



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

A.1 AR (2024)
B.14 (2024 – Minister of
Foreign Affairs’ report
on non-departmental
appropriation)

Annual Report

2023-24



Welcome to our 2023–24 report

This document contains two reports on the performance of the Ministry of Foreign Affairs and Trade.

- The Annual Report details our performance in meeting our Strategic Goals during the 2023–24 financial year.
- The Report on the International Development Cooperation (IDC) non-departmental appropriation within Vote Foreign Affairs provides results across the IDC Programme.

The objectives of our Annual Report are to:

- Communicate our purpose and commitments to New Zealand and our stakeholders.
- Recognise the significant achievement of our staff.
- Demonstrate our ability to deliver tangible outcomes for New Zealand.
- Report on our performance in delivering our strategic priorities and other key achievements.
- Demonstrate our commitment to accountable and transparent governance.
- Meet our statutory requirements in accordance with the Public Finance Act 1989.

For objectives of the Report on the IDC, see p.202.

MINISTRY OF FOREIGN AFFAIRS AND TRADE ANNUAL REPORT 2023–24

The Annual Report provides an overview of the Ministry of Foreign Affairs and Trade's operations and performance for the 2023–24 financial year. [p.4](#)

Presented to the House of Representatives pursuant to section 44(1) of the Public Finance Act 1989.

ANNEX 2: MINISTER OF FOREIGN AFFAIRS' REPORT ON THE INTERNATIONAL DEVELOPMENT COOPERATION NON-DEPARTMENTAL APPROPRIATION WITHIN VOTE FOREIGN AFFAIRS 2023–24

This report provides results from across the International Development Cooperation (IDC) Programme. [p.200](#)

Presented to the House of Representatives pursuant to section 19B of the Public Finance Act 1989.

Ministry of Foreign Affairs and Trade Annual Report 2023–24

This Annual Report details our performance during the 2023–24 financial year in meeting our strategic priorities.

It describes our achievements over the past year and outlines the challenges we have faced.



Report structure



A **Summary of our year for 2023–24** can be found on pages 8 to 17. This section provides a snapshot of our highlights and the key achievements of the Ministry.



Our goals and performance section reports on our performance in delivering our strategic priorities, with case studies demonstrating how we deliver on tangible outcomes. This is found on pages 18 to 92.



In the **Organisational health and capability** section on pages 93 to 107, we cover our commitment towards diversity, equity, and inclusion; our staff health, safety, and well-being; our organisational sustainability; our Māori-Crown relations capability; and asset performance.



The **Statements and schedules** section on pages 108 to 188 details how we performed this year against key measures, our expenses, and capital spending against our appropriation.



Additional information, including our governance and a glossary of key terms used in this report on pages 189 to 195.

Contents

Welcome to our 2023–24 report	3
Summary of our year	8
Chief Executive’s foreword	9
Our highlights	12
The Ministry at a glance	14
A shifting strategic context	15
Our Strategic Framework	16
Our goals and performance	18
01 International Rules & Institutions	23
02 Economic Returns & Resilience	31
03 Indo-Pacific	40
04 Pacific	46
05 Climate Change & Environment	58
06 Security & Safety	64
07 International Relationships	72
08 NZ Connections	79
09 Organisational Foundations	89
Organisational Health and Capability	93
Diversity, equity, and inclusion	94
Health, safety and well-being	98
Organisational sustainability	100
Strengthening the Ministry’s Māori-Crown relations capability	103
Asset performance	105
Statements and schedules	108
Statement of responsibility	109
How we performed against our output measures	123
Financial statements departmental	145
Non-departmental Financial Statements and Schedules	171
Independent Auditor’s Report	185
Additional information	189
Diplomatic immunity cases	190
Our structure and governance	191
Our Ministers	192
Our governance framework	193
Glossary	194

ANNEX 1: Minister of Foreign Affairs’ report on the Non-departmental Statement of Performance	196
ANNEX 2: Minister of Foreign Affairs’ report on the International Development Cooperation non-departmental appropriation within Vote Foreign Affairs 2023–24	200

Summary of our year



Chief Executive's foreword



Over the past year, the Ministry of Foreign Affairs and Trade has navigated an increasingly complex international environment. Escalating geopolitical tensions, growing climate change impacts, prolonged armed conflict, and increasing trade protectionism have come to characterise the global environment.

The dedication and professionalism of our people, both at home and throughout our global network of 58 diplomatic posts, have seen the Ministry continue to deliver on its purpose to build a safer, more prosperous, and more sustainable future for New Zealanders.

I also want to acknowledge at the outset the leadership of Chris Seed CNZM who concluded his term as Chief Executive in January 2024, retiring after a distinguished career and nearly 40 years of public service. Rob Taylor and Brook Barrington each ably led the Ministry as Acting Chief Executive through the remainder of the 2023–24 year.

This report sets out the Ministry's performance for the year 2023–24 against its *Strategic Intentions 2021–2025*. It also details the Ministry's progress against the foreign policy priorities of the previous and current governments, reflecting the fact that the performance period saw a change in government following the October 2023 national election.

The last year has seen geopolitical crises, that have presented challenges for protecting and progressing New Zealand's interests and values. Russia's ongoing war of aggression against Ukraine continues to exact a terrible toll on Ukraine's people, has wide-ranging impacts on European and global security, and undermines the liberal international rules-based system. The Israel-Hamas conflict has created a devastating humanitarian crisis in Gaza, severely heightened tensions in the Middle East, and raised serious concerns about the prospects for sustainable, long-term peace. The Indo-Pacific continued to see challenges to the rules-based order whether in the South China Sea, Democratic People's Republic of Korea (DPRK) or beyond.

The growing impacts of climate change threaten lives and livelihoods in our region and around the world, while emerging technologies such as AI present new challenges and uncertainties.

Operating in this complex global environment, the Ministry has had to work harder to find opportunities and manage risks.

The past year following sustained effort, by successive governments and New Zealand's trade negotiators saw the entry into force of the New Zealand-European Union Free Trade Agreement, which is set to increase New Zealand's total exports to the EU by NZD\$1.8 billion annually. New Zealand launched the Closer Economic Partnership Agreement negotiations with the United Arab

Emirates, another agreement that when concluded in benefit New Zealand exporters. We have substantially concluded negotiations on the Agreement on Climate Change, Trade and Sustainability, a ground-breaking trade agreement, that delivers commercial opportunities while also helping to address sustainability challenges.

The Ministry has also defended New Zealand's interests and values through sustained, targeted efforts in multilateral forums. We have worked to reduce suffering and uphold international law in our responses to key global conflicts. New Zealand has sought accountability through international judicial mechanisms for possible crimes committed in Russia's illegal invasion of Ukraine and enacted further sanctions against Russia for its actions. On the Israel-Hamas conflict, we have worked with likeminded partners to promote an immediate ceasefire, calling on all parties to meet their international legal obligations, and pushing for the unfettered flow of humanitarian assistance.

The well-being of the Pacific neighbourhood is fundamental to New Zealand's interests, and has been a sustained focus for the Ministry. New Zealand provided support to Tuvalu and Solomon Islands for free and fair national elections, contributing to the resilience of democracy and good governance in both countries and the wider Pacific.

New Zealand continues to support regional solutions to regional challenges. We are deeply invested in the Pacific Island Forum, supporting implementation of the 2050 Strategy for the Blue Pacific and acting as Chair of the 2023 Forum Officials Committee to advocate for Pacific regional unity. Our engagements at the UN Climate Change Conference (COP28) contributed to agreement by all countries to pursue economy-wide emissions reduction targets aligned with limiting global warming to 1.5 degrees, as well as to operationalisation of a new multilateral fund which will respond to loss and damage from climate change – outcomes of particular importance for Pacific Island nations.

Further reflecting New Zealand's enduring commitment to the international rules-based system we made an influential contribution to work clarifying the obligations of states under

international law regarding climate change, an issue of profound importance for the Pacific. The International Tribunal on the Law of the Sea's Advisory Opinion acknowledged the UN Framework Convention on Climate Change and the Paris Agreement as the international community's primary response to climate change.

New Zealand's International Development Cooperation (IDC) is an integral part of our foreign policy and is a critical tool for addressing complex regional and global challenges.

Development programmes aimed at boosting resilience and diversifying Pacific economies have delivered new jobs, increases in household income and net exports, and improvements in digital technology and connectivity. This year New Zealand has delivered NZD\$292 million under the Climate Finance Portfolio, of which over 60% went to the Pacific.

Our IDC Programme provided post-pandemic recovery support for over 180,000 people in five ASEAN countries, and the Manaaki New Zealand Scholarships programme supported 457 ASEAN scholars, building strong relationships with future ASEAN leaders.

Additionally, we collaborated successfully with Pacific partner governments to progress significant infrastructure projects in the region. These included starting construction on Betio Hospital in Kiribati, and completing projects including runway resurfacing in Solomon Islands and Niue, and the redevelopment of Kimbe Market in Papua New Guinea.

Reflecting the importance of a peaceful and inclusive Indo-Pacific for New Zealand and our interests, the past year has seen the Ministry intensify our focus on deepening ties in the region.

We concluded an upgrade of the ASEAN-New Zealand Free Trade Area (AANZFTA) which will boost trade and economic ties in a market of over 600 million consumers. Visits to the region by the Prime Minister, Minister of Foreign Affairs and cabinet ministers injected new momentum into our bilateral relationships and secured agreements to upgrade our bilateral relationships.

More broadly, the Ministry has supported a busy schedule of outward visits including 57 visits to 34 countries by the Governor-General, Prime Minister, Minister of Foreign Affairs, Minister for Trade and Minister of Climate Change.

For New Zealanders, the Ministry's work is often most apparent during crises overseas. Over the past year the Ministry responded to over 45,171 consular enquiries and provided consular services to 2,925 New Zealanders overseas.

This included deploying teams into highly challenging operating environments, for example to provide consular assistance to almost 100 New Zealand citizens, permanent residents, and family members to leave Israel, Gaza, and the West Bank. Consular assistance was also provided to people stranded in New Caledonia in May. Assisted departures brought 224 New Zealanders home from Noumea, as well as citizens from nations for which New Zealand has reciprocal consular responsibilities.

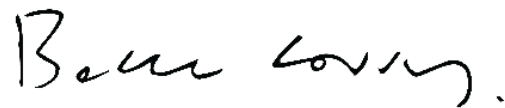
The Ministry's work overseas is facilitated by our close working relationships with other domestic agencies. As well as working with partner agencies in New Zealand, our offshore posts often co-locate with NZ Inc partner agencies. This helps maximise our resources, and bring a whole-of-government view to how we approach international issues.

The Ministry is committed to meeting our obligations as a Treaty/Te Tiriti partner, with authenticity and integrity. Equally, our active engagement with broader partners and stakeholders, including with the business,

education, and community sectors, informs our work to ensure that we are able to deliver for the benefit of all New Zealanders.

People are at the core of what we do. Just as we support New Zealand's interests abroad, so too must we ensure that the Ministry's staff have a workplace where they feel supported and included. An ongoing focus has been building a positive workplace culture.

In a complex, uncertain world that is undergoing significant shifts, I want to acknowledge our Ministry's people – onshore and offshore – and their families. They are our most valuable asset, and they continue to strive with professionalism, dedication, strength, and manaakitanga to deliver with impact and build a safer, more prosperous, and more sustainable future for New Zealanders.



Bede Corry

Secretary of Foreign Affairs and Trade

Our highlights

In line with our purpose, the Ministry delivers value to New Zealanders and contributes to their well-being. We do this in line with our four value propositions for New Zealanders.

