

# The Treasury

## Budget 2022 Information Release

August 2022

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- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
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## 2022 Budget Package: Vote Business, Science and Innovation

### Appropriation Administrator: Ministry of Business, Innovation and Employment

It is recommended that the relevant Appropriation Minister and the Minister of Finance jointly:

- note** that Cabinet has approved the Budget initiatives for the above Vote for inclusion in the 2022 Budget package, as detailed in the summary tables below:

### Summary of funded initiatives agreed by Cabinet:

#### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
13907	Business Growth Fund – Policy, Commercial, and Legal Advice	-	0.500	-	-	-
14540	Decarbonising Freight Transport – Resourcing and Seed Funding	-	-	1.292	12.240	2.240*
13952	Developing a circular economy and bioeconomy strategy	-	1.600	1.100	0.300	-
13824	Effectively engaging with iwi and managing risks in petroleum and mineral permitting	-	13.824	7.559	7.210	8.828*
13812	Electricity market measures to support the transition to a highly renewable electricity system	-	2.770	2.455	-	-
13820	Extending the Warmer Kiwi Homes programme	-	-	73.118	-	-
13877	Financial Markets Authority’s expanding legislative remit – Climate-related Disclosures	-	0.405	0.487	0.464	0.464
13862	Financial Markets Authority’s expanding legislative remit – Conduct of Financial Institutions	-	-	0.287	0.874	1.162
13814	Funding further decarbonisation of process heat and implementation of supporting policies	-	69.642	151.392	207.375	223.839
13921	Funding tripartite partners to engage in the Future of Work Tripartite Forum	-	0.700	0.700	0.700	0.700
14535	Implementation of MARPOL Annex VI to Reduce Pollution from Ships	-	1.100	-	-	-
13890	Industry Transformation Plans – Enabling Delivery Across the ITP Programme	-	1.505	2.105	5.905	5.905*
14575	Industry Transformation Plans – Implementing Construction Sector ITP Actions	-	4.663	4.241	4.141	-

13792	Industry Transformation Plans – Implementing Digital Technologies ITP Actions	-	7.260	7.040	4.500	1.200*
13934	Managing the Regional Strategic Partnership Fund and Kānoa – Regional Economic Development & Investment Unit investments	-	13.000	9.500	-	-
13906	New Zealand Government-to-Government funding continuation	-	2.400	2.400	2.400	-
13808	Readying the energy system to transition to a low emissions economy through an energy strategy and regulatory frameworks	-	5.647	7.037	4.990	-
13707	Research & Development Tax Incentive administration costs – Callaghan Innovation	-	4.885	5.053	5.053	5.053
13794	Resilient and Responsive New Zealand – Improving Cyber Resilience for Private Sector Organisations and Individuals	0.550	7.320	6.420	5.600	5.525
13847	Retail Payment System Regulation	-	0.827	5.111	5.111	5.111
13791	Rural Connectivity	-	15.000	35.000	10.000	-
13823	Supporting renewable and affordable energy in New Zealand communities	-	4.000	4.000	4.000	4.000
13937	The Regional Strategic Partnership Fund	-	6.945	-	-	-
14581	Tourism Recovery Programme	(27.247)	54.226	-	-	-
13708	Innovation - Creating an RNA Development Platform	-	10.176	10.176	10.176	10.176
14583	Establishing a dedicated market studies response function in the Ministry of Business, Innovation and Employment (MBIE)	-	2.640	2.700	2.700	2.700
<b>Total Operating</b>		<b>(26.697)</b>	<b>231.035</b>	<b>339.173</b>	<b>293.739</b>	<b>276.903</b>

\* Funding for 2025/26 only - no outyears funding

### Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
14563	Additional functions - Fair Pay Agreements	-	0.866	0.250	-	-
13824	Effectively engaging with iwi and managing risks in petroleum and mineral permitting	-	0.165	-	-	-
13812	Electricity market measures to support the transition to a highly renewable electricity system	-	0.055	-	-	-

13877	Financial Markets Authority's expanding legislative remit – Climate-related Disclosures	-	0.150	0.150	-	-
13862	Financial Markets Authority's expanding legislative remit – Conduct of Financial Institutions	-	1.063	0.726	0.014	0.014
13814	Funding further decarbonisation of process heat and implementation of supporting policies	-	0.570	-	-	-
14562	Funding Implementation of Holidays Act reforms to achieve easier and lower cost compliance	-	0.774	0.256	-	-
14548	Funding to Address the Third-Party Immigration Revenue Shortfall	-	34.000	-	-	-
14564	Implementing two additional Fair Pay Agreements	-	0.021	0.058	-	-
14575	Industry Transformation Plans – Implementing Construction Sector ITP Actions	-	0.220	-	-	-
13808	Readying the energy system to transition to a low emissions economy through an energy strategy and regulatory frameworks	-	0.023	0.031	-	-
13794	Resilient and Responsive New Zealand – Improving Cyber Resilience for Private Sector Organisations and Individuals	-	1.500	3.750	-	-
13937	The Regional Strategic Partnership Fund	-	103.055	-	-	-
14581	Tourism Recovery Programme	(26.979)	-	-	-	-
14583	Establishing a dedicated market studies response function in the Ministry of Business, Innovation and Employment (MBIE)	-	0.060	-	-	-
<b>Total Capital</b>		<b>(26.979)</b>	<b>142.522</b>	<b>5.221</b>	<b>0.014</b>	<b>0.014</b>

## Summary of contingency initiatives agreed by Cabinet:

### Operating Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
14064	Equitable Transitions Programme	-	4.520	9.290	2.050	0.460*
14500	Industry Transformation Plans – Advanced Manufacturing	-	15.000	15.000	-	-
14501	Industry Transformation Plans – Agritech	-	-	5.000	-	-

14499	Return of tagged contingency funding: COVID-19 Infrastructure Cost Overruns and Reprioritisation	(50.000)	-	-	-	-
14553	Return of tagged contingency funding: Wellington Accommodation Project (WAP) – Tranche 2	(12.638)	-	-	-	-
<b>Total Operating</b>		<b>(62.638)</b>	<b>19.520</b>	<b>29.290</b>	<b>2.050</b>	<b>0.460</b>

\* Funding for 2025/26 only - no outyears funding

## Capital Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
14462	Business Growth Fund – Potential Investment	-	100.000	-	-	-
14547	Funding to Address the Third-Party Immigration Revenue Shortfall	-	50.000	-	-	-
<b>Total Capital</b>		-	<b>150.000</b>	-	-	-

2 **note** that Cabinet has:

