

The Treasury

Budget 2024 Information Release

September 2024

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Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

Where this is the case, the relevant sections of the Act that would apply have been identified.

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Budget 2024 Package: Vote Foreign Affairs

On 29 April 2024, Cabinet:

Appropriation Administrator: Ministry of Foreign Affairs and Trade

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2024 Budget package, as listed in the summary tables below and detailed in the attached initiative documents:

Summary of funded initiatives:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
15966	Return of Funding - Cessation of Pacific Cooperation Foundation Funding	-	(1.400)	(1.400)	(1.400)	(1.400)
16082	Efficiencies and Programme Savings in Vote Foreign Affairs	-	(13.600)	(13.600)	(13.600)	(13.600)
Total Operating		-	(15.000)	(15.000)	(15.000)	(15.000)

Summary of contingency initiatives:

Operating Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
15439	Pacific Property Strategy Tagged Contingency - Additional Funding to Help Address Cost Pressures	-	1.440	3.230	4.790	5.650
Total Operating		-	1.440	3.230	4.790	5.650

Capital Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28
15439	Pacific Property Strategy Tagged Contingency - Additional Funding to Help Address Cost Pressures	-	11.076	13.780	12.129	6.485
Total Capital		-	11.076	13.780	12.129	6.485

Note: Throughout the document, “total operating” refers to funding over five years (2023/24 to 2027/28) and “total capital” refers to funding over 10 years (2023/24 to 2032/33).

Rachel Hayward
Secretary of the Cabinet

Vote: Foreign Affairs

Appropriation Administrator: Ministry of Foreign Affairs and Trade

Title: Return of Funding - Cessation of Pacific Cooperation Foundation Funding

Description: This savings initiative returns \$5.600 million total operating funding which is no longer required due to the Minister of Foreign Affairs' decision to cease funding the Pacific Cooperation Foundation as a result of changing Government priorities.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(1.400)	(1.400)	(1.400)	(1.400)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(1.400)	(1.400)	(1.400)	(1.400)

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

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
Pacific Cooperation Foundation	-	(1.400)	(1.400)	(1.400)	(1.400)
Total Operating	-	(1.400)	(1.400)	(1.400)	(1.400)

Vote: Foreign Affairs

Appropriation Administrator: Ministry of Foreign Affairs and Trade

Title: Pacific Property Strategy Tagged Contingency - Additional Funding to Help Address Cost Pressures

Description: This initiative establishes tagged operating and capital contingencies for project cost pressures to support the Pacific Property Strategy, which is reinvesting in New Zealand’s Pacific property portfolio.

Tagged Contingency

	\$m - increase/(decrease)					
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Operating Contingency	-	1.440	3.230	4.790	5.650	5.650
Capital Contingency	-	11.076	13.780	12.129	6.485	-
Total	-	12.516	17.010	16.919	12.135	5.650

Additional Recommendations

- 2 **authorised** the Minister of Finance and the Minister of Foreign Affairs (Joint Ministers) jointly to draw down from the tagged operating and capital contingencies established above, subject to their approval of finalised individual business cases for each project within the Strategy when they are investment-ready;
- 3 **agreed** that the expiry date for the above tagged contingency be 30 June 2025;

Vote: Foreign Affairs

Appropriation Administrator: Ministry of Foreign Affairs and Trade

Title: Efficiencies and Programme Savings in Vote Foreign Affairs

Description: This savings initiative returns \$54.400 million total operating funding in Vote Foreign Affairs, from:

- the Asia New Zealand Foundation;
- Antarctica New Zealand;
- the Ministry of Foreign Affairs and Trade's contractor and consultant spend, specialised funds, back-office savings and other efficiencies; and
- non-priority areas of New Zealand's aid programme, expenditure and management costs of the aid programme to reflect the reduction in aid programme expenditure.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(13.600)	(13.600)	(13.600)	(13.600)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(13.600)	(13.600)	(13.600)	(13.600)

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

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
Antarctic Research, Operations and Cooperation	-	(0.630)	(0.630)	(0.630)	(0.630)
Promotion of Asian Skills and Relationships	-	(0.355)	(0.355)	(0.355)	(0.355)
Non-Departmental Other Expenses:					
International Development Cooperation	-	-	-	-	(7.615)
International Development Cooperation (MYA)	-	(7.615)	(7.615)	(7.615)	-

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders (MCA)					
<i>Departmental Output Expenses:</i>					
Management of New Zealand's International Development Cooperation (funded by revenue Crown)	-	(0.745)	(0.745)	(0.745)	(0.745)
Representation and advocacy on New Zealand's foreign policy (funded by revenue Crown)	-	(4.255)	(4.255)	(4.255)	(4.255)
Total Multi-Category Expenses and Capital Expenditure: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders (MCA)	-	(5.000)	(5.000)	(5.000)	(5.000)
Total Operating	-	(13.600)	(13.600)	(13.600)	(13.600)
Total Capital	-	-	-	-	-

Additional Recommendations

- 4 **agreed** that the Multi-Year Appropriation: "International Development Cooperation" be adjusted by (\$22.845 million);
- 5 **noted** that the amounts shown in the Appropriation Changes table for the Multi-Year Appropriation: "International Development Cooperation" reflect the change to the indicative annual spending profile.