MFAT Impact delivered for New Zealand 2023-24

Safety and Security								
<p>Continued support for Ukraine</p>  <p>Supported Ukraine's response to Russia's ongoing war of aggression through implementation of sanctions, and provision of approximately NZD\$114 million in total assistance as at 30 June 2024.</p>	<p>Consular Services</p>  <p>2,925 distressed New Zealanders overseas received consular services, which included assisting New Zealanders to depart safely from conflict in Israel, West Bank and Gaza, and civil unrest in New Caledonia.</p>	<p>US-NZ Joint Declaration</p>  <p>New Zealand and United States released a joint declaration that sets out the principles and priorities in reinvigorating our strategic partnership in support of enhanced security, stability and prosperity.</p>						
<p>ANZMIN 2+2</p>  <p>Held the inaugural 2+2 Australia-New Zealand Foreign and Defence Ministerial Consultations (ANZMIN 2+2) to affirm a commitment to strengthen our alliance to address evolving geostrategic challenges.</p>	<p>45,171 responses to consular advice enquiries.</p> <p>29 consular emergencies responded to.</p>	<p>Humanitarian assistance</p>  <p>Contributed NZD\$22 million to the humanitarian response to the Israel-Hamas conflict.</p> <p>Contributed NZD\$12.2 million for Rohingya refugees in Bangladesh and Myanmar.</p>						
<p>Maritime security</p>  <p>Participated in maritime security coalition to counter illegal Houthi attacks on shipping in the Red Sea.</p>	<p>Pacific security</p>  <p>Supported security cooperation across the Pacific, for example, by supporting Solomon Islands' security during the Pacific Games and election period.</p>	<p>Committed over NZD\$7 million to Ethiopia and Somalia to support communities experiencing severe food insecurity and other humanitarian needs.</p>						
Prosperity								
<p>Free Trade Agreements</p>  <p>Exports covered by FTAs</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Exports covered by FTAs (%)</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>56.7%</td> </tr> <tr> <td>2023-24</td> <td>69.2%</td> </tr> </tbody> </table>	Year	Exports covered by FTAs (%)	2017-18	56.7%	2023-24	69.2%	<p>Infrastructure projects in Pacific countries</p>  <p>Significant achievements in major New Zealand-supported infrastructure projects, including completion of the Taro runway in Solomon Islands and the Kimbe Market redevelopment project in Papua New Guinea; commencement of Betio Hospital in Kiribati; installation of new generators in the Kiribati National Referral Hospital; and resurfacing of Niue's Hanan International Airport runway.</p>	
Year	Exports covered by FTAs (%)							
2017-18	56.7%							
2023-24	69.2%							
<p>Asia Missions</p>  <p>Prime Minister's missions to Asia successfully reinvigorated New Zealand's relationships with Japan, Singapore, Thailand, and the Philippines.</p>	<p>Negotiations concluded</p>  <p>Three Indo-Pacific Economic Framework (IPEF) for Prosperity Agreements that will increase trade between New Zealand and the 13 IPEF partners.</p>	<p>Trade negotiations</p>  <p>New Zealand and the United Arab Emirates launched Comprehensive Economic Partnership Agreement (CEPA) negotiations. Signed the Upgrade of the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) which will boost trade in the region.</p>						
<p>Market intelligence</p>  <p>121 reports published.</p> <p>137,000 page impressions.</p> <p>90.6% positive feedback.</p>	<p>Agreement on Climate Change, Trade and Sustainability (ACCTS) negotiations will provide New Zealand with new commercial opportunities within the areas of climate change and sustainability.</p> <p>NZ-EU FTA entered into force on 1 May 2024, which is set to increase our total exports to the EU by NZ\$1.8 billion.</p>							

Influence

Visits supported



61

Inwards visits – Guest of Government.



57

Prime Minister and Portfolio Ministers overseas outward visits.

Hosted CPTPP 2023

New Zealand **successfully hosted** Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). As Chair, we oversaw **ratification of all CPTPP members**, and the Prime Minister oversaw the **accession of the United Kingdom** at the Commission Meeting in Auckland, July 2023.



Vice Chair at WTO 13th Ministerial Conference

The Minister for Trade was Vice Chair for the 13th Ministerial Conference of the World Trade Organisation (WTO) in Abu Dhabi, reflecting New Zealand's longstanding commitment to the multilateral trading system.

Manaaki New Zealand Scholarships

Manaaki New Zealand Scholarships supported 340 new scholars from the Pacific, and 457 new scholars from ASEAN countries in tertiary and short-term training courses, building enduring relationships between New Zealand, Pacific Islands' and ASEAN emerging leaders.



Advocacy and support for the Pacific

- Advanced the interests of Small Island Developing States (SIDS) through our leading role in the UN SIDS Conference in Antigua and Barbuda.
- Contributed to and facilitated Pacific Islands Forum (PIF) unity and centrality.
- Contribution to the International Tribunal on the Law of the Sea (ITLOS) Advisory Opinion on the obligations of states under international law regarding climate change.
- Support for Samoa in its preparation to host the Commonwealth Heads of Government Meeting (CHOGM) in October 2024.



Kaitiakitanga



Climate Finance

Continued roll-out of climate finance, supporting developing country partners to achieve results in climate adaptation and mitigation.

Around **67%** of the NZD\$1.3 billion current Climate Finance committed for 2022–25 has been spent, of this

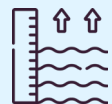
NZD\$532 million has been spent in the Pacific so far.

Supported several climate change initiatives launched at **COP 28**.



Worked with Pacific partners to promote regional and United Nations initiatives to address the threat of climate-

related **sea-level rise to low-lying island states**.



New Zealand **ratified the WTO Fisheries Subsidies Agreement**, contributing towards its entry into force and the goal of reducing harmful subsidies.



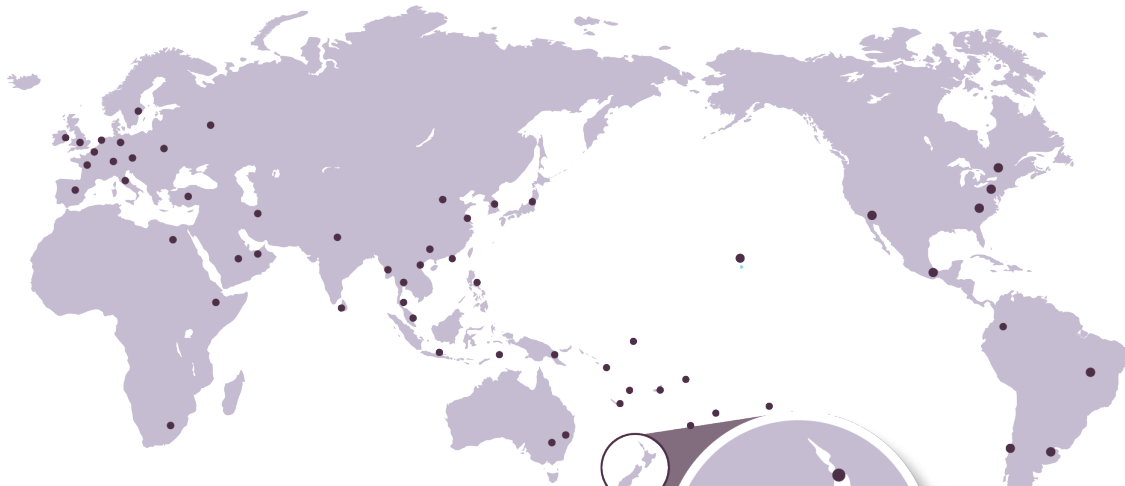
Continued to engage in negotiations towards a new international **Treaty on Plastic Pollution** to reduce waste and improvement environmental outcomes.



The Ministry at a glance

The Ministry of Foreign Affairs and Trade (MFAT) acts in the world to build a safer, more prosperous, and more sustainable future for all New Zealanders.

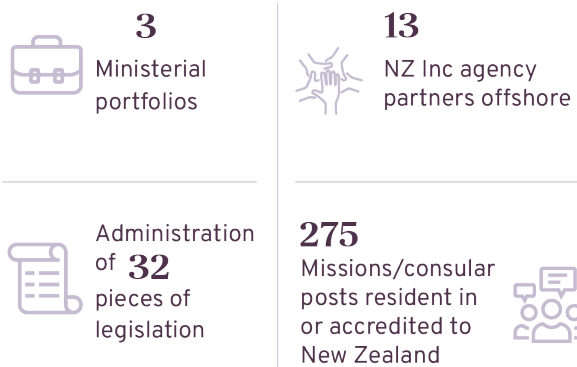
MFAT locations around the world and in NZ



MFAT's global network is comprised of:



MFAT supports



Vote Foreign Affairs Expenditure for 2023-24

Total
\$2,028 million

Departmental	\$527 million
Departmental capital	\$31 million
International Development Cooperation	\$1,202 million

A shifting strategic context

The global environment is increasingly challenging with a global outlook of increased complexity, heightened strategic tension, increasing unpredictability and growing levels of disruption and risk.

The Ministry's 2023 Foreign Policy Strategic Assessment '*Navigating a shifting world – Te whakaterere i tētahi ao hurihuri*', looks ahead to 2035 and describes a more challenging period for advancing and defending New Zealand's interests and values.

The Strategic Assessment identifies three 'Big Shifts' that are rapidly changing the global context and New Zealand's place within it:

1. **A shift from rules to power.** This is a shift towards a 'multipolar' world, characterised by a period during which rules are more contested and relative power between states has a greater role in shaping international affairs.
2. **A shift from economics to security.** This is a shift in which economic relationships are reassessed in light of increased military competition in a more securitised and less stable world.
3. **A shift from efficiency to resilience.** This is a shift in factors driving economic behaviour. Building resilience and addressing social and sustainability issues will become more prominent economic drivers for countries.

The past year has seen New Zealand navigate these shifts, amidst prolonged armed conflict, increased geopolitical tension, growing climate change impacts and environmental degradation, increasing trade protectionism, challenges to the international rules-based system, and rapid technological development.

Russia's war of aggression against Ukraine continues to have significant implications for European and global peace, security, and economic stability. Russia's actions have also undermined international law in flagrant violation of the United Nations Charter.

The Israel-Hamas conflict, the horrific humanitarian crisis in Gaza and spill over of tensions into the region have compounding humanitarian, global peace and security, and economic implications. Ongoing, illegal Houthi attacks on shipping in the Red Sea continue to have significant impacts on international trade, including for New Zealand.

Closer to home, tensions in the South China Sea, growing strategic competition in the Indo-Pacific and the impacts of climate change in the Pacific, have had an impact on New Zealand's security, trade, and economy.

This shifting strategic context presents opportunities for New Zealand, but also requires the Ministry to navigate a wider array of global threats and risks. In a challenging fiscal environment, the Ministry will both prioritise effort and direct resources to ensure we are able to deliver on the most pressing foreign policy priorities. In doing so, we will be guided by our Strategic Framework, and the Coalition Government's foreign policy priorities.



Our Strategic Framework | Te anga rautaki



TŌ TĀTOU KAUPAPA

**Kia hāngai ake e te Manatū
he ao-haumaruru, ao-tōnui,
ao-pūmau, ki te oranga
tonutanga mō Aotearoa
whānui**

OUR PURPOSE

The Ministry acts in the world to build a safer, more prosperous and more sustainable future for New Zealanders



Our value propositions



Our strategic goals



Our organisational capability goals

Our goals and performance



Reporting against our Strategic Framework

The content of the Strategic Framework is set out in the Ministry’s *Strategic Intentions 2021–2025*. The Strategic Intentions identify nine goals (seven Strategic Goals and two Organisational Capability Goals) and Outcomes that express the impact the Ministry is aiming to achieve over a 10-year period. This is delivered through a combination of ‘Priority Deliverables’ over a rolling four-year period.

The Ministry continues to report against our 23 ‘Priority Deliverables’ for 2023, reduced from the 46 ‘Priority Deliverables’ originally set out in the *Strategic Intentions 2021–2025*. This was the result of a reprioritisation exercise to concentrate the Ministry’s efforts on its most important deliverables. Of the 23 ‘Priority Deliverables’ no longer reported against, some were already achieved (for example, running the campaign to secure the election of New Zealand’s candidate to the International Law Commission in November 2021), with others being absorbed into ‘Business as Usual’ (for example, delivering enduring outcomes for New Zealand from APEC).

How we assess and measure progress

The Annual Report is based on the Ministry’s End of Year Goal Assessments, which presents a qualitative assessment at the Goal and Outcome level. Case studies are used to provide background and additional context for the Ministry’s achievements under each Goal.