- i. **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to the changes to appropriations (including establishment of new appropriations if necessary) and/or capital injections and related recommendations necessary to give effect to the initiative(s) included in the 2022 Budget package for the above Vote, as detailed in the summary table(s) above;
- ii. **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2021/22 approved by Joint Ministers as authorised above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- iii. **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2022/23 Estimates and being sought in the Appropriation (2022/23 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
- iv. **authorised** Joint Ministers, for each contingency initiative, jointly to agree:
  - a. the work that needs to be completed or other conditions that need to be satisfied before the contingency is drawn down into appropriations;
  - b. whether the draw down into appropriations requires Cabinet approval or the approval of Joint Ministers;
  - c. the expiry date of contingency funding;

- d. any related recommendations necessary to give effect to the contingency initiative;
  - v. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2021/22 Supplementary Estimates, the 2022/23 Estimates and the fiscal forecasts;
  - vi. **authorised** the chief executives of departments that monitor Crown entities directly affected by Budget decisions taken by Cabinet or taken by Joint Ministers as authorised by Cabinet to inform the chair and/or chief executive of a Crown entity, on a Budget-in-confidence-until-Budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent and/or Statement of Performance Expectations;
  - vii. **noted** that all communications relating to the 2022 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;
- 3 **agree** to establish new appropriations where required to implement the initiatives included in the summary tables above, as detailed in the attached initiative documents;
  - 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiatives included in the summary tables above, as set out in the attached initiative documents;
  - 5 **approve** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
  - 6 **agree** that the proposed changes to appropriations and/or capital injections for 2021/22 detailed in the attached initiative documents be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Additional functions - Fair Pay Agreements

**Description:** This initiative will fund MBIE and the Employment Relations Authority to carry out three new functions:

- backstop determinations, whereby the Authority will fix Fair Pay Agreement (FPA) terms if there is no employer side to bargain,

- coverage determinations, whereby the Labour Inspectorate will decide if an employee is in coverage of an FPA, and

- enforcing regional variations, whereby the Labour Inspectorate will enforce any regional variations in FPA terms.

## Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	0.866	0.250	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.866</b>	<b>0.250</b>	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.866	0.250	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	<b>0.866</b>	<b>0.250</b>	-	-

## Additional Recommendation

7 **note** that there is an associated initiative in Vote Labour Market (Initiative 13835), which provides the operating funding;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Business Growth Fund – Policy, Commercial, and Legal Advice

**Description:** This initiative provides funding to explore (through the procurement of legal and commercial advisory services), and potentially help establish, a Business Growth Fund (BGF) in New Zealand. The Government has agreed to help improve small-and medium-sized enterprises' (SMEs) access to finance, and to explore investing alongside private New Zealand banks to establish a BGF in New Zealand. A BGF would provide a source of long-term patient minority capital to SMEs.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.500	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.500</b>	-	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Economic Development (funded by revenue Crown)	-	0.500	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	0.500	-	-	-
<b>Total Operating</b>	-	<b>0.500</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

8 **note** that related funding has also been provided in Vote Business, Science and Innovation for the Crown to potentially invest in a BGF (Initiative 14462);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Business Growth Fund – Potential Investment

**Description:** This initiative provides for the funding potentially required for the Crown to take a minority shareholding in a privately operated and independently managed Business Growth Fund (BGF) in New Zealand. The Government has agreed to help improve small-and medium-sized enterprises' (SMEs) access to finance, and to explore investing alongside private New Zealand banks to establish a BGF in New Zealand. A BGF would provide a source of long-term patient minority capital to SMEs.

### Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	-	-	-	-
Capital Contingency	-	100.000	-	-	-
<b>Total</b>	-	<b>100.000</b>	-	-	-

### Additional Recommendations

- 9 **agree** that the Minister of Finance, the Associate Minister of Finance (Hon Dr Megan Woods) and the Minister for Economic and Regional Development may jointly draw down this contingency, subject to the completion of further work on the implementation and technical matters required to set up a New Zealand Business Growth Fund and the finalisation of details for the Crown to invest as a minority shareholder;
- 10 **agree** that the expiry date for the above tagged contingency be 1 February 2023;
- 11 **note** that related funding has also been provided in Vote Business, Science and Innovation for policy, commercial and legal advice related to investing in a BGF (Initiative 13907);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Decarbonising Freight Transport – Resourcing and Seed Funding

**Description:** This initiative provides funding for activities that support decarbonising the freight and supply chain sector. This includes funding for business cases and research programmes, capability and capacity, and contestable funding for low emission freight solutions.

### New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Energy and Resources: Low Emission Transport Fund Freight Decarbonisation Grants 2022 - 2027	Minister of Energy and Resources	Multi-Year Appropriation Start: 1/07/2022 Finish: 30/06/2027 Amount (\$m): 15	Non-Departmental Other Expenses	N/A	This appropriation is limited to supporting organisations for projects that demonstrate low emission freight technologies, fuels, services, infrastructure, innovations and business models.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	-	1.292	12.240	2.240
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	<b>1.292</b>	<b>12.240</b>	<b>2.240</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Non-Departmental Output Expenses:</b>					
Energy and Resources: Energy Efficiency and Conservation	-	-	0.292	0.240	0.240
<b>Non-Departmental Other Expenses:</b>					
Energy and Resources: Low Emission Transport Fund Freight Decarbonisation Grants 2022 - 2027 (MYA)	-	-	1.000	12.000	2.000
<b>Total Operating</b>	-	-	<b>1.292</b>	<b>12.240</b>	<b>2.240</b>

## **Additional Recommendations**

- 12 **note** that there is an associated initiative in Vote Transport (Initiative 13841);
- 13 **note** that Cabinet has agreed to charge the operating expenditure from 2022/23 to 2025/26 associated with this initiative against the Climate Emergency Response Fund;
- 14 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 15 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;
- 16 **agree** that the Multi Year Appropriation “Energy and Resources: Low Emission Transport Fund Freight Decarbonisation Grants 2022 – 2027” be established at \$15 million.
- 17 **note** that the amounts shown in the Appropriations Changes table for the Multi Year Appropriation: "Energy and Resources: Low Emission Transport Fund Freight Decarbonisation Grants 2022 – 2027” is the indicative annual spending profile;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Developing a circular economy and bioeconomy strategy

**Description:** This initiative will support the development of a cross-cutting circular economy and bioeconomy strategy to:

- help maximise New Zealand's efforts to realise the potential of the circular economy and bioeconomy for emissions reduction, through coherence of existing actions plus new actions,

- signal and accelerate New Zealand's shift from current business as usual economic activity to a high wage, low emission economy, and

- ensure equitable opportunities across New Zealand, with downsides minimised.

The funding will support cross-agency development of the strategy, meaningful engagement, and inputs such as research into the ability of the bioeconomy to meet biofuel demand, resource flow maps, and a baseline of New Zealand's current level of circularity.

