servers for multiple tasks, we save on hardware, energy, and costs. The Ministry tracks sustainability by using appropriate tools, which also gives us a sustainability score to measure our progress towards a greener data centre.

In line with New Zealand's government policy to prioritise cloud services, the Ministry is moving more of its services to the cloud to stay up-to-date and fully supported.

The second measure is about improving cloud performance, reliability, cost, and security. We use a Cloud Adviser score to follow best practices, which helps the Ministry optimise cloud workloads and track progress by prioritising actions that will give the best results.

End of Year Performance Reporting

Performance information for this appropriation will be reported by [agency] in [document to be tabled in the House].

Reasons for Change in Appropriation

This appropriation increased by \$12.625 million to \$92.600 million for 2024/25 mainly due to:

- an increase of \$6.230 million due to the rephasing of expenditure on the Pacific Property Systems project
- an increase of \$4.500 million due to the rephasing of expenditure on the Wellington Head Office Accommodation project
- an increase of \$1.895 million due to the timing of expenditure on the replacement of IT infrastructure hardware.

Capital Injections and Movements in Departmental Net Assets

Ministry of Foreign Affairs and Trade

Details of Net Asset Schedule	2024/25 Main Estimates Projections \$000	2024/25 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2024/25
Opening Balance	777,398	857,904	Supplementary Estimates opening balance reflects the audited results as at 30 June 2024.
Capital Injections	1,350	1,350	
Capital Withdrawals	(16,483)	(16,483)	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	762,265	842,771	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Antarctic Research, Operations and Cooperation (M34) (A20)

Scope of Appropriation

This appropriation is limited to New Zealand's activities and cooperation with other programmes in Antarctica and the Southern Ocean.

Reasons for Change in Appropriation

This appropriation decreased by \$900,000 to \$26.936 million for 2024/25 due to a correction for the expiry of time-limited funding recorded in the appropriation in error.

3.4 - Non-Departmental Other Expenses

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

Scope of Appropriation

This appropriation is limited to the 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.

Reasons for Change in Appropriation

This appropriation increased by \$500,000 to \$3.800 million for 2024/25 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
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 2024 Expires: 30 June 2027	Original Appropriation	2,910,020
	Adjustments to 2023/24	-
	Adjustments for 2024/25	153,518
	Adjusted Appropriation	3,063,538
	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	1,115,649
	Estimate for 2025/26	999,045
	Estimated Appropriation Remaining	948,844

Reasons for Change in Appropriation

This appropriation increased by \$153.518 million to \$3,063.538 million for 2024/25 due to the transfer of the 2023/24 underspend of \$12.309 million and an increase of \$150 million for International Development Cooperation funding to provide assistance to developing countries, particularly in the Pacific, building on investments made across a range of sectors under the 2022-2025 climate finance commitment. These increases are partially offset by a decrease of \$8.791 million to provide funding for the immigration fee review.

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 \$3 million to \$68.976 million for 2024/25 due to 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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	14,000	14,000

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

	2024/25		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Funding to enable the provision of support to Ukraine is delivered as directed by the Government of New Zealand	New 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 the Vote Foreign Affairs Non-Departmental Appropriations Annual Report attached as an annex to the Annual Report tabled in the House.

Reasons for Change in Appropriation

This appropriation increased by \$14 million for 2024/25 due to funding of \$6 million to support Ukraine carried forward from 2023/24 and \$8 million to provide military assistance to Ukraine.

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, Ministerial services, and undertaking related domestic engagement with stakeholders on New Zealand's foreign policy.

Deliver consular, business and diplomatic support 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 the management of New Zealand's International Development Cooperation.

Representation and advocacy on New Zealand's foreign policy

This category is limited to international representation, advocacy, and negotiation on New Zealand's foreign policy.

Expenses, Revenue and Capital Expenditure

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	561,942	(8,592)	553,350
Departmental Output Expenses			
Analysis and advice to inform New Zealand's foreign policy	101,496	(10,344)	91,152
Deliver consular, business and diplomatic support services	62,090	21,488	83,578
Management of New Zealand's International Development Cooperation	99,670	(5,634)	94,036
Representation and advocacy on New Zealand's foreign policy	298,686	(14,102)	284,584

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	551,516	(10,013)	541,503
Analysis and advice to inform New Zealand's foreign policy	101,221	(10,344)	90,877
Deliver consular, business and diplomatic support services	51,939	20,067	72,006
Management of New Zealand's International Development Cooperation	99,670	(5,634)	94,036
Representation and advocacy on New Zealand's foreign policy	298,686	(14,102)	284,584
Revenue from Others	10,426	1,421	11,847
Analysis and advice to inform New Zealand's foreign policy	275	-	275
Deliver consular, business and diplomatic support services	10,151	1,421	11,572

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

	2024/25		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Representation and advocacy on New Zealand's foreign policy			
This category is limited to international representation, advocacy, and negotiation on New Zealand's foreign policy.			
Representation and advocacy			
Number of people trained to lift security and disarmament capability from MFAT's Combined Security and Disarmament Fund (see Note 1)	120-180	120-180	120-180
Number of export control permits assessed	700-800	900-1,200	900-1,200 (see Note 2)

Note 1 - The Combined Security and Disarmament Fund is a specialised fund that was created in 2024. Its objective is to support bilateral, regional, and global initiatives related to security, disarmament and non-proliferation. The performance wording measure has been revised to reflect the change.

Original measure: Number of people trained to lift security capability in the Southeast Asia region from MFAT's Global Security Fund

Note 2 - The actual standard since 2021/22 has consistently exceeded the upper range of the original budget standard. Increasing the budget standard is a more realistic approach.

Reasons for Change in Appropriation

This appropriation decreased by \$8.592 million to \$553.350 million for 2024/25 due to:

- a decrease of \$21.687 million for expense transfers to 2025/26 and 2026/27 due to delays in expenditure outside the Ministry's control on specific and discrete projects
- a decrease of \$14 million for transfers to Non-Departmental Other Expense Support for Ukraine for the provision of support to Ukraine, and
- a decrease of \$45,000 for a transfer to Departmental Output Expense: Policy Advice and Representation - Other Countries PLA to fund a contractual commitment to the Washington Embassy local staff superannuation fund.

These decreases are partially offset by:

- an increase of \$19.013 million for expense transfers from 2023/24
- an increase of \$6.024 million due to higher capital charges and higher depreciation costs following a revaluation of the Ministry's offshore property portfolio
- an increase of \$1.421 million to reflect additional third-party funding resulting from demand from other agencies co-located with the Ministry at overseas posts, and for the provision of departmental services, and
- an increase of \$682,000 resulting from foreign exchange and overseas inflation movements.