Work continues to ensure that the Indicators used by the Ministry add value to the qualitative assessment against Outcomes and are supported by evidence. Consequently, not all Outcomes have an Indicator, while some Outcomes have multiple Indicators. Commentaries are included, where appropriate, to help explain the results. There are different types of indicators that we use to describe our outcomes:

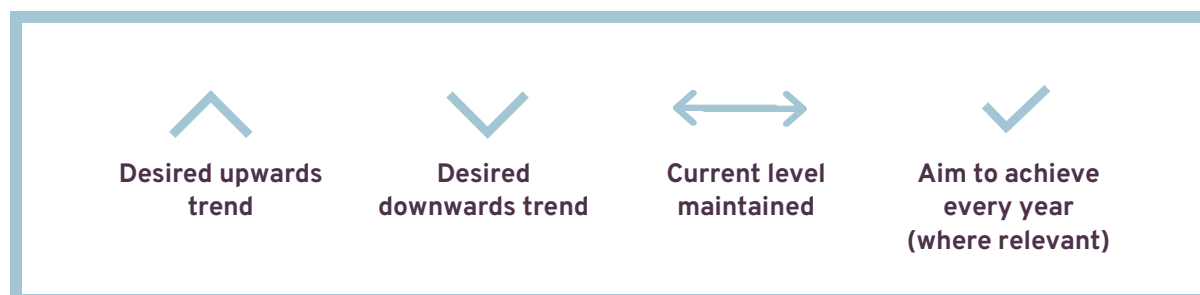


Activities that are attributable or sufficiently connected to the Ministry (e.g. percentage of respondents satisfied with consular services; percentage of trade covered by FTAs).

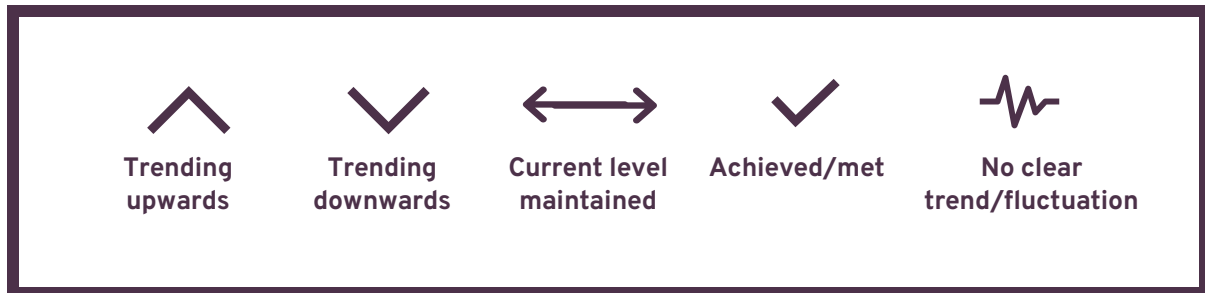


Global indicators may be used if they meaningfully supplement the performance story, while acknowledging that the connection to MFAT activity is difficult to establish clearly. (e.g. World Bank Government Effectiveness Indicators in the Pacific; tracking achievement of Sustainable Development Goal progress in the Pacific).

The Indicators do not have targets. A symbol is used to represent the future trend the Ministry would like to see. This is stated as **Desired Trend** in the report:



The Overall Trend is compared against the Desired Trend to see the Ministry’s progress. The Overall Trend is obtained by analysing data between 2019–20 and 2023–24. A symbol is used to represent the **Overall Trend** for the Results:



Our service performance information

We also track our performance through output measures. These measures have performance targets, which we either achieve or do not achieve. In most cases, our performance in 2023–24 is measured by comparing our achievements against the results from previous years – see [page 118](#) for more information.

Our financial and asset performance shows how effectively and efficiently we managed our resources to deliver results – see [page 145](#) for financials, and [page 106](#) for asset performance.

Budget significant initiatives

The initiatives listed below were considered material and significant to the Ministry and our stakeholders. They align to the Ministry’s Strategic Framework and form part of our priority deliverables.

Pacific Property System Projects			
Name of policy initiative	Appropriation	Budget year funded	Location of performance information
Enhancing Pacific Property	Act in the world to make New Zealanders safer and more prosperous – MCA	Budget 2020	Annual Report 2020–21 p. 46, 58
	Ministry of Foreign Affairs and Trade – Capital injection		Annual Report 2022–23 p.93 (Goal 9, Outcome 2)
			Annual Report 2023–24 p.90 (Goal 9, Outcome 2)
<p>The Pacific Property System Project is a programme of work across the Pacific to construct new chancery buildings and staff houses, upgrade infrastructure, and enable a shift to a centralised, outsourced facilities management system.</p> <p>Note: This is part of the investment to ensure the Ministry has the capability and capacity required to deliver on its Strategic Goals. The funding over the planning horizon to 2023–24 will provide the physical infrastructure needed to support the desired policy direction of the Pacific Reset. This is an operating expense budget of NZD\$14.6 million over the first four years and NZD\$47.8 million in capital.</p>			

International Development Cooperation			
Name of policy initiative	Appropriation	Budget year funded	Location of performance information
Increasing New Zealand’s international assistance to ensure strong governance and inclusive development	Act in the world to make New Zealanders safer and more prosperous – MCA	Budget 2020	Annual Report 2020–21 p. 133
	International Development Cooperation		
Aotearoa New Zealand’s International Climate Finance Commitment 2022–2025	International Development Cooperation – MYA	Budget 2022	Annual Report 2021–22 p. 137; Annex 2
	International Development Cooperation – Annual Appropriation		Annual Report 2022–23 p. 133; Annex 2
	Departmental Multi-Category Expenses and Capital Expenditure: Act in the world to build a safer, more prosperous, and more sustainable future for New Zealanders		Annual Report 2023–24 p. 59, 136; Annex 2
	Management of New Zealand’s International Development Cooperation		Cabinet’s commitment to supporting developing countries to adapt to the environmental, economic, and social impacts of climate change, with a focus on the Pacific. These commitments are set out in New Zealand’s International Climate Finance Strategy (see Note 1)

Note 1:

Cabinet Minute: CAB-21-MIN-0410 – Aotearoa New Zealand’s International Climate Finance Commitment 2022–2025, 11 March 2022

www.mfat.govt.nz/en/media-and-resources/cab-21-min-0410-aotearoa-new-zealands-international-climate-finance-commitment-2022-2025-11-march-2022/

New Zealand's International Climate Finance Strategy

www.mfat.govt.nz/assets/Aid/Climate-finance/International-Climate-Finance-Strategy-At-a-glance-FINAL.pdf

Note 2:

CERF reporting on the Treasury website provides aggregated spend reporting against the budget profiles in the original Cabinet paper.

www.treasury.govt.nz/information-and-services/nz-economy/climate-change/climate-emergency-response-fund

Note 3: The Ministry delivers development cooperation through New Zealand’s IDC Programme – Ngā Hoe Tuputupu-mai-tawhiti (translation: ‘The paddles that bring growth from afar’).

IDC is an Multi Year Appropriation approved on a triennium basis. The policy initiative “increasing New Zealand’s international assistance to ensure strong governance and inclusive development” from Budget 2020 (NZD\$50.2 million) belongs to the triennium period 2018–19 to 2020–21 (NZD\$2.3 billion).

The initiative “Aotearoa New Zealand’s International Climate Finance Commitment 2022–25” from Budget 2022 totals NZD\$800 million over four years to December 2025, of which NZD\$450 million belongs to the triennium period 2021–22 to 2023–24.

01 International Rules & Institutions



UN Secretary-General António Guterres addresses the 78th United Nations General Assembly. Credit: UN photo/Cia Pak

Strengthen, protect and use international rules and institutions to pursue New Zealand's values and interests

New Zealand is an active supporter of the framework of rules, norms and institutions that make up the rules-based international system. Support for this system and its core principles – the peaceful settlement of disputes, respect for sovereignty and territorial integrity, the promotion of sustainable development, respect for fundamental human rights – are core tenets of New Zealand's foreign policy.

New Zealand's size and geographical location means that it relies on fair and consistent international rules for its security and prosperity. Multilateral institutions and processes enable collective action on shared global challenges, such as climate change and oceans governance, and provide New Zealand and its Pacific partners with a voice and influence on priority issues that they could not achieve any other way.

An increasingly complex international environment poses challenges for multilateral institutions and the rules-based system. In response, New Zealand remains committed to working with a diverse range of partners to uphold international rules and norms and address pressing global issues. While progress is proving increasingly challenging, significant outcomes are still possible.

Key achievements

- Worked to defend international law in our response to key global security crises, notably Russia’s illegal invasion of Ukraine and the Israel-Hamas conflict (see Goal 1, Outcome 1, p.24 and Goal 6, Outcome 2, p.67).
- Advanced the interests of Small Island Developing States (SIDS) through our leading role in the United Nations (UN) SIDS Conference in Antigua and Barbuda in May 2024 (see Case Study, p.29).
- Successfully challenged Canada’s administration of its dairy quotas under the Comprehensive and Progressive Trans-Pacific Partnership Agreement (CPTPP) (see Goal 2, Outcome 1, p.32).



Outcome 1: New Zealand has used international rules and institutions to progress national interests

In response to growing challenges to the rules-based international system, New Zealand has reprioritised its multilateral engagement to sharpen its focus on our core interests. These include upholding fundamental tenets of international law that underpin our sovereignty, security, and prosperity; supporting new norms to regulate emerging threats; promoting effective oceans governance, responses to pollution, and protection of biodiversity; maintaining a peaceful and protected Antarctica (see Goal 5, p.58). We have focused also on supporting the multilateral trading system and effective global action to address climate change.

Defending New Zealand’s core values and freedoms is a priority, including upholding human rights, advancing disarmament and arms control, and delivering multilateral development assistance and humanitarian responses. This includes promoting the interests of Pacific Island states in the multilateral system.

Against the background of growing geostrategic tensions, **New Zealand has increased its engagement and cooperation**

with likeminded partners to resist efforts to reshape the liberal rules-based international system in ways incompatible with New Zealand’s interests and values.

This includes working with partners to defend core rules and norms in multilateral forums and seeking to uphold and defend international law in our response to global security crises.

Respect for international law has underpinned New Zealand’s response to the **Israel-Hamas conflict**, where we have consistently called on the parties to comply with their obligations under international law, including humanitarian law. This has included through our votes on a number of resolutions in the United Nations. New Zealand also supported efforts to seek accountability for **Russia’s illegal invasion of Ukraine** through the International Criminal Court (ICC) and International Court of Justice (ICJ).

Domestically, New Zealand has continued implementation of the **Russia Sanctions Act**, adopting five further tranches of sanctions (now 26 tranches in total), conducting outreach to regulated communities¹, and investigating an increasing number of potential breaches.

New Zealand has joined likeminded partners in condemning the **Democratic People’s Republic of Korea (DPRK)**’s illegal transfer

¹ Those impacted by the Regulations (all New Zealanders with outreach having a particular focus on key stakeholders and industries).

of ballistic weapons to Russia for use in Ukraine, as well as Russia’s UN Security Council veto of a resolution renewing the mandate of the UN Panel of Experts monitoring DPRK sanctions violations. **New Zealand has actively opposed the DPRK’s illegal and escalatory actions**, hosting an international meeting on implementing DPRK sanctions in April 2024.

In January 2024, **New Zealand deployed a six-member Defence Force team to join an international coalition upholding maritime security in the Red Sea**. This response to Houthi attacks on international commercial and naval shipping reflected our long-standing support for international rules, maritime security, and freedom of navigation (see Goal 6, Case Study, p.71).

In the face of growing concerns about **climate change-related sea-level rise**, New Zealand has worked closely with Pacific partners to ensure that States’ rights and entitlements under international law are protected (see Case Study, p.29).

New Zealand is contributing to the development of new disarmament and security norms. New Zealand supported the development of rules and limits on **autonomous weapon systems** within existing forums such as the UN Convention on Certain Conventional Weapons (CCW) and by co-sponsoring a UN General Assembly resolution requesting a report by the UN Secretary-General. New Zealand joined 54 States in endorsing a Political Declaration on the Responsible Military Use of Artificial Intelligence and Autonomy.

New Zealand has also contributed to the development of **norms for responsible behaviours in outer space**, successfully advocating to extend the mandate of the UN’s Open Ended Working Group (OEWG). New Zealand co-sponsored a US-Japan-led UN Security Council resolution on nuclear weapons in space. The first resolution of its kind, it reiterated the importance of complying with the Outer Space Treaty and called on States to not develop nuclear weapons or other weapons of mass destruction specifically designed to be placed in orbit around the Earth. In the wake of Russia’s subsequent veto of the resolution, New Zealand joined likeminded partners in condemning Russia’s action.

New Zealand is supporting Samoa’s preparations to host the next Commonwealth Heads of Government Meeting (CHOGM) on 21–26 October 2024. This will be the first time the meeting is hosted by a Pacific Island country. New Zealand agencies worked with Samoan partners to conduct needs assessments and identify capability and capacity gaps, enabling us to direct our support where it is most needed and helping Samoa shape its asks of other partners. Our support will help Samoa host a successful event and reinforce New Zealand’s status as a trusted and reliable partner in the region.

New Zealand is coordinating with likeminded partners in developing policy and response frameworks to address growing **security challenges associated with diplomatic protocol and consular work** (see Goal 6, Outcome 4, p.68).

Indicator:	Desired Trend
<p>Maintain or increase volume of concessional financing from the Asian Development Bank and World Bank to the Pacific</p>	
<p>Reason for choosing this Indicator MFAT works to influence international financial institutions to provide additional funding in areas aligned to New Zealand’s interests and values. The Asian Development Bank focuses on Asia, while the World Bank has a global focus.</p>	

Progress:

ASIAN DEVELOPMENT BANK	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
New financing commitments, including co-financing, in the Pacific totalled	USD\$308 million	USD\$1,308 million	USD\$1,276 million	USD\$1,098 million	USD\$797.6 million	↓
Net commitments were lower than normal in 2023-24 due to travel and other restrictions in the Pacific during the year prior, which limited project preparation and approvals in 2023. The amount is expected to increase next year given the reopening of Pacific economies and the transfer of additional Asian Development Fund financing to the Pacific in late 2023.						
Active loan and grant projects	83	82	82	86	-	↓
Loan and grant portfolio in the Pacific totalled	USD\$2,849 million	USD\$3,070 million	USD\$3,012 million	USD\$3,283 million	-	
The loan and grant portfolio in the Pacific fell somewhat from 2022-23 due to the fall in new commitments, while the number of active projects in the Pacific held steady.						

THE WORLD BANK	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend										
Total net commitments in the Pacific	USD\$258 million	USD\$121.8 million	USD\$1,094 million	USD\$482.5 million	Existing levels of funding maintained	↓										
<p>Although over the four year period, the overall trend is downwards, net commitments more than doubled year-on-year as World Bank operations began to return to normal in the Pacific following the disruptions caused by the COVID-19 pandemic and as operations financed under the IDA20 replenishment² began to ramp up.</p> <table border="1"> <caption>Net Commitments in the Pacific (USD million)</caption> <thead> <tr> <th>Year</th> <th>2020-21</th> <th>2021-22</th> <th>2022-23</th> <th>2023-24</th> </tr> </thead> <tbody> <tr> <td>Net Commitments</td> <td>\$482.5m</td> <td>\$1,094.0m</td> <td>\$121.8m</td> <td>\$258.0m</td> </tr> </tbody> </table>							Year	2020-21	2021-22	2022-23	2023-24	Net Commitments	\$482.5m	\$1,094.0m	\$121.8m	\$258.0m
Year	2020-21	2021-22	2022-23	2023-24												
Net Commitments	\$482.5m	\$1,094.0m	\$121.8m	\$258.0m												
Total net portfolio and number of active operations in the Pacific	USD\$2,929 million 91 active operations	USD\$2,741 million 90 active operations	USD\$3,064 million 104 active operations	USD\$2,063 million 86 active operations	-	↑										
The net portfolio grew by around USD\$200 million from 2022-23, while the number of active projects grew only slightly, in line with the World Bank's strategy of focusing on fewer, but higher value, projects and programs.																

² IDA20 Replenishment – a \$93 billion replenishment package of the International Development Association (IDA) to help low-income countries respond to the COVID-19 crisis and build a greener, more resilient, and inclusive future.

Outcome 2: New Zealand has helped protect and strengthen international rules and the effectiveness of the multilateral system

New Zealand engaged actively in international negotiations on a cybercrime treaty, supporting participation by Pacific countries and seeking to ensure that the draft treaty is focused in scope and respects human rights.

In April 2022, New Zealand played a leading role in the adoption of a UN General Assembly resolution requiring the General Assembly to meet whenever a veto is cast preventing action by the UN Security Council.

The value of this initiative in providing **greater transparency and accountability for UN Security Council actions** has been demonstrated clearly over the past year, as growing geostrategic tensions have hampered effective Security Council action in response to global security challenges. The veto was cast ten times in the Security Council between July 2023 and June 2024, including five vetoes since the start of the current crisis in Gaza. New Zealand spoke at each General Assembly meeting to register its long-standing opposition to the veto and seek accountability from Council members for its use.

New Zealand is working hard in the WTO to reform and strengthen the multilateral rules-based trading system. We are engaging to deliver on issues of importance to New Zealand, such as the WTO E-commerce Joint Statement Initiative (JSI) negotiations, which will establish rules across a diverse range of economies in the important and growing area of digital trade (see Goal 2, Outcome 1, p.32). We are also active in efforts to restore a fully-functioning dispute settlement mechanism through our involvement in small groups focused on WTO reform.

New Zealand has undergone a five-yearly Universal Periodic Review (UPR) of its

human rights situation by the UN Human Rights Council. The Minister of Justice led the New Zealand delegation at its UPR examination in April 2024. New Zealand received recommendations on measures to improve its human rights situation, including regarding ratification of treaties to which New Zealand is a signatory.

New Zealand remains a strong advocate for fundamental human rights internationally. Against a background of rising geostrategic tensions, New Zealand has consistently worked with likeminded partners to resist efforts to undermine established human rights norms. New Zealand's advocacy in UN human rights forums and contribution to norm-setting resolutions has helped protect and promote human rights in priority areas, such as gender rights and the rights of people with disabilities (notably on disability rights in conflict situations).

New Zealand has also engaged to highlight grave human rights situations in specific countries, through joint statements at the UN and participation in an Interactive Dialogue with the UN Special Rapporteur to advocate for human rights in the DPRK.

New Zealand's support of fundamental human rights has underpinned our reputation as a principled advocate for human rights in the multilateral system and around the world. New Zealand has been an active participant in two parallel global health negotiations in the World Health Organisation (WHO).


New Zealand continues to promote disarmament treaties and norms. New Zealand is playing an active role in implementing the **Treaty on the Prohibition of Nuclear Weapons (TPNW)**. We were reconfirmed as a member of the TPNW Coordinating Committee and co-chair of its nuclear verification work at its second Meeting of States Parties in November 2023. New Zealand also helped develop a framework for assistance to TPNW States Parties affected by the legacies of nuclear testing. New Zealand was active in the **Nuclear Non-**

Proliferation Treaty (NPT) review process, particularly on nuclear disarmament, as a member of the New Agenda Coalition, and in initiatives to improve nuclear transparency and accountability. New Zealand began a two-year term on the **Organisation for the**

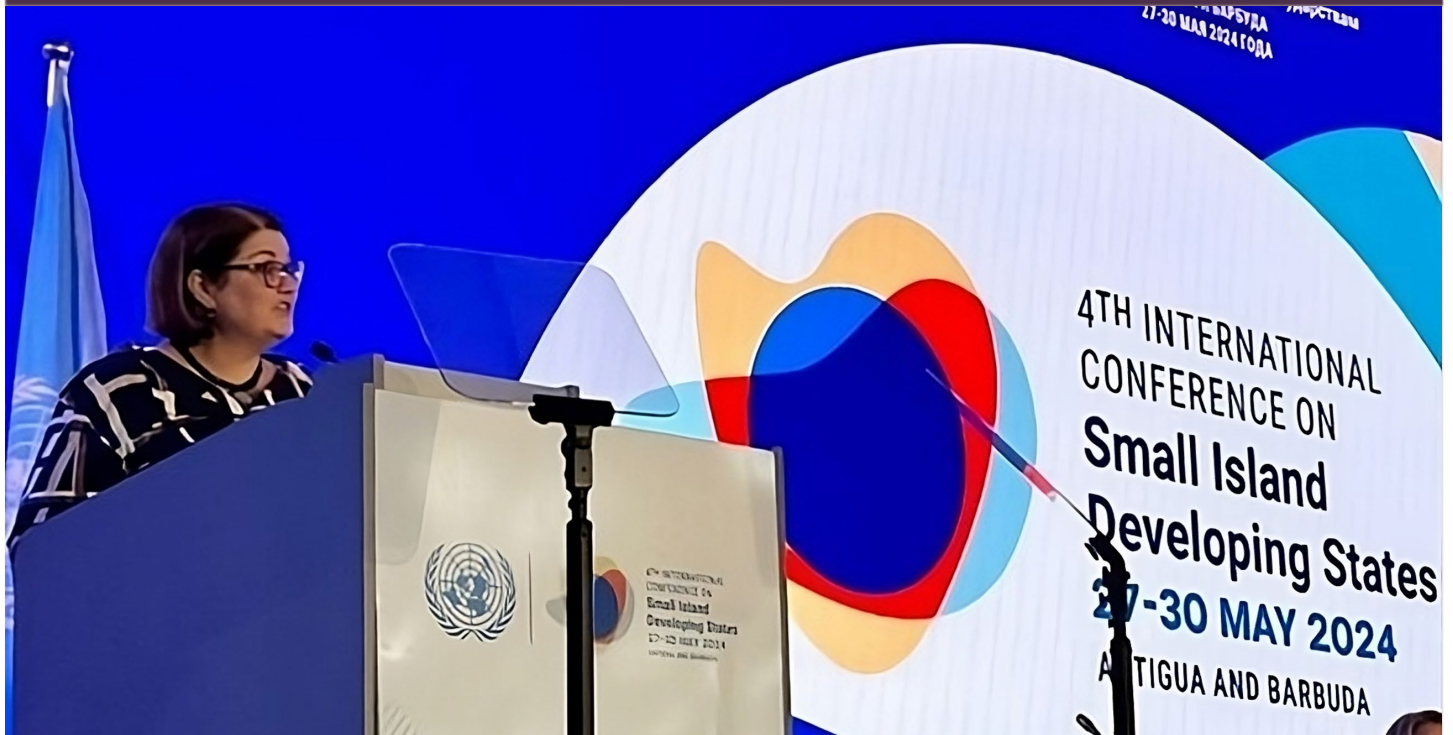
Prohibition of Chemical Weapons (OPCW) Executive Council in May 2024. New Zealand worked in the OPCW and the International Atomic Energy Agency to resist efforts to disrupt or undermine these bodies.

Progress:

Indicator:	Desired Trend
Subscription to global disarmament treaties	
Reason for choosing this Indicator The Ministry works to influence global disarmament, as indicated by the desired increase in the number of states parties subscribing to global disarmament treaties.	

Treaties	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
Treaty of the Prohibition of Nuclear Weapons	70 states parties	68 states parties	61 states parties	55 states parties	38 states parties	
Arms Trade Treaty	114 states Parties	113 states parties	111 states parties	110 states parties	106 states parties	
Convention on Cluster Munitions	112 states parties	111 states parties	110 states parties	110 states parties	108 states parties	
Comprehensive Nuclear-Test-Ban Treaty	178 states parties +	177 states parties*	172 states parties^	168 states parties	Four Pacific Island Countries (PICs) yet to ratify	
Treaty on the Non-Proliferation of Nuclear Weapons	No change (191 states parties)	No Change	No Change	No Change	10 PICs do not have an Additional Protocol in place	
+ with Papua New Guinea ratifying from the Pacific region * with Solomon Islands and Timor-Leste ratifying from the Pacific and Southeast Asia region ^with Tuvalu ratifying from the Pacific region						

Case Study



New Zealand Permanent Representative, Carolyn Schwalger addresses the 4th International Conference on Small Island Developing States. Credit: New Zealand Permanent Mission to the United Nations, New York

Partnering with the Pacific in the multilateral system

Effective international rules and institutions contribute to the peace, prosperity, and resilience of New Zealand's Pacific neighbourhood.

New Zealand works closely with Pacific partners to amplify their voices, and to ensure the multilateral system delivers practical and meaningful outcomes that reflect their needs.

Key priorities for Pacific Island countries include: effective climate action and responses to the threats posed by sea-level rise; access to development and climate finance; addressing vulnerabilities to external shocks; and developing sustainable blue economies.

UN Small Island Developing States (SIDS) Conference

New Zealand played a central role in the success of the Fourth UN International Conference on SIDS in Antigua and Barbuda in May. New Zealand's Pacific Island

development partners and Timor-Leste are all SIDS.

The *Antigua and Barbuda Agenda for SIDS – A Renewed Declaration for Resilient Prosperity* (ABAS) adopted at the Conference provides a 10-year plan for SIDS through which the international community committed to support SIDS' leadership in creating solutions to challenges which imperil their lives, livelihoods, and well-being.

The ABAS sets out a range of commitments on measures to address the impacts of climate change, build resilience to social and economic vulnerabilities, improve access to development and climate finance, and enhance data collection to assess progress.

It also encouraged the use of a **multidimensional vulnerability index (MVI)** to assess development status. This better reflects the unique challenges and vulnerabilities faced by SIDS than traditional measures such as per capita gross domestic product (GDP).

New Zealand served as co-chair of the Conference preparatory process and oversaw the ABAS negotiations. New Zealand contributed NZD\$1 million towards the costs of hosting of the Conference and supported travel by SIDS participants and research on SIDS issues. New Zealand will continue to be a supportive voice for SIDS as states move to implement these commitments.

Addressing the threats posed by sea-level rise

Pacific Leaders have been clear that climate change and the sea-level rise that it causes are the defining issues facing the region. In responding to these challenges, **New Zealand has worked closely with Pacific partners to ensure that State's rights and entitlements under international law are protected.**

New Zealand worked with Pacific Island countries to develop the ***Declaration on the Continuity of Statehood and the Protection of Persons in the Face of Climate Change-related Sea-Level Rise*** issued by Forum Leaders at the 52nd Pacific Islands Forum (PIF) in the Cook Islands in November. The Declaration, together with the *Declaration on Preserving Maritime Zones in the Face of Climate Change-Related Sea-Level Rise* issued by Forum Leaders in 2021, aim to protect the statehood, sovereignty, maritime zones, and people of those countries most impacted by sea-level rise.

New Zealand is working with Forum Members and the international community to ensure the purposes of these Declarations are achieved. **New Zealand co-facilitated the preparatory process for a High-level Meeting of the UN General Assembly on**

addressing threats posed by sea-level rise to be held in New York on 25 September.

Occurring during UN Leaders' Week, this meeting will focus high-level attention and build international support for solutions that reflect Pacific Island and other low-lying countries' needs.

Preparations for the High-Level Meeting have enhanced international awareness of the multi-faceted nature of sea-level rise, including the important role played by science and evidence-based decision-making, the need for climate action and financing, socio-economic considerations, and international legal dimensions.

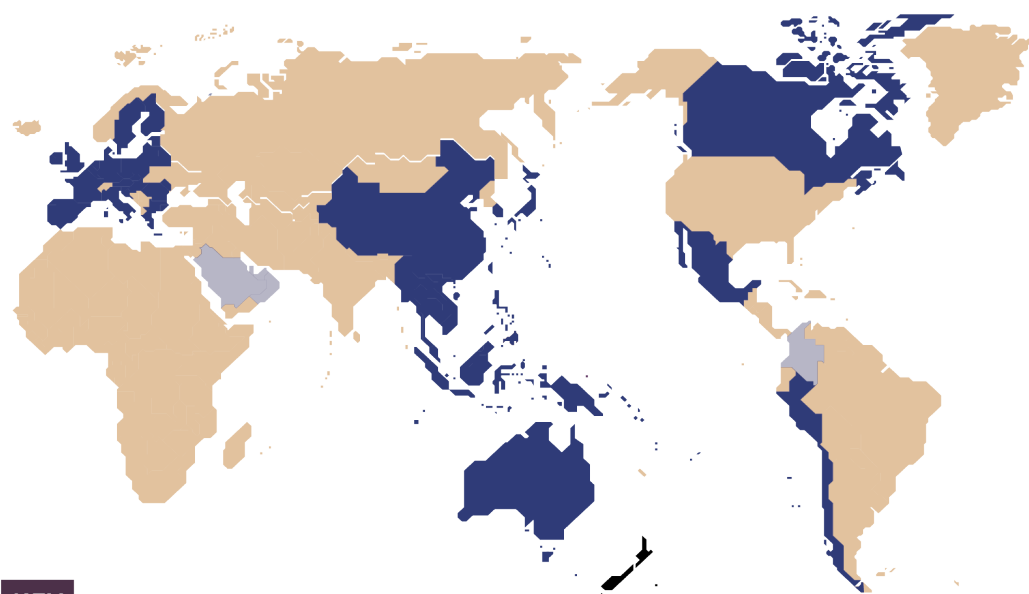
International partners, including the National Aeronautics and Space Administration (NASA), United Nations Educational, Scientific and Cultural Organisation (UNESCO), United Nations Development Programme (UNDP), the International Law Commission, and World Meteorological Organisation, have contributed to the process.

The UN resolution and decisions generated by this process will be the first-ever dedicated UN products on the issue of sea-level rise and will include recognition by the international community of the two PIF Leaders Declarations, mentioned above.

New Zealand's leadership and advocacy on these issues demonstrates the importance of the multilateral system for small states, including our Pacific partners, and the opportunities multilateral cooperation provides to highlight their challenges and needs, safeguard their rights, and deliver practical outcomes.

02 Economic Returns & Resilience

New Zealand goods and services exports covered by FTAs in year ending June 2024



KEY

FTAs in force and concluded
Note: All FTAs concluded are now in force
 FTAs under negotiation

FTAs in force and concluded

Exported NZD\$68.01 billion of total goods and services to FTA in force with partners (including UK and EU). This represented 69.2% of NZ's total exports.

FTAs under negotiation

Exported NZD\$2.66 billion of total goods and services to Gulf Cooperation Council and United Arab Emirates. This represented 2.7% of all exports of total goods and services to partners where FTA's are under negotiation.

FTAs total

Exported NZD\$70.67 billion of total goods and services to all FTA partners including those under active negotiation (including Colombia, Gulf Cooperation Council and United Arab Emirates). This represented 72.0% of NZ's total exports.

Grow sustainable economic returns and resilience from trade, investment and other international connections

As reflected in the Government's Export Double objective, trade is critical to New Zealand – New Zealanders' prosperity and New Zealand's security depends on it. New Zealand supports the global rules-based trading system, under the WTO, and advocates for sustainable and inclusive economic development.

The Ministry is implementing a trade policy that aims to grow trade and build New Zealand's resilience in a context of increasing protectionism, geopolitical tensions, and climate change challenges. In addition to supporting the centrality of the WTO, there is a focus on Asia-Pacific Economic Cooperation (APEC), the Indo-Pacific Economic Framework for Prosperity (IPEF), and the Organisation for Economic Cooperation and Development (OECD). There is an emphasis also on strengthening relationships with trading partners in order to double export volume and ensure New Zealand's supply chains are protected. We are working to level the playing field for our exporters through addressing non-tariff barriers (NTBs) and further expanding New Zealand's network of Free Trade Agreements (FTAs).

Key achievements

- Supported the UK's accession to CPTPP which has meant that CPTPP remains at the forefront of regional and global trading arrangements. 
- Launched FTA negotiations with the United Arab Emirates (UAE) thereby expanding New Zealand's trade connections into the Middle East. 
- Concluded the Agreement on Climate Change, Trade and Sustainability (ACCTS) negotiations thereby providing New Zealand with new commercial opportunities within the areas of climate change and sustainability (see Outcome 2, p.35). 
- Brought the New Zealand European Union Free Trade Agreement (NZ-EU FTA) into force enabling New Zealand exporters to compete on a more level playing-field in the EU market (see Case Study, p.38). 

Outcome 1: New Zealand's trade policy has been a key enabler of economic recovery from the COVID-19 pandemic, diversified market access, and increased export earnings and resilience to future shocks

The Ministry continues to work bilaterally, regionally, and multilaterally to ensure that New Zealand's trade interests are protected and new opportunities are secured for New Zealand exporters.

The signing, ratification and accelerated entry into force of the **NZ-EU FTA** brings significant benefits for New Zealand exporters, including a range of commitments that will drive an increase in trade in services, facilitate investment and improve access to government procurement contracts across the EU (see Case Study, p.38).

The **New Zealand-United Kingdom FTA (NZ-UK FTA)** is being utilised by both New Zealand and UK businesses at well-above average levels for a new FTA. New Zealand's exports to the UK were up 19% for the year ending December 2023. The last year has also seen the successful implementation of the

NZ-UK FTA's architecture. The sub-committees have delivered several commercially meaningful outcomes, including the acceptance of a wider range of oenological practices under the Wine Annex, and transitioning of the WTO Sheep Meat Quota administration to a paperless process, making the process easier for exporters.

New Zealand's host year and chairing of the CPTPP saw the signing of the Protocol of Accession of the UK to CPTPP, the establishment of the Auckland Principles³ to help guide future accession discussions, and the endorsement of the Terms of Reference for the General Review by CPTPP Ministers.

New Zealand's successful challenge of Canada's administration of its dairy quotas in the first dispute brought under the CPTPP highlighted the resilience of the CPTPP dispute resolution mechanism. The Independent Arbitral Panel found that Canada was favouring domestic industry in allocating quota and preventing exporters from fully benefitting from negotiated market access. This was a decisive win for New Zealand in the first case it has taken under a free trade agreement. These developments will help ensure that CPTPP remains living and dynamic and at the forefront of our regional and global trading arrangements.

³ The three Auckland Principles are: preparedness to meet the Agreement's high standards; a demonstrated pattern of complying with trade commitments; and recognition that decisions are dependent on the consensus of the CPTPP Membership.

The high regard the international community holds for the **Digital Economy Partnership Agreement (DEPA)** remains evident with the increasing number of DEPA accession requests that New Zealand and partners (Chile, Singapore and now Korea) are currently assessing. This reinforces New Zealand’s positive reputation as a leader in the global digital trade area. Through New Zealand’s efforts, the Republic of Korea officially acceded to DEPA on 3 May 2024, extending coverage of commercially meaningful digital trade commitments to one of New Zealand’s largest trading partners, to the benefit of digital exporters.

At the **WTO 13th Ministerial Conference (WTO MC13)**, the Minister for Trade, Hon Todd McClay in his capacity as Vice Chair and Ministerial Lead on e-commerce was instrumental in securing agreement to extend


the e-commerce moratorium until 2026. This will provide certainty for New Zealand exporters that tariffs will not be imposed on their electronic trade.

New Zealand has also engaged actively in the WTO E-commerce Joint Statement Initiative (JSI⁴) negotiations which will provide broadly applicable rules across a diverse range of economies in the important and growing area of digital trade.

New Zealand is also working actively at the WTO to level the playing field for New Zealand’s agriculture exporters, with **the key focus on seeking tighter limits on the USD\$800 billion currently spent on environmentally harmful and trade distorting agricultural subsidies** – four times as much as global flows of development assistance.

Indicator:	Desired Trend
FTAs cover 75% of New Zealand goods and services exports by 2028	
Reason for choosing this Indicator New Zealand is a trade-dependent economy aiming to increase our GDP including through achieving the Government’s export double goal.	

Progress:

	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
FTAs coverage	69.2%	65.6%	64.6%	64.5%	61%	

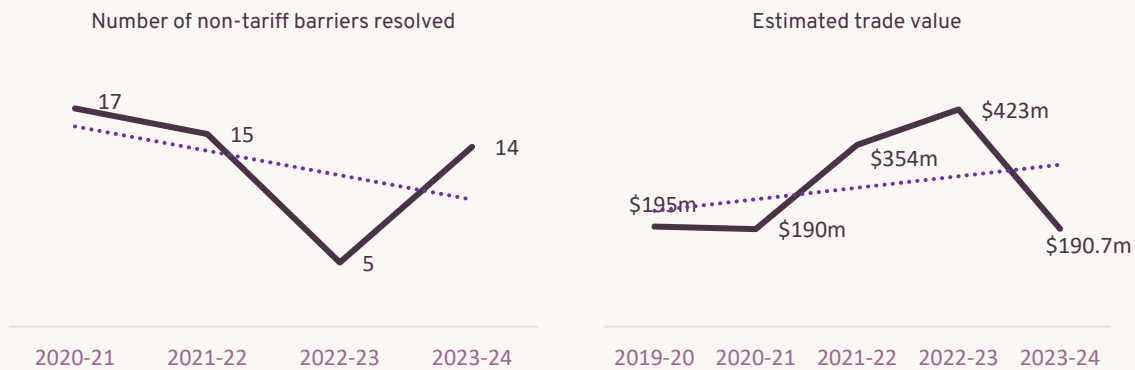
Indicator:	Desired Trend
Estimated trade value of non-tariff barriers resolved	
Reason for choosing this Indicator The Ministry supports New Zealand exporters by promoting expanded market access and better commercial conditions for our businesses. Resolving non-tariff barriers is an Indicator for this.	

⁴ The WTO E-Commerce Joint Statement Initiative (JSI) launched in 2017 as a discussion on the trade related aspects of E-commerce between a subset of WTO Members. This discussion led to negotiations between those Members for a new international treaty on digital trade.

Progress:

	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
Estimated trade value	NZD\$190.7 million	NZD\$423 million	NZD\$354 million	NZD\$190 million	NZD\$195 million	↗
Number of non-tariff barriers resolved	14	5	15	17	-	↘

A higher number of non-tariff barriers were resolved, but with a lower commercial value, as compared to last year. Given the range of factors influences outcomes on non-tariff measures we would expect fluctuations year-on-year.



The NZ-UK FTA, was selected for Te Tohu mō ngā Hua E Pai Ake Ana, the Better Outcomes Award. Then Chief Executive of MFAT Chris Seed receives the award with the Ministry’s Trade and Economic Group colleagues, August 2023. Credit: MFAT

Outcome 2: Trade and investment have grown in a way that is sustainable and benefits all sectors of New Zealand society and enjoys wider public support

New Zealand's global leadership in sustainable and inclusive trade and breaking down (non-tariff) barriers support businesses' access into new markets, and their transition to meet global demands for sustainable policies and practices.

In the last year, working with other Ministries and business partners, MFAT supported the resolution of 14 NTBs affecting NZD\$190.7 million worth of trade. Of the NTBs resolved, six were from South and Southeast Asia, two from North Asia, three from Europe, and three from the Americas.

Positive progress continues to be made on the **Indigenous Peoples Economic and Trade Cooperation Arrangement (IPETCA)**. A first-of-its-kind, this open plurilateral cooperation arrangement promotes and strengthens Indigenous connections and economic outcomes through trade.

Over the past year, under New Zealand's leadership, the Partnership Council (which features an Indigenous and government co-participation and decision-making model) has overseen IPETCA's implementation. The inaugural Partnership Council meeting was held on the margins of the APEC Leaders' Week in San Francisco, alongside the APEC Trade Ministers Dialogue on Indigenous Trade hosted by US Trade Representative Katherine Tai.

IPETCA members have since welcomed the US as an Observer and developed a Work Plan focusing on environment and sustainability, enhancing Indigenous trade policy and practice, and connecting Indigenous businesses across IPETCA economies.

At the **OECD**, MFAT's proactive programme of strategic engagement, particularly in the Trade Committee, continues to yield strong

results, with the New Zealand delegate recently elected to the position of Vice Chair.

This programme increases New Zealand's influence, allowing us to make the case for free and fair trade and the centrality of the WTO. Priorities in this context include economic security, supply chain resilience, sustainable trade, subsidy reform, and the social licence for trade. Key achievements in the past year have included:

- Leading analytical work on trade in services which was critical in the successful outcome of the WTO negotiations on the domestic regulation of services.
- Cutting-edge analysis which was central in agreement by Ministers to renew the WTO Moratorium on customs duties on electronic transmissions at WTO MC13.

The conclusion of negotiations on the **Agreement on Climate Change Trade and Sustainability (ACCTS)** this year marks the successful negotiation of this kind of trade agreement for the first time. The ACCTS showcases New Zealand's leadership on trade issues, delivers new commercial opportunities for New Zealand while also helping to address climate and sustainability challenges.

The ACCTS opens new markets as New Zealand's first trade agreement with Costa Rica, Iceland or Switzerland (outside the WTO). Its membership is intended to grow over time. Notably ACCTS goes further than any other international trade agreement in the number of environmental goods where tariffs will be eliminated, and the number of environmental services agreed. The ACCTS also establishes a framework for eliminating harmful fossil fuel subsidies, which accounted for over USD\$1.4 trillion in global government expenditure in 2022.

New Zealand's chairing of the **Inclusive Trade Action Group (ITAG) and Global Trade and Gender Arrangement (GTAGA)** has led to increased global awareness of sustainable and inclusive trade issues, increased cooperation between countries interested in trade and gender, and is improving the collection of gender disaggregated trade data.

Indicator:	Desired Trend
Effective provisions on environment and labour standards in New Zealand FTAs	✓
<p>Reason for choosing this Indicator</p> <p>New Zealand is a trade-dependent economy. We are a strong supporter of free and open trade with one of the most open economies in the world. Effective provisions on environment and labour standards in New Zealand's FTAs are important, including as an indication of their overall quality.</p>	

Progress:

		Overall Trend
2023-24	<p>ACCTS has been substantially concluded and provides new markets and commercial opportunities for New Zealand business. The UK and New Zealand agreed to areas of cooperation in Trade and Environment, and Trade and Labour during the inaugural Labour and Environment Sub-committees under the NZ-UK FTA.</p> <p>New Zealand and Australia released the Sustainable and Inclusive Trade Declaration which provides common objectives and shared principles for future collaboration on sustainable and inclusive trade. New Zealand's charring of ITAG and GTAGA has resulted in five new members, taking the membership of ITAG to seven and GTAGA to 11 countries.</p>	✓



Minister for Trade, Hon Todd McClay shaking hands with UAE Trade Minister Dr. Thani bin Ahmed Al Zeyoudi. Credit: X @toddmclaymp

Outcome 3: International connections have supported New Zealand businesses to compete better in the global economy

Over the past year, the Ministry promoted New Zealand's trade and economic interests to: enhance access to key export markets; help New Zealand businesses take advantage of all available opportunities; and remove barriers faced by New Zealand businesses offshore.

The **Economic Diplomacy Programme** aims to make the Ministry's trade and economic work more transparent, accessible, and helpful to the public and other government agencies. The Ministry published 121 Market Intelligence Reports. These were viewed more than 137,000 times, with positive feedback of 90.6% from readership. The Ministry's Tariff Finder was also incredibly successful, recording 164,066 searches and 648 searches were recorded on the Services Exporter Tool.

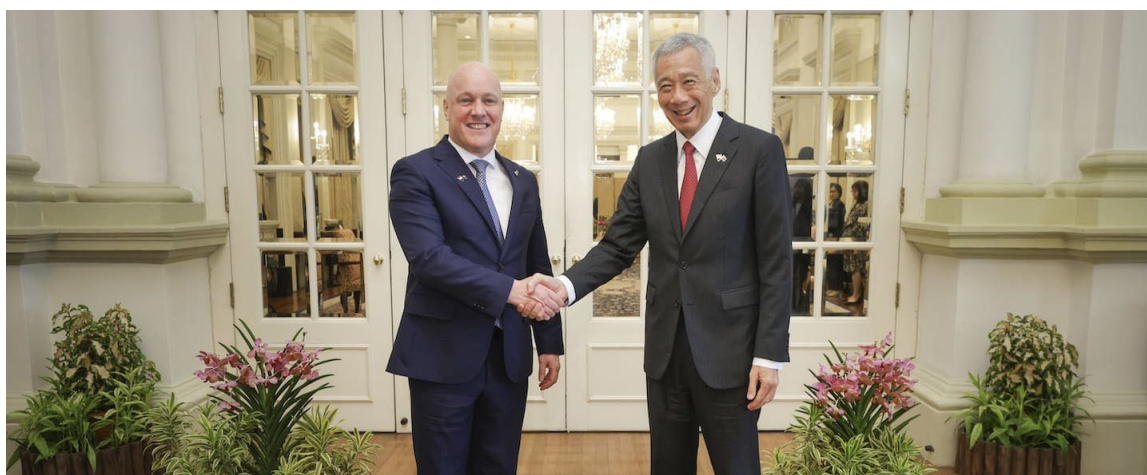
To support New Zealand's international business engagement, the Ministry supported **three Prime Ministerial missions** with accompanying business representatives to: Singapore, Thailand and the Philippines (April 2024); Niue and Fiji (June 2024); and Japan (June 2024). Key objectives achieved include:

- The Prime Minister's attendance at the ASEAN Leaders Summit, followed by a

Southeast Asia Mission, opened the door for at least a dozen new business deals, partnerships and memoranda of understanding (MOU).

- In Thailand, agreement was reached to upgrade our Strategic Partnership, with a shared goal set to triple two-way trade by 2045.
- In the Philippines highlights included agreement to grow two-way trade by 50 percent by 2030 and to advance toward a Comprehensive Partnership by 2026; a major strategic cooperation agreement between New Zealand Trade and Enterprise (NZTE) and the Philippines' largest conglomerate; and a trilateral hydrogen cooperation agreement (including Japan).
- In Singapore, Air New Zealand signed its largest ever sustainable aviation deal with NESTE; other deals were reached on carbon offsetting, food research and vessel maintenance.
- In Japan, Rocket Lab signed a deal for 10 Electron rocket launches with Japanese Earth Observation company Synspec; Kawerau-based Eastland Generation agreed to Japan's Obayashi Corporation acquiring a 50 percent stake in the New Zealand company.

The Ministry supported New Zealand's first **all-wāhine trade delegation** to Australia in August 2023. Led by the then-Minister for Economic Development, the Mission resulted in stronger business connections, people to people links and opportunities for export opportunities.



Prime Minister Christopher Luxon with then Prime Minister of Singapore Hon Lee Hsien Loong during a trade mission to Southeast Asia. Credit: Ministry of Digital Development and Information, Singapore.

Case Study



New Zealand and European Union flags. Credit: Vecteezy

New Zealand – European Union Free Trade Agreement

On 1 May 2024, the New Zealand-European Union Free Trade Agreement entered into force, representing the culmination of years of effort by successive New Zealand Governments.

The NZ-EU FTA has the potential to grow New Zealand's real GDP by up to NZD\$1.4 billion per year, and New Zealand exports to the EU by up to NZD\$1.8 billion per year, by 2035. The FTA levels the playing field for New Zealand exporters, allowing them to better compete in the lucrative EU market, where many of our major competitors already enjoy preferential access.

Under the FTA, New Zealand's conditions of access will be significantly improved, with 91% of New Zealand's current goods trade to the EU able to enter duty-free from entry into force, generating an estimated annual tariff savings exceeding NZD\$100 million (the highest immediate tariff savings of any New Zealand FTA).

Although access will not be fully liberalised for red meat and dairy products, quotas made available under the FTA create new market access opportunities and represent an improvement on the status quo for New Zealand businesses exporting into the EU.

The NZ-EU FTA also includes a range of commitments to encourage increased trade in services, facilitate investment flows, reduce barriers to trade and improve access to government procurement contracts across the EU, enhance cooperation between regulatory agencies, support trade and sustainability and trade and labour objectives, and facilitate the movement of goods and professionals across borders. The NZ-EU FTA, particularly the Māori Trade and Economic Chapter, will provide a valuable new platform to advance Māori trade and economic aspirations and interests in the EU.

Conclusion of an FTA with the EU is also valuable strategically, adding a vital piece of architecture to our relationship with a close,

likeminded partner. The NZ-EU FTA will reinforce our connections to Europe.

The successful outcomes achieved in the NZ-EU FTA are testament to the strong cooperation between several New Zealand government agencies, with much of the

negotiations and stakeholder engagement taking place virtually due to the COVID-19 pandemic. Despite these challenges, negotiators delivered a high-quality FTA delivers significant benefits to New Zealand businesses and a range of other stakeholders.



European Union Ambassador to New Zealand H.E. Lawrence Meredith with Trade Minister Hon Todd McClay, May 2024. Credit: Office of Minister for Trade

03 Indo-Pacific



IPEF Ministerial meeting in Singapore, June 2024. Credit: The Ministry of Trade and Industry (Singapore)

Embed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers regional stability and economic integration

New Zealand's critical security and economic interests intersect in the Indo-Pacific. At this time of sharpening geo-strategic competition, it is vital that New Zealand continues to engage actively to help shape an Indo-Pacific order that delivers regional stability and economic integration in a sustainable and inclusive way.

Over the last year we have strengthened our engagement with regional organisations and key partners in the region. The Prime Minister and Minister of Foreign Affairs have led frequent engagements with our partners in Southeast Asia to advance key bilateral relationships and reinforce our support for the Association of Southeast Asian Nations (ASEAN), which plays a central role regarding regional stability. Key examples of ASEAN-led regional forums in which New Zealand engages include: East Asia Summit; ASEAN Defence Ministers Meeting Plus; ASEAN Regional Forum.

In the economic sphere, New Zealand has successfully progressed trade and sustainability issues, including through regional processes – many of which are ASEAN-led. Positive flow-on effects from New Zealand's hosting of APEC 2021 have continued to underline our engagement in the region as an active, reliable, and committed partner. New Zealand has also been active in the 14-country Indo-Pacific Economic Framework (IPEF) process in areas such as supply chain resilience in the clean economy, and countering corruption.

Key achievements

- Concluded three IPEF Agreements that will increase trade between New Zealand and the 13 IPEF partners.
- New Zealand’s International Development Cooperation (IDC) programme provided post-pandemic economic recovery support for an estimated 186,834 people in five ASEAN countries.
- Manaaki New Zealand Scholarships supported 340 new scholars from the Pacific, and 457 new scholars from ASEAN countries to start their tertiary study and short-term training courses, building strong relationships between New Zealand and ASEAN’s next generation of leaders.
- Signed the Upgrade of the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) which will boost trade in the region (see Case Study, p.44).



Outcome 1: The existing Indo-Pacific architecture has delivered greater regional prosperity and security outcomes that advance our interests

New Zealand’s commitment to peaceful, open, and inclusive regionalism underpinned by the liberal international rules-based system is evident in our advocacy, engagement, and diplomacy in the Indo-Pacific region.

While geopolitical tensions continued to challenge the space for constructive dialogue, APEC’s role remains important for New Zealand as we seek to double exports by value over the next ten years. This includes through its work to including by tackle non-tariff measures and deepen ties between APEC member economies. In 2023, New Zealand continued to provide leadership

on priorities as set out during our host year in 2021.

ASEAN and ASEAN-led processes have been remarkably successful in supporting peace and economic development in the Indo-Pacific. One such process, now in its 30th year, is the ASEAN Regional Forum (ARF) which provides a setting for its 27 member countries to discuss current security issues.

In 2024, **New Zealand and Lao PDR successfully co-chaired two key meetings in the ARF Calendar – the Defence Officials Dialogue (DoD) and Intersessional Group Meeting (ISG) on confidence building measures and preventative diplomacy.** The ARF is continuing to play a role in reducing tensions in the region including on important issues for New Zealand, such as territorial disputes and freedom of navigation.

Indicator:	Desired Trend
The benefits identified for the hosting of APEC in 2021 are realised	✓
Reason for choosing this Indicator The Ministry received funding to enable the planning and delivery of the year-long APEC hosting in 2021. This Indicator is to demonstrate that the benefits identified from the hosting are realised.	

Progress:

	Benefits identified	Overall Trend
2023-24	<p>Our work in APEC continues to be guided by the strategic objectives of our host year. Key areas of focus this year include:</p> <ul style="list-style-type: none"> Supporting a work programme to address non-tariff measures, strengthening our FTAs and plurilateral trade agenda, making it easier for New Zealand businesses in the APEC region and supporting our goal of working to double New Zealand’s export trade. Supporting APEC’s role as the region’s incubator to build norms and ideas that respond to emerging trade issues, including mainstreaming work on sustainability, green transition, and inclusivity. Utilising APEC as a platform for high-level engagement to defend and progress our trade and economic agenda, in the face of rising protectionism and great power rivalries. 	

**Outcome 2:
Emerging Indo-Pacific regional and sub-regional systems include New Zealand, support free trade and open regional development, and champion the rule of law**

New Zealand has worked with likeminded partners to bolster the Indo-Pacific region’s trade and economic architecture, including through engagement in IPEF, a 14-country group that includes the US and India, and accounts for 40% of global GDP and 50% of New Zealand’s exports.

The conclusion of three IPEF Agreements, on supply chain resilience and crisis response, regional collaboration on climate action (see Goal 5, Case Study p.58) **and countering corruption affecting trade and investment in regional markets**, is a significant achievement, which was delivered in less than a year of negotiation. These Agreements will boost investment, grow New Zealand’s digital and green economies, and increase trade between New Zealand and its IPEF partners. Participating countries agreed to hold annual ministerial meetings and biennial leaders’ meetings, suggesting that IPEF political processes will become a significant new part of Indo-Pacific regional architecture.

**Outcome 3:
Levels of integration and engagement with ASEAN have delivered significant benefits to New Zealand in economic and security terms**

Since its formation in the late 1960s, ASEAN has contributed significantly to peace and economic development in the Indo-Pacific. It now acts as a bulwark for geostrategic competition. As a group, ASEAN is New Zealand’s third largest trading partner. Since our trade agreement with ASEAN (AANZFTA) was implemented in 2010, two-way trade between New Zealand and ASEAN has more than doubled to NZD\$27 billion.

New Zealand continues to build on **AANZFTA**. In August 2023, New Zealand signed the AANZFTA Upgrade, a significant milestone in modernising the Agreement and strengthening our trade links with ASEAN (see Case Study, p.44).

In an increasingly challenging geopolitical landscape, New Zealand has sought to contribute cooperatively to ASEAN’s ability to support an open, inclusive, stable, and prosperous Indo-Pacific region. We have **continued to focus on implementing our Plan of Action with the organisation**. This reflects our shared ambition for a deeper, stronger, and mutually beneficial

ASEAN-New Zealand partnership, focused on areas of shared expertise and mutual interests.

All 2023–24 **ASEAN New Zealand Plan of Action** items related to development cooperation have been delivered successfully. These initiatives, worth NZD\$45 million, span peace and stability, agriculture, renewable energy, scholarships and training, disaster resilience, climate change response, socioeconomic recovery from COVID-19 impacts, and efforts to narrow development gaps between ASEAN Member States. New Zealand has also supported Timor Leste in its preparation for ASEAN accession.

The **Manaaki New Zealand Scholarship Programme** remains a fundamental element of New Zealand’s engagement with the region. Its English Language Training for Officials (ELTO) scheme delivered three courses in 2024, building enduring ties with participants through providing a positive New Zealand study experience.

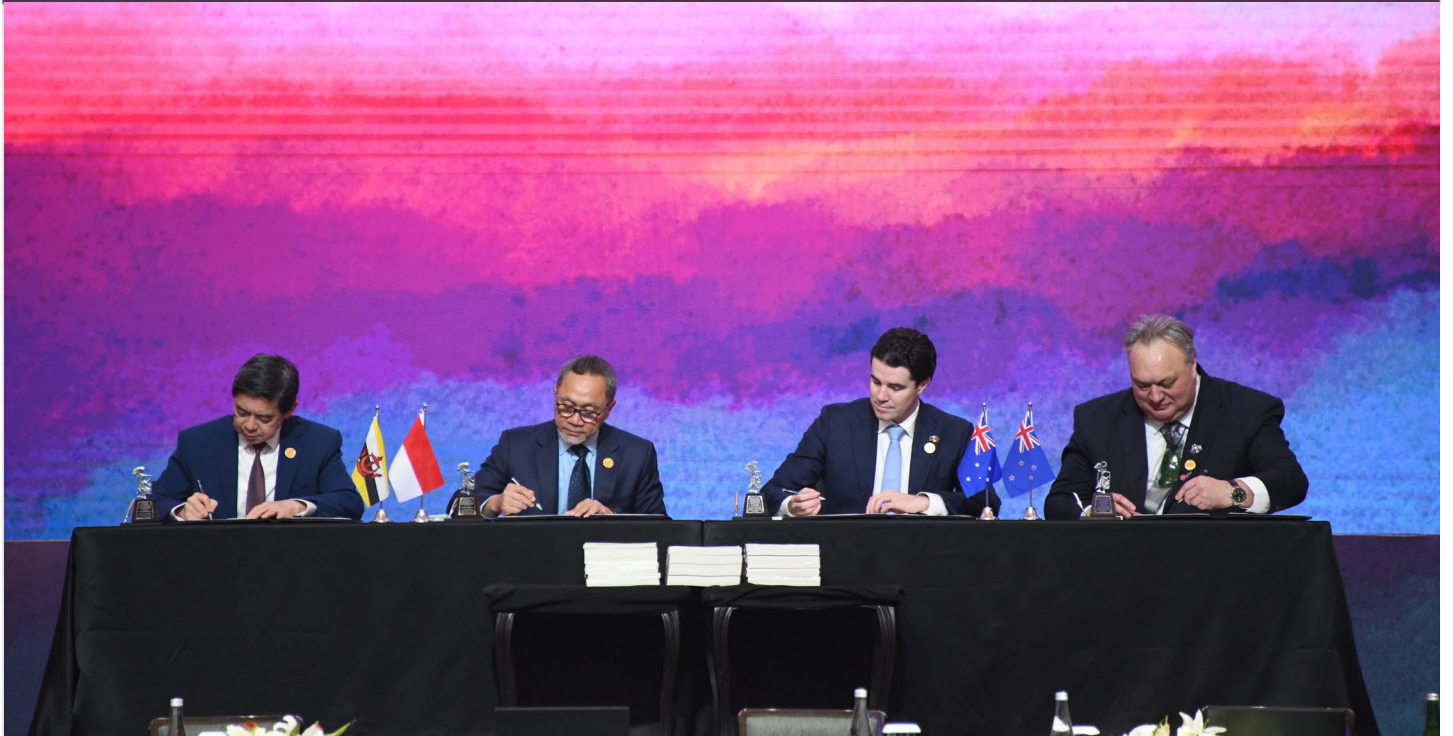
The courses also enabled relationship-building between officials, strengthening regional communities of practice, and sector networks. 64 officials from education, renewable energy, and agriculture sectors attended the three ELTO courses. Further, 12 professional courses were delivered to 284 participants in areas of bilateral importance, including agribusiness, trade, and public sector leadership.

Tertiary scholarships were offered across priority sectors, further strengthening ties between recipients and New Zealand. In 2024, 48 students from the Indo-Pacific region completed their studies, 218 are currently studying, and a further 41 are in the immediate pipeline.



Minister for Trade, Hon Todd McClay; Singapore Minister of State for Trade and Industry, Ms Low Yen Ling; Minister of Climate Change, Hon Simon Watts at the IPEF Ministerial meeting in Singapore, June 2024. Credit: Ministry of Trade and Industry (Singapore)

Case Study



Signing of The Second Protocol to amend the Agreement Establishing the AANZFTA. Credit: The ASEAN Secretariat

Upgrade of the Agreement establishing the ASEAN-Australia New Zealand Free Trade Area

The Agreement establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) is a free trade agreement that underpins our trade and economic relationship with ASEAN. In August 2023, following negotiations to modernise the Agreement, New Zealand signed the Upgrade to amend AANZFTA.

Our economic integration with ASEAN, including through AANZFTA, contributes to the prosperity and stability of our region. With mounting pressure on multilateral trade architecture as well as increasing strategic competition in the Indo-Pacific, it is critical that New Zealand works together with regional partners to promote the benefits of trade and maximise the opportunities created by free trade agreements.

AANZFTA has been a huge success for New Zealand. Since the Agreement entered into force for New Zealand in 2010, two-way trade between ASEAN and New Zealand has doubled.

ASEAN is now one of our top three trading partners, with two-way trade worth NZD\$27 billion in 2023.

Free trade agreements require review and revision to ensure they remain fit for purpose. **Negotiations to upgrade AANZFTA were concluded in November 2022.** New Zealand signed the agreement on 21 August 2023.

The AANZFTA Upgrade aimed to reduce barriers impacting exports, further increase regional trade, and bring the agreement into line with more recent trade practice. Key outcomes include streamlining and expediting the flow of goods across borders, supporting the flow of essential goods during times of crisis, and, in recognition of the increased importance of digital trade, introducing stronger e-commerce rules.

The Upgrade also introduces new chapters to better enable micro-, small and medium enterprises (MSMEs) to trade, and to ensure that trade is sustainable and inclusive. These are areas of particular importance to

New Zealand. These chapters also serve as important pathfinders, creating opportunities for cooperation in new areas of trade practice with ASEAN and Australia.

New Zealand hosted the recent 21st Joint Committee which brought together the ASEAN, Australian and New Zealand trade officials who oversee the AANZFTA's implementation. Hosting gave us the opportunity to build momentum towards entry into force of the AANZFTA Upgrade, and to

focus on practical issues of importance to our exporters.

New Zealand contributes NZD\$500,000 per year to the AANZFTA Implementation Support Programme, which builds the capacity of ASEAN members to implement the Agreement. In 2024, members agreed an Economic Cooperation Work Programme, with a focus on supporting members to implement new provisions and upgraded chapters.

04 Pacific



Minister of Foreign Affairs, Rt Hon Winston Peters at the Waitangi Day garden reception at Ngātipā, the official residence of the New Zealand High Commissioner to the Cook Islands in Rarotonga. Credit: MFAT

Promote a peaceful, prosperous and resilient Pacific in which New Zealand's interests and influence are safeguarded

New Zealand is a Pacific country, with a shared Pacific future. Our national security and economic prosperity is inextricably tied to developments in the region. Development challenges, worsening climate impacts, a greater need for humanitarian responses and sharper strategic competition are placing pressure on the Pacific. These conditions have significant implications for regional security, prosperity, stability, norms and cooperation.

In the face of these challenges, New Zealand has a critical interest in working with our Pacific partners to reinforce durable regional cohesion and cooperation, and to support Pacific prosperity and stability. Over 2023–24 the Ministry has worked closely with Pacific countries and regional organisations to promote a peaceful, secure, stable, prosperous and resilient Blue Pacific Continent.

Australia is our indispensable partner in the Pacific, and we collaborate closely on shared priorities.

Additionally, New Zealand seeks to strengthen collaboration with likeminded partners to work in a respectful and coordinated way through regional institutions to meet the ambitions and priorities of Pacific partners.

Key achievements

- Supported a significant increase in high-level engagement and visits to, and from, the Pacific (see Outcome 2, p.50).
- Supported sustainable development in the Pacific through the delivery of NZD\$760 million in IDC – the highest ever IDC expenditure in the Pacific. This represents 63.2% of New Zealand’s total IDC and is 28% larger than our previous highest spend (2022–23).
- Supported delivery of free and fair national elections in Tuvalu (January) and the Solomon Islands (April) by providing observers, technical assistance and other support.
- Contributed to effectiveness and resilience of the Pacific Islands Forum (PIF) as a key regional institution focused on Pacific priorities (see Outcomes 2 and 3, pp. 50, 54).



Outcome 1: New Zealand has supported Pacific Island countries to weather the storm of COVID-19 and resume a pathway to enduring economic and social well-being

As Pacific economies returned to modest growth during 2023–24, New Zealand pivoted away from COVID-related emergency budget support and resumed a focus on general budget support. **New Zealand delivered NZD\$33 million in general budget support** for eight Pacific countries, linked to the achievement of macroeconomic and public financial management reforms, and programmes aimed at boosting resilience and diversifying Pacific economies.

We promoted agricultural diversification and resilience to climate change. Since July 2022, the Pacific Horticultural and Agricultural Market Access (PHAMA) Plus Program has assisted ten Pacific countries to improve livelihoods and sustainable economic development. Net exports increased by NZD\$21 million across 263 different exporters, 113 new jobs were created, and 6,047 households achieved a measurable increase in income, totalling NZD\$9.8 million.

Through Phase 2 of the Recognised Seasonal Employer Worker Training Programme (RSE), **we have delivered training to more than**

7,000 RSE workers over the last six years. Training has included English literacy and numeracy, hospitality and nutrition, small business development, financial literacy, composting toilets, and leadership for women and youth.

We also facilitated access to investment and business advisory services. Through Business Link Pacific, 482 businesses employing 3,253 people were provided support; 296 businesses accessed grants valued at NZD\$2.2 million and leveraging NZD\$3.4 million in private co-investment.

Upgrades to telecommunications connectivity and services have been completed in remote communities and the Pa Enua (outer islands) in the Cook Islands. Key infrastructure for 4G connectivity has been established in seven of the outer islands and government connectivity has been completed in three of the outer islands.

New Zealand also supported the **Pacific Tourism Organisation** to build sector capability in digital technology; sustainable tourism policy and operations; and tourism data and research by delivering digital training to 499 participants in 16 countries. Training on public relations, crisis communications and communications strategy was delivered in Tuvalu, Kiribati, American Samoa and Fiji.

We have supported the continuing recovery of health programmes and systems in the Pacific following the COVID-19 pandemic, **addressing the post COVID-19 backlog of specialist treatment needs.** The New Zealand Medical Treatment Scheme saw 47 patients treated in New Zealand, Fiji, or through remote support; and 900 patients treated in-country by visiting medical specialists.

New Zealand has also **promoted sexual and reproductive health and rights (SRHR)** outcomes. Our partnerships show progress towards increased availability of high quality SRHR information and services; access to a comprehensive range of family planning methods; and protection of SRHR. In 2023, International Planned Parenthood Federation delivered 47,848 services through mobile outreach clinics across nine countries.

We invested in newborn and child health to address childhood nutrition and immunisation coverage adversely impacted during the pandemic. Through our programmes, micronutrient powders reached over 4,000 children in the Solomon Islands, and immunisation coverage was lifted in Kiribati, the Solomon Islands and Vanuatu.

New Zealand also supported ongoing investment in health security. While the Polynesian Health Corridors Programme continues to provide COVID-19 vaccines and antivirals, the focus has shifted from pandemic preparedness and response to other

priority areas. These include access to essential medicines, health security, and controlling noncommunicable diseases such as cancer and mental health.

We also continued our support for laboratory diagnostic capability. Six Pacific countries participated in the External Quality Assurance programme and demonstrated strengths in molecular testing of COVID-19, microbiology and serology.

New Zealand continues to support Pacific education systems. Following COVID-19, where disruptions to formal education have seen the region struggling to re-engage students in schooling. New Zealand's support focuses on improving teacher practice and student outcomes. As a result, 94,000 new mathematics curriculum resources were delivered in the Solomon Islands. These resources were developed by Solomon Islanders working with international subject matter experts, to ensure they reflect both local context and global standards.

New Zealand IDC support has also focused on reaching isolated communities and supporting those at risk of marginalisation, providing education opportunities to isolated communities and supporting Indigenous languages and cultures in the early years in the Solomon Islands, Samoa, Vanuatu, Cook Islands and Niue.



Indicator:	Desired Trend
Measures of Sustainable Development Goal progress in Pacific Island countries	
Reason for choosing this Indicator The Ministry has committed to support Pacific countries to resume a path towards achieving the Sustainable Development Goals ⁵ (SDGs). This Indicator demonstrates at an aggregate level the extent to which Pacific countries are making progress towards SDG Indicators and links to achievement of Pacific Goal Outcome 1.	

Progress:

	Number of goals with improving trends against the total number of goals with data available:	Overall Trend
2023-24	Overall, 6/12 countries show an improving trend for at least 50% of the goals*	
2022-23	Overall, 3/12 countries show an improving trend for at least 50% of the goals*	
2021-22	Overall, 8/12 countries show an improving trend for at least 50% of the goals*	
2020-21	Overall, 6/9 countries show an improving trend for more than 50% of the goals* (Data excludes Cook Islands, Niue or Tokelau, and COVID-19 impacts)	
2019-20	Overall, 5/9 countries show an improving trend for more than 50% of the goals* (Data excludes Cook Islands, Niue or Tokelau, and COVID-19 impacts)	


*Where data is available

Detailed breakdown of Sustainable Development Goals in Pacific Island countries:

	Federated states of Micronesia	Fiji	Kiribati	Marshall Islands	Nauru	Palau	Papua New Guinea	Samoa	Solomon Islands	Tonga	Tuvalu	Vanuatu
2023-24	0/11	5/14	3/11	5/9	6/11	6/10	2/15	7/12	3/13	8/13	7/11	2/14
2022-23	0/9	6/14	4/11	1/7	4/10	6/9	0/15	5/14	3/14	6/12	5/10	3/13
2021-22	6/9	11/16	6/11	3/8	5/9	5/8	6/15	8/16	5/14	11/12	5/9	6/15
2020-21	-	8/14	6/9	-	-	-	4/14	8/15	4/14	9/12	4/9	8/14
2019-20	-	10/14	4/9	-	2/8	-	3/14	10/15	4/14	9/12	2/7	9/14

Indicator:	Desired Trend
Growth rate of GDP (% per year) for Pacific bilateral partners (Source: Asian Development Outlook)	
Reason for choosing this Indicator New Zealand supports the sustainable economic growth of Pacific countries. This Indicator is a standardised measure of improvement in economic prosperity and links to achievement of Pacific Goal Outcome 1.	

⁵ The SDGs are a collection of 17 interlinked objectives, adopted by the UN in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. Countries have committed to prioritise progress for those who are furthest behind.

	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
Growth rate of GDP – % per year	3.3%	3.5%*	5.2%	-0.6%	New indicator	
*This figure varies from the value reported in 2022-23 (3.3%) due to revision of source data by the Asian Development Bank.						

Outcome 2: Partnership with New Zealand has enabled a stable, secure, resilient, and well-governed region

To foster regional resilience and stability, the Ministry supported New Zealand's significant step up in Pacific engagement at leader and ministerial level in the past year. In his first travel to the Pacific, Prime Minister Luxon visited Niue, marking an important year of commemoration for Niue's 50th anniversary of self-government in free association with New Zealand.

The Ministry also supported Minister of Foreign Affairs'-led visits (most of which were cross party delegations) to Fiji (December 2023), Tonga, Cook Islands, and Samoa (February 2024), and Papua New Guinea, Vanuatu and Tuvalu (May 2024). These visits have helped demonstrate New Zealand's commitment to building and deepening strong relationships with Pacific partners and leaders.

At officials' level, New Zealand has held high-level consultations with a number of Pacific partners including Samoa, Tokelau, Niue, Vanuatu, Tonga, and Cook Islands.

New Zealand continues to support, and invest in, regional unity through our cooperation with regional organisations and advocating for Pacific-led outcomes. We supported, for example, the PIF as Chair of the Forum Officials Committee, which advises PIF Leaders on priority policy issues and has oversight of the PIF Secretariat's annual work programme and budget.

A key achievement was the PIF Leaders' endorsement of the 2050 Strategy for the Blue Pacific Continent Implementation Plan, that sets out goals, outcomes and collective

actions for working together as a region. PIF Leaders also endorsed the Pacific Regional Framework on Climate Mobility which acknowledges Forum Members' desire to 'stay in place'; provides practical guidance on climate mobility; and initiates regional collaboration on cross-border and internal relocation issues.

New Zealand supported regional resilience through the Secretariat of the Pacific Community's (SPC) new Climate Change Flagship Programme, and the **Pacific-designed and led Weather Ready Pacific programme** that aims to strengthen the region's ability to plan and respond to high impact and extreme weather, water, and ocean events. Weather Ready Pacific is now evolving into a multi donor initiative supported by New Zealand, Australia, Japan, United Kingdom and multi donor funds. UN agencies have identified it as the vehicle to deliver the United Nations' Early Warning for All initiative in the region.

Addressing Pacific infrastructure needs remains a strong focus. 2023-24 saw **significant achievements in major New Zealand-supported infrastructure projects**, including completion of the Taro runway in Solomon Islands and the Kimbe Market redevelopment project in Papua New Guinea; commencement of Betio Hospital in Kiribati (with around 50 local students and trade trainees involved in the build to date); installation of new generators in the Kiribati National Referral Hospital; and resurfacing of Niue's Hanan International Airport runway (with Air New Zealand resuming twice weekly flights from April 2024).

In addition, the Ministry and Standards New Zealand launched a three-year partnership to provide Pacific institutions with free access to Australian/New Zealand construction standards, and enhance

expertise in infrastructure standards and conformance systems. To date, 26 Pacific local government and Ministries have subscribed to this partnership.

Recognising that support for public sector governance and institutional effectiveness is a key contributor to regional security and resilience, New Zealand's IDC support included **a focus on parliamentary, audit, and anti-corruption programmes** through oversight institutions across the Pacific. This has included development of draft legislation to give greater independence to auditors-general in the Cook Islands and Fiji, and development of new anti-corruption strategies in Cook Islands, Samoa, and Solomon Islands.

New Zealand also provided **public service capacity and capability building** through the Pacific Public Service Fale, launching *FaleOnline*, a learning management system for public servants, customised to reflect Pacific


countries' unique needs, priorities, and communication styles.


We also **promoted access to justice** through the Pacific Justice