### New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Economic and Regional Development: Developing a Circular Economy and Bioeconomy Strategy	Minister for Economic and Regional Development	Annual	Departmental Output Expenses	N/A	This appropriation is limited to developing a circular economy and bioeconomy strategy.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.600	1.100	0.300	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.600</b>	<b>1.100</b>	<b>0.300</b>	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Departmental Output Expenses:</b>					

Economic and Regional Development: Developing a Circular Economy and Bioeconomy Strategy (funded by revenue Crown)	-	1.600	1.100	0.300	-
<b>Total Operating</b>	-	<b>1.600</b>	<b>1.100</b>	<b>0.300</b>	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendations

- 18 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 19 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 20 **direct** the Ministry of Business, Innovation and Employment to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Effectively engaging with iwi and managing risks in petroleum and mineral permitting

**Description:** This initiative addresses critical cost-pressures within the Energy and Resources: Management of the Crown Mineral Estate Appropriation and the increasing deficit in the associated memorandum account. It will ensure that the regulator has the resources, processes and systems needed to undertake iwi engagement, and maintain appropriate monitoring, compliance, and enforcement activities under the Crown Minerals Act 1991. It will also implement the new petroleum decommissioning requirements which mitigate the risk of the Crown having to fund and undertake decommissioning as has been the case for the Tui Oil Field.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	13.824	7.559	7.210	8.828
Net Core Crown Debt Impact Only	-	0.165	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>13.989</b>	<b>7.559</b>	<b>7.210</b>	<b>8.828</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Departmental Output Expenses:</b>					
Energy and Resources: Management of the Crown Mineral Estate (funded by revenue Crown)	-	13.824	7.559	7.210	8.828
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.165	-	-	-
<b>Total Operating</b>	-	<b>13.824</b>	<b>7.559</b>	<b>7.210</b>	<b>8.828</b>
<b>Total Capital</b>	-	<b>0.165</b>	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Electricity market measures to support the transition to a highly renewable electricity system

**Description:** This initiative will develop and implement electricity market measures that support reliable and affordable electricity supply while accelerating the transition to a highly renewable electricity system. It also includes funding to facilitate public sector procurement of renewable electricity via long term power purchase agreements.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	2.770	2.455	-	-
Net Core Crown Debt Impact Only	-	0.055	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>2.825</b>	<b>2.455</b>	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.055	-	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Energy and Resources (funded by revenue Crown)	-	2.770	2.455	-	-
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	2.770	2.455	-	-
<b>Total Operating</b>	-	<b>2.770</b>	<b>2.455</b>	-	-
<b>Total Capital</b>	-	<b>0.055</b>	-	-	-

## **Additional Recommendations**

- 21 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 22 **note** that Cabinet has agreed to charge the capital expenditure associated with this initiative against the Climate Emergency Response Fund;
- 23 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 24 **direct** the Ministry of Business, Innovation and Employment to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Equitable Transitions Programme

**Description:** This initiative will fund a programme to co-design an Equitable Transition Strategy in partnership with iwi/Māori and other stakeholders, as a key initiative in the Emissions Reduction Plan and responding to the Climate Change Commission's advice.

### Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Contingency	-	4.520	9.290	2.050	0.460
Capital Contingency	-	-	-	-	-
<b>Total</b>	-	<b>4.520</b>	<b>9.290</b>	<b>2.050</b>	<b>0.460</b>

### Additional Recommendations

- 25 **agree** that the Minister of Finance and Minister for Economic and Regional Development can jointly draw down the contingency, subject to Cabinet's agreement of the lead and secondary agencies to design and deliver the Equitable Transitions Programme;
- 26 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 27 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 28 **direct** the lead agency, subject to Cabinet's confirmation of the lead agency, to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;
- 29 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Extending the Warmer Kiwi Homes programme

**Description:** This initiative will deliver more insulation and heating retrofits for low-income homeowners by extending the Warmer Kiwi Homes programme, administered by the Energy Efficiency and Conservation Authority. Delivery of more retrofits will improve educational opportunities and productivity by reducing time off school and work due to illness and improve the housing stock by making it warmer and drier. It will support jobs in the energy service sector and improve environmental outcomes by reducing marginal electricity consumption at times of peak demand.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	73.118	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	<b>73.118</b>	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Non-Departmental Output Expenses:</b>					
Energy and Resources: Implementation of the Grant Scheme for Warm, Dry Homes 2023-2027 (MYA)	-	-	5.118	-	-
<b>Non-Departmental Other Expenses:</b>					
Energy and Resources: Grant Scheme for Warm, Dry Homes 2023-2027 (MYA)	-	-	68.000	-	-
<b>Total Operating</b>	-	-	<b>73.118</b>	-	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendations

- 30 **agree** the Multi Year Appropriation: "Energy and Resources: Implementation of the Grant Scheme for Warm, Dry Homes 2023-2027 (MYA)" is adjusted by \$5.118 million;
- 31 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Energy and Resources: Implementation of the Grant Scheme for Warm,

Dry Homes 2023-2027 (MYA)" reflect the change to the indicative annual spending profile;

- 32 **agree** the Multi Year Appropriation: "Energy and Resources: Grant Scheme for Warm, Dry Homes 2023-2027 (MYA)" is adjusted by \$68.000 million;
- 33 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Energy and Resources: Grant Scheme for Warm, Dry Homes 2023-2027 (MYA)" reflect the change to the indicative annual spending profile;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Financial Markets Authority's expanding legislative remit – Climate-related Disclosures

**Description:** This initiative will provide funding to the Financial Markets Authority (FMA) to support its role in monitoring and enforcing compliance with the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021. The FMA will be responsible for ensuring climate statements are made in line with the External Reporting Board's disclosure framework. The regime seeks to ensure the effects of climate change are routinely considered by entities in business, investment, lending and insurance and will help New Zealand meet its 2050 emissions targets.

## Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.405	0.487	0.464	0.464
Net Core Crown Debt Impact Only	-	0.150	0.150	-	-
No Impact	-	1.216	1.462	1.392	1.392
<b>Total</b>	-	<b>1.771</b>	<b>2.099</b>	<b>1.856</b>	<b>1.856</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Non-Departmental Capital Expenditure:</b>					
Investment in the Financial Markets Authority	-	0.150	0.150	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Services and Advice to Support Well-functioning Financial Markets (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Performance of Licensing and Compliance Monitoring Functions	-	1.216	1.462	1.392	1.392
Performance of Licensing and Compliance Monitoring Functions	-	0.405	0.487	0.464	0.464
Total Multi-Category Expenses and Capital Expenditure: Services and Advice to Support Well-functioning Financial Markets (MCA)	-	1.621	1.949	1.856	1.856
<b>Total Operating</b>	-	<b>1.621</b>	<b>1.949</b>	<b>1.856</b>	<b>1.856</b>
<b>Total Capital</b>	-	<b>0.150</b>	<b>0.150</b>	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Financial Markets Authority's expanding legislative remit – Conduct of Financial Institutions

**Description:** This initiative will provide funding to the Financial Markets Authority to implement and oversee the new Conduct of Financial Institutions regime. The regime will provide large-scale public benefits to increase consumer trust in financial institutions and reduce consumer harm by introducing conduct licensing requirements for banks, insurers and non-bank deposit takers.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	0.287	0.874	1.162
Net Core Crown Debt Impact Only	-	1.063	0.726	0.014	0.014
No Impact	-	5.192	6.631	9.468	12.578
<b>Total</b>	-	<b>6.255</b>	<b>7.644</b>	<b>10.356</b>	<b>13.754</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Non-Departmental Capital Expenditure:</b>					
Investment in the Financial Markets Authority	-	1.063	0.726	0.014	0.014
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Services and Advice to Support Well-functioning Financial Markets (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Performance of Licensing and Compliance Monitoring Functions	-	5.192	6.631	9.468	12.578
Performance of Licensing and Compliance Monitoring Functions	-	-	0.287	0.874	1.162
Total Multi-Category Expenses and Capital Expenditure: Services and Advice to Support Well-functioning Financial Markets (MCA)	-	5.192	6.918	10.342	13.740
<b>Total Operating</b>	-	<b>5.192</b>	<b>6.918</b>	<b>10.342</b>	<b>13.740</b>
<b>Total Capital</b>	-	<b>1.063</b>	<b>0.726</b>	<b>0.014</b>	<b>0.014</b>

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Funding further decarbonisation of process heat and implementation of supporting policies

**Description:** This initiative increases funding to reduce emissions from industry and process heat and resource the implementation of new regulatory measures. With this funding, businesses will improve energy productivity, bring forward fuel-switching projects, and reduce exposure to carbon price risk. It increases the Government Investment in Decarbonising Industry Fund, provides support to small and medium enterprises, provides rebates for renewable and efficient equipment, and resources the implementation of an energy and emissions reporting scheme and national direction on industrial emissions.

### Appropriation Changes

	\$m - increase/(decrease)								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Operating Balance Impact*	-	69.642	151.392	207.375	223.839	198.459	119.363	30.497	2.962
Net Core Crown Debt Impact Only	-	0.570	-	-	-	-	-	-	-
No Impact	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>70.212</b>	<b>151.392</b>	<b>207.375</b>	<b>223.839</b>	<b>198.459</b>	<b>119.363</b>	<b>30.497</b>	<b>2.962</b>

	\$m - increase/(decrease)								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
<b>Departmental Output Expenses:</b>									
Energy and Resource Information Services (funded by revenue Crown)	-	0.356	0.329	0.329	0.329	0.329	0.329	0.329	0.309
Energy and Resources: Monitoring and Enforcement of an Energy and Emissions	-	0.920	0.918	0.922	0.928	0.933	0.939	0.946	0.889

Reporting Scheme For Large Energy Users (funded by revenue Crown)									
<b>Capital Injections:</b>									
Ministry of Business, Innovation and Employment - Capital Injection	-	0.570	-	-	-	-	-	-	-
<b>Non-Departmental Output Expenses:</b>									
Energy and Resources: Energy Efficiency and Conservation	-	4.268	5.118	5.181	5.896	4.359	2.676	1.371	-
<b>Non-Departmental Other Expenses:</b>									
Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry 2022-2027 (MYA)	-	61.684	142.795	198.722	214.172	191.053	-	-	-
Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry 2026-2030 (MYA)	-	-	-	-	-	-	113.634	26.066	-
<b>Multi-Category Expenses and Capital Expenditure:</b>									
Policy Advice and Related Services to Ministers (MCA)									
<i>Departmental Output Expenses:</i>									
Policy Advice and Related Services to Ministers - Energy and Resources (funded by revenue Crown)	-	2.414	2.232	2.221	2.514	1.785	1.785	1.785	1.764
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	2.414	2.232	2.221	2.514	1.785	1.785	1.785	1.764
<b>Total Operating</b>	-	<b>69.642</b>	<b>151.392</b>	<b>207.375</b>	<b>223.839</b>	<b>198.459</b>	<b>119.363</b>	<b>30.497</b>	<b>2.962</b>
<b>Total Capital</b>	-	<b>0.570</b>	-	-	-	-	-	-	-

## Additional Recommendations

34 **note** that a further \$18.750 million in financial year 2022/23 and \$6.250 million in financial year 2023/24 has been pre-committed for the Government Investment in

Decarbonising Industry Fund through the Climate Emergency Response Fund as part of Budget 22 [CAB-22-MIN-0080 refers];

- 35 **note** that funding for the Energy and Resources: Energy Efficiency and Conservation appropriation is time-limited to financial year 2028/29 and does not extend into financial year 2029/30;
- 36 **note** that Cabinet has agreed to charge the operating expenditure from 2022/23 to 2025/26 associated with this initiative against the Climate Emergency Response Fund;
- 37 **note** that Cabinet has agreed that any operating expenditure associated with this initiative will impact OBEGAL and net debt directly after 2025/26;
- 38 **note** that Cabinet has agreed to charge the capital expenditure associated with this initiative against the Climate Emergency Response Fund;
- 39 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 40 **direct** the Ministry of Business, Innovation and Employment to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;
- 41 **agree** the Multi Year Appropriation: "Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry 2022 - 2027" is adjusted by \$808.426 million;
- 42 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry 2022 - 2027" reflect the change to the indicative annual spending profile;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Funding Implementation of Holidays Act reforms to achieve easier and lower cost compliance

**Description:** This initiative provides time-limited funding over four years to support the implementation of Holidays Act reforms that seek to provide greater certainty, clarity and transparency on how to meet minimum leave entitlements. It includes developing operational guidance, tools and resources for employers and payroll providers, raising awareness of new rights and obligations for employers and employees, and transitional compliance and enforcement activities to support historic non-compliance being remedied.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	0.774	0.256	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.774</b>	<b>0.256</b>	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.774	0.256	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	<b>0.774</b>	<b>0.256</b>	-	-

### Additional Recommendation

43 **note** that there is an associated initiative in Vote Labour Market (Initiative 13919), which includes the operating funding;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Funding to Address the Third-Party Immigration Revenue Shortfall

**Description:** This initiative provides funding in 2022/23 to enable the continuation of core immigration services that have been impacted by a decline in third-party revenue due to COVID-19.

### Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	-	-	-	-
Capital Contingency	-	50.000	-	-	-
<b>Total</b>	-	<b>50.000</b>	-	-	-

### Additional Recommendations

- 44 **agree** that the expiry date for the above tagged contingency be 1 February 2024;
- 45 **authorise** the Minister of Finance, Minister of Immigration, and Minister for Economic and Regional Development jointly to make final decisions on drawdowns from, and the approval of expenditure against, this contingency;
- 46 **authorise** the Minister of Finance and the Minister of Immigration to determine whether any funding drawn down from the tagged contingency is repayable, and therefore recoverable from future immigration fee payers, in making decisions about funds to be drawn down;
- 47 **authorise** the Minister of Finance, Minister of Immigration and Minister for Economic and Regional Development on behalf of all relevant appropriation Ministers jointly to approve increases to departmental baselines as necessary to provide for any additional capital charge liabilities arising from the capital injection outlined above, noting that any such increases to departmental baselines will be fiscally neutral for the Crown;
- 48 **note** that on 10 November 2021, the Cabinet Economic Development Committee (DEV) agreed to a comprehensive review of the immigration system funding model, of which the first stage has now been completed [DEV-21-MIN-0221];
- 49 **note** that Immigration New Zealand will continue to report to the Minister of Finance and Minister of Immigration quarterly, on:
- 49.1 Visa volumes and revenue compared to forecasts
- 49.2 Expenditure

49.3 Progress on the review of the immigration funding model and other work impacting on better forecasting and management of expenditure

50 **note** that there is an associated initiative in Vote Business, Science and Innovation which includes the remaining \$34 million capital funding and associated debt impacts (Initiative 14548 refers);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Funding to Address the Third-Party Immigration Revenue Shortfall

**Description:** This initiative provides funding in 2022/23 to enable the continuation of core immigration services that have been impacted by a decline in third-party revenue due to COVID-19.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	34.000	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>34.000</b>	-	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	34.000	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	<b>34.000</b>	-	-	-

### Additional Recommendations

- 51 **authorise** the Minister of Finance, Minister of Immigration and Minister for Economic and Regional Development on behalf of all relevant appropriation Ministers jointly to approve increases to departmental baselines as necessary to provide for any additional capital charge liabilities arising from the capital injection outlined above, noting that any such increases to departmental baselines will be fiscally neutral for the Crown;
- 52 **authorise** the Minister of Finance and Minister of Immigration jointly to decide whether the capital injection will be recoverable from future immigration fee payers;
- 53 **note** that there is an associated contingency for the remaining \$50 million in Vote Business, Science and Innovation (Initiative 14547 refers);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Funding tripartite partners to engage in the Future of Work Tripartite Forum

**Description:** This initiative supports the continuing successful operation of the Future of Work Forum by ensuring that the Council of Trade Unions and BusinessNZ can provide the necessary input to policy development in related areas, including economic development and transitions, industry policy, workplace relations policy, and employment and skills policy.

### New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Economic and Regional Development: Operation of the Future of Work Forum	Minister for Economic and Regional Development	Annual	Non-Departmental Output Expenses	N/A	This appropriation is limited to supporting social partner's involvement in the Future of Work Tripartite Forum and procuring research to support the forum's work programme.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.700	0.700	0.700	0.700
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.700</b>	<b>0.700</b>	<b>0.700</b>	<b>0.700</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Non-Departmental Output Expenses:</b>					
Economic and Regional Development: Operation of the Future of Work Forum	-	0.700	0.700	0.700	0.700
<b>Total Operating</b>	-	<b>0.700</b>	<b>0.700</b>	<b>0.700</b>	<b>0.700</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Implementation of MARPOL Annex VI to Reduce Pollution from Ships

**Description:** This initiative provides funding for Maritime New Zealand and the Ministry of Business, Innovation and Employment to implement the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI, that Cabinet agreed to accede in November 2019. This funding will enable the two agencies to develop and implement new surveys and certification, testing, and monitoring regimes required to meet MARPOL obligations.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.100	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.100</b>	-	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Departmental Output Expenses:</b>					
Commerce and Consumer Affairs: Trading Standards (funded by revenue Crown)	-	1.100	-	-	-
<b>Total Operating</b>	-	<b>1.100</b>	-	-	-

### Additional Recommendation

54 **note** that there is an associated initiative in Vote Transport (Initiative 14534);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Implementing two additional Fair Pay Agreements

**Description:** This initiative provides funding to implement additional Fair Pay Agreements (FPA) per annum in addition to the four funded in Budget 21. This bid will ensure the system is resourced to match the expected annual number of FPAs. This initiative funds bargaining support, dispute resolution services, compliance and enforcement (Labour Inspectorate), vetting and verification, and research and business support to the Employment Relations Authority and regulator decision-making.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	0.021	0.058	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.021</b>	<b>0.058</b>	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.021	0.058	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	<b>0.021</b>	<b>0.058</b>	-	-

### Additional Recommendation

55 **note** that there is an associated initiative in Vote Labour Market (Initiative 13850), which provides the operating funding;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Industry Transformation Plans – Advanced Manufacturing

**Description:** The tagged contingency will fund the first stages of implementation of certain initiatives in the Advanced Manufacturing Industry Transformation Plan. Industry Transformation Plans are a key mechanism for delivering the Government’s industry strategy: ITPs partner with industries to catalyse transformation to a highly productive, high wage and low emission future, supporting wellbeing outcomes for New Zealanders.

### Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	15.000	15.000	-	-
Capital Contingency	-	-	-	-	-
<b>Total</b>	-	<b>15.000</b>	<b>15.000</b>	-	-

### Additional Recommendations

- 56 **agree** that the Minister of Finance and the Minister for Economic and Regional Development may jointly agree to draw down the contingency to fund specific initiatives and actions from the Advanced Manufacturing Industry Transformation Plan, subject to Cabinet agreement to the final Advanced Manufacturing Industry Transformation Plan;
- 57 **note** that the initiatives to be funded from these contingencies should align with the principles for industry policy, as agreed by Cabinet (refer DEV-21-MIN-0222, recommendation 5);
- 58 **note** that related funding has also been provided in Vote Business, Science and Innovation to enable delivery across the Industry Transformation Plan programme (Initiative 13890);
- 59 **agree** that the expiry date for the above tagged contingency be 1 February 2024;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Industry Transformation Plans – Agritech

**Description:** The tagged contingency will fund implementation of initiatives in the Agritech Industry Transformation Plan. Industry Transformation Plans are a key mechanism for delivering the Government’s industry strategy: ITPs partner with industries to catalyse transformation to a highly productive, high wage and low emission future, supporting wellbeing outcomes for New Zealanders.

### Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	-	5.000	-	-
Capital Contingency	-	-	-	-	-
<b>Total</b>	-	-	<b>5.000</b>	-	-

### Additional Recommendations

- 60 **agree** that the Minister of Finance, Minister of Agriculture and Minister for Economic and Regional Development may jointly agree to draw down the contingency to fund any specific initiative(s) or actions from the Agritech Industry Transformation Plan;
- 61 **note** that the initiatives to be funded from these contingencies should align with the principles for industry policy, as agreed by Cabinet (refer DEV-21-MIN-0222, recommendation 5);
- 62 **note** that related funding has also been provided in Vote Business, Science and Innovation to enable delivery across the Industry Transformation Plan programme (Initiative 13890);
- 63 **agree** that the expiry date for the above tagged contingency be 1 February 2024;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Industry Transformation Plans – Enabling Delivery Across the ITP Programme

**Description:** This initiative will enable delivery across the Industry Transformation Plan (ITP) programme, including sector engagement funding, the Enabling Māori Framework and programme capability. The eight ITPs and programme-level initiatives are a key mechanism for delivering the Government's Industry Strategy: ITPs partner with industries to catalyse transformation to a highly productive, high wage and low emission future, supporting wellbeing outcomes for New Zealanders.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	1.505	2.105	5.905	5.905
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.505</b>	<b>2.105</b>	<b>5.905</b>	<b>5.905</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Non-Departmental Output Expenses:</b>					
Economic Development: Industry Transformation Plans	-	-	0.700	4.500	4.500
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Economic Development (funded by revenue Crown)	-	1.505	1.405	1.405	1.405
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	1.505	1.405	1.405	1.405
<b>Total Operating</b>	-	<b>1.505</b>	<b>2.105</b>	<b>5.905</b>	<b>5.905</b>
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

64 **note** that related funding has also been provided to deliver initiatives in specific ITPs in Vote Business, Science and Innovation (Initiatives 14500, 14501, 13792, 14575), Vote

Building and Construction (Initiative 13635), Vote Agriculture, Biosecurity, Fisheries and Food Safety (Initiatives 14218, 14516) and Vote Forestry (Initiatives 14551, 14552);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Industry Transformation Plans – Implementing Construction Sector ITP Actions

**Description:** This initiative provides funding for in-flight initiatives of the Construction Sector Transformation Plan and supports the sector to achieve a renewed set of transformational goals. This includes new initiatives that have a greater focus on the Māori construction ecosystem, strengthening capability and productivity across small to medium enterprises, driving innovation and reducing carbon emissions. These initiatives are aimed at achieving the Construction Sector Accord’s vision of a thriving, equitable and sustainable construction sector that enables the wellbeing of Aotearoa New Zealand’s people and its environment.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	4.663	4.241	4.141	-
Net Core Crown Debt Impact Only	-	0.220	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>4.883</b>	<b>4.241</b>	<b>4.141</b>	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.220	-	-	-
<b>Non-Departmental Output Expenses:</b>					
Economic Development: Industry Transformation Plans	-	4.663	4.241	4.141	-
<b>Total Operating</b>	-	<b>4.663</b>	<b>4.241</b>	<b>4.141</b>	-
<b>Total Capital</b>	-	<b>0.220</b>	-	-	-

### Additional Recommendation

65 **note** that there is an associated initiative in Vote Building and Construction (Initiative 13635), which provides the operating funding;

66 **note** that related funding has also been provided in Vote Business, Science and Innovation to enable delivery across the Industry Transformation Plan programme (Initiative 13890);

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Industry Transformation Plans – Implementing Digital Technologies ITP Actions

**Description:** The initiative will fund several actions for the Digital Technologies Industry Transformation Plan and overall programme management. The actions relate to further development of the Software as a Service Ecosystem, and activation of the international Tech Story and development of a domestic version. This work will be implemented in partnership with industry and will address key opportunities and constraints, allowing the sector to grow higher-value jobs for New Zealanders and increase export revenue.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	7.260	7.040	4.500	1.200
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>7.260</b>	<b>7.040</b>	<b>4.500</b>	<b>1.200</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Non-Departmental Output Expenses:</b>					
Economic Development: Industry Transformation Plans	-	7.060	6.840	4.300	1.000
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Economic Development (funded by revenue Crown)	-	0.200	0.200	0.200	0.200
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	0.200	0.200	0.200	0.200
<b>Total Operating</b>	-	<b>7.260</b>	<b>7.040</b>	<b>4.500</b>	<b>1.200</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Managing the Regional Strategic Partnership Fund and Kānoa – Regional Economic Development & Investment Unit investments

**Description:** This initiative funds departmental costs for Kānoa – Regional Economic Development & Investment Unit to deliver the Regional Strategic Partnership Fund and manage its \$4 billion investment portfolio.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	13.000	9.500	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>13.000</b>	<b>9.500</b>	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Departmental Output Expenses:</b>					
Economic and Regional Development: Operational Support (funded by revenue Crown)	-	13.000	9.500	-	-
<b>Total Operating</b>	-	<b>13.000</b>	<b>9.500</b>	-	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** New Zealand Government-to-Government funding continuation

**Description:** This initiative delivers the ongoing operation of NZ Government-to-Government, a joint venture between Ministry of Foreign Affairs and Trade and New Zealand Trade and Enterprise that mirrors a professional services consulting firm. It commercialises world class New Zealand public sector capability in education, sustainable food systems and government effectiveness, and sells it to foreign governments.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	2.400	2.400	2.400	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>2.400</b>	<b>2.400</b>	<b>2.400</b>	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Support the Growth and Development of New Zealand Firms, Sectors and Regions (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Collaborative Activity and Special Events	-	2.400	2.400	2.400	-
Total Multi-Category Expenses and Capital Expenditure: Support the Growth and Development of New Zealand Firms, Sectors and Regions (MCA)	-	2.400	2.400	2.400	-
<b>Total Operating</b>	-	<b>2.400</b>	<b>2.400</b>	<b>2.400</b>	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

67 **direct** New Zealand Government-to-Government to review its funding model and explore options to recover costs from its services;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Readyng the energy system to transition to a low emissions economy through an energy strategy and regulatory frameworks

**Description:** This initiative will support the energy system to transition to a low carbon economy. The components of this initiative are development of a strategy to decarbonise the energy system, developing a regulatory framework for offshore renewable energy, and developing a roadmap for development and use of hydrogen. These will facilitate the introduction of low carbon fuels and greater renewable electricity to drive New Zealand's transition to a low carbon economy. Other aspects, such as the role of biofuels and gas transition will be developed alongside the strategy.

## Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	5.647	7.037	4.990	-
Net Core Crown Debt Impact Only	-	0.023	0.031	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>5.670</b>	<b>7.068</b>	<b>4.990</b>	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Departmental Output Expenses:</b>					
Energy and Resources: Information Services (funded by revenue Crown)	-	0.070	0.070	0.070	-
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.023	0.031	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Energy and Resources (funded by revenue Crown)	-	5.577	6.967	4.920	-
<b>Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)</b>	-	<b>5.577</b>	<b>6.967</b>	<b>4.920</b>	-

<b>Total Operating</b>	-	<b>5.647</b>	<b>7.037</b>	<b>4.990</b>	-
<b>Total Capital</b>	-	<b>0.023</b>	<b>0.031</b>	-	-

### **Additional Recommendations**

- 68 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 69 **note** that Cabinet has agreed to charge the capital expenditure associated with this initiative against the Climate Emergency Response Fund;
- 70 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 71 **direct** the Ministry of Business, Innovation and Employment to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Research & Development Tax Incentive administration costs – Callaghan Innovation

**Description:** This initiative funds the administration costs for Callaghan Innovation to deliver its responsibilities within the Research and Development Tax Incentive (RDTI) scheme. This initiative aims to increase business investment in Research and Development (R&D). Specifically, through promoting awareness and providing education to businesses, assessing the eligibility of R&D activities then advising Inland Revenue, and collecting, collating, analysing, and communicating insights to support monitoring and evaluation of the RDTI.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	4.885	5.053	5.053	5.053
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>4.885</b>	<b>5.053</b>	<b>5.053</b>	<b>5.053</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Research, Science and Innovation: Callaghan Innovation - Operations (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Building Business Innovation	-	4.885	5.053	5.053	5.053
Total Multi-Category Expenses and Capital Expenditure: Research, Science and Innovation: Callaghan Innovation - Operations (MCA)	-	4.885	5.053	5.053	5.053
<b>Total Operating</b>	-	<b>4.885</b>	<b>5.053</b>	<b>5.053</b>	<b>5.053</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Resilient and Responsive New Zealand – Improving Cyber Resilience for Private Sector Organisations and Individuals

**Description:** This initiative provides funding for Computer Emergency Response Team New Zealand to meet current demand and Cabinet expectations to improve New Zealand's cyber resilience. It will support the completion of work on the existing Cyber Resilience Measurement Framework, uplift the Cyber Smart programme, pilot a victim remediation service, leverage the Regional Business Partners network to provide advice, training and certification for Small-to-Medium Enterprises, and initiate conversations with the private sector about protection from denial of service. This initiative will also enable Computer Emergency Response Team New Zealand to build a single cyber reporting system for individuals and private sector organisations to report incidents to the Government.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	0.550	7.320	6.420	5.600	5.525
Net Core Crown Debt Impact Only	-	1.500	3.750	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>0.550</b>	<b>8.820</b>	<b>10.170</b>	<b>5.600</b>	<b>5.525</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Departmental Output Expenses:</b>					
Communications: Cyber Security Services (funded by revenue Crown)	0.550	7.320	6.420	5.600	5.525
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	1.500	3.750	-	-
<b>Total Operating</b>	<b>0.550</b>	<b>7.320</b>	<b>6.420</b>	<b>5.600</b>	<b>5.525</b>
<b>Total Capital</b>	<b>-</b>	<b>1.500</b>	<b>3.750</b>	<b>-</b>	<b>-</b>

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Retail Payment System Regulation

**Description:** This initiative will fund the implementation of the Retail Payment System Bill and deliver on a manifesto commitment to regulate merchant service fees. The Bill promotes competition and efficiency in the retail payment system for the long-term benefit of merchants and consumers. With the Commerce Commission / Te Komihana Tauhokohoko as regulator, the Bill provides for a regulatory regime to reduce costs and increase services for consumers and merchants in making and receiving retail payments. Initial price regulation will reduce merchant fees for using credit or debit cards, with at least \$74m of savings estimated each year. These benefits are expected to increase as the regulatory regime is fully implemented by the Commission.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.827	5.111	5.111	5.111
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.827</b>	<b>5.111</b>	<b>5.111</b>	<b>5.111</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Commerce and Consumer Affairs: Enforcement of General Market Regulation (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Retail Payment Systems Administration and Enforcement	-	0.827	5.111	5.111	5.111
Total Multi-Category Expenses and Capital Expenditure: Commerce and Consumer Affairs: Enforcement of General Market Regulation (MCA)	-	0.827	5.111	5.111	5.111
<b>Total Operating</b>	-	<b>0.827</b>	<b>5.111</b>	<b>5.111</b>	<b>5.111</b>
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

72 **agree** that a baseline review be completed by the end of 2025/26 to ensure this level of funding remains appropriate for this regulatory regime;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Return of tagged contingency funding: COVID-19 Infrastructure Cost Overruns and Reprioritisation

**Description:** This initiative returns funding previously held in the COVID-19 Infrastructure Cost Overruns and Reprioritisation tagged operating contingency for reallocation as part of Budget 2022, as this funding is no longer required.

### Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	(50.000)	-	-	-	-
Capital Contingency	-	-	-	-	-
<b>Total</b>	<b>(50.000)</b>	-	-	-	-

### Additional Recommendation

73 **note** that the balance will be \$121.050 million after this return of tagged contingency funding;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Return of tagged contingency funding: Wellington Accommodation Project (WAP) – Tranche 2

**Description:** This initiative returns funding previously held in the Wellington Accommodation Project (WAP) – Tranche 2 tagged operating contingency for reallocation as part of Budget 2022, as this funding is no longer required.

**Tagged Contingency**

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	(12.638)	-	-	-	-
Capital Contingency	-	-	-	-	-
<b>Total</b>	<b>(12.638)</b>	-	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Rural Connectivity

**Description:** This initiative builds on a commitment to improve broadband infrastructure in the worst served regions - such as Gisborne, Manawatu-Whanganui, Hawke's Bay, West Coast, and Southland - by delivering improvements in network capacity and coverage for broadband services in these regions. This initiative builds on the need for further investment in infrastructure to maintain at least the current level of service in the face of further rapid growth in network use, and existing infrastructure capacity reaching maximum utilisation.

### New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Communications: Rural Connectivity	Minister for the Digital Economy and Communications	Annual	Non-Departmental Output Expenses	N/A	This appropriation is limited to expenses incurred on network infrastructure investment, customer premises equipment, and other telecommunications capabilities that improve the availability and performance of connectivity services for rural communities.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	15.000	35.000	10.000	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>15.000</b>	<b>35.000</b>	<b>10.000</b>	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Non-Departmental Output Expenses:</b>					
Communications: Rural Connectivity	-	15.000	35.000	10.000	-
<b>Total Operating</b>	-	<b>15.000</b>	<b>35.000</b>	<b>10.000</b>	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Supporting renewable and affordable energy in New Zealand communities

**Description:** This initiative funds delivery of community-based renewable energy projects, including grants for the development costs of projects, and fund implementation costs. Funded projects will be innovation pilots to support New Zealand's energy transition. Projects will enable access to secure, renewable and more affordable energy, with a focus on low-income communities and/or insecure access to energy. Solutions will be tailored to local energy needs, capacity and resources. Funding will cover renewable energy generation options (e.g. solar, geothermal), and means of optimising energy use (e.g. energy storage and demand management). Funding will also support efficiency measures, education and capacity building in the target communities (where these costs are not covered by other initiatives).

## Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	4.000	4.000	4.000	4.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Energy and Resources: Renewable Energy in Communities and Public and Māori housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Operational Support	-	0.717	0.742	0.742	0.742
Provision of Funding for Purchase of Renewable Energy Solutions	-	3.283	3.258	3.258	3.258
Total Multi-Category Expenses and Capital Expenditure: Energy and Resources: Renewable Energy in Communities and Public and Māori housing (MCA)	-	4.000	4.000	4.000	4.000
<b>Total Operating</b>	-	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>
<b>Total Capital</b>	-	-	-	-	-

## **Additional Recommendations**

- 74 **note** that the Minister of Finance has approved changes to the title and overarching purpose statement of the multi-category appropriation ‘Energy and Resources: Renewable Energy in Public and Māori Housing’;
- 75 **note** that Cabinet has agreed to charge the operating expenditure from 2022/23 to 2025/26 associated with this initiative against the Climate Emergency Response Fund;
- 76 **note** that Cabinet has agreed that any operating expenditure associated with this initiative will impact OBEGAL and net debt directly after 2025/26;
- 77 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 78 **direct** the Ministry of Business, Innovation and Employment to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative; and

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** The Regional Strategic Partnership Fund

**Description:** This initiative funds the balance of the Regional Strategic Partnership Fund (RSPF) to meet the Government's \$200 million manifesto commitment. The RSPF will support regions to make steps towards achieving their economic potential, through partnering with regions to develop regionally specific projects.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	6.945	-	-	-
Net Core Crown Debt Impact Only	-	103.055	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>110.000</b>	-	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Economic and Regional Development: Regional Strategic Partnership Fund (MCA)					
<i>Non-Departmental Other Expenses:</i>					
Grants to Support Regional and Sector Initiatives	-	6.945	-	-	-
<i>Non-Departmental Capital Expenditure:</i>					
Investment through Crown-owned companies	-	103.055	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Economic and Regional Development: Regional Strategic Partnership Fund (MCA)	-	110.000	-	-	-
<b>Total Operating</b>	-	<b>6.945</b>	-	-	-
<b>Total Capital</b>	-	<b>103.055</b>	-	-	-

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Tourism Recovery Programme

**Description:** This initiative will support the development and creation of a fund to support the tourism sector's recovery from COVID-19 and the Government's strategic direction to 'reset and rebuild tourism on a sustainable model'.

### Appropriation Changes

	\$m - increase/(decrease)				2025/26 & Outyears
	2021/22	2022/23	2023/24	2024/25	
Operating Balance Impact	(27.247)	54.226	-	-	-
Net Core Crown Debt Impact Only	(26.979)	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>(54.226)</b>	<b>54.226</b>	<b>-</b>	<b>-</b>	<b>-</b>

	\$m - increase/(decrease)				2025/26 & Outyears
	2021/22	2022/23	2023/24	2024/25	
<b>Vote Business, Science and Innovation Minister of Tourism</b>					
<b>Non-Departmental Output Expenses:</b>					
Tourism: COVID-19 Tourism Response	(10.150)	54.226	-	-	-
Tourism: Strategic Tourism Assets Protection Programme	(17.097)	-	-	-	-
<b>Vote Business, Science and Innovation Minister for Economic and Regional Development</b>					
<b>Non-Departmental Capital Expense:</b>					
Investment in Crown-owned Companies for Tourism	(21.879)	-	-	-	-
Tourism Capital Investment	(5.100)	-	-	-	-
<b>Total Operating</b>	<b>(27.247)</b>	<b>54.226</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital</b>	<b>(26.979)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Additional Recommendation

79 **agree** that detailed policy design decisions will be made jointly by the Minister of Finance and Minister of Tourism;

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Innovation - Creating an RNA Development Platform

**Description:** This initiative will provide funding to create an RNA technology platform. It will support delivery through to pilot scale manufacturing, develop new manufacturing technologies, and lower technology transfer barriers. It will allow us to build international R&D and commercial partnerships. This aims to increase New Zealand's pandemic resilience and builds on investments the Government has already made in support of the COVID-19 response.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	10.176	10.176	10.176	10.176
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>10.176</b>	<b>10.176</b>	<b>10.176</b>	<b>10.176</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Research, Science and Innovation: Strategic Science Investment Fund (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Strategic Science Investment Fund - Infrastructure	-	10.176	10.176	10.176	10.176
Total Multi-Category Expenses and Capital Expenditure: Research, Science and Innovation: Strategic Science Investment Fund (MCA)	-	10.176	10.176	10.176	10.176
<b>Total Operating</b>	-	<b>10.176</b>	<b>10.176</b>	<b>10.176</b>	<b>10.176</b>

**Vote:** Business, Science and Innovation

**Appropriation Administrator:** Ministry of Business, Innovation and Employment

**Title:** Establishing a dedicated market studies response function in the Ministry of Business, Innovation and Employment (MBIE)

**Description:** This initiative will fund MBIE to establish a dedicated team to carry out new functions focused on responding to market studies and improving competition.

### Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	2.640	2.700	2.700	2.700
Net Core Crown Debt Impact Only	-	0.060	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>2.700</b>	<b>2.700</b>	<b>2.700</b>	<b>2.700</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
<b>Capital Injections:</b>					
Ministry of Business, Innovation and Employment - Capital Injection	-	0.060	-	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Related Services to Ministers (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice and Related Services to Ministers - Commerce and Consumer Affairs (funded by revenue Crown)	-	2.640	2.700	2.700	2.700
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Services to Ministers (MCA)	-	2.640	2.700	2.700	2.700
<b>Total Operating</b>	-	<b>2.640</b>	<b>2.700</b>	<b>2.700</b>	<b>2.700</b>
<b>Total Capital</b>	-	<b>0.060</b>	-	-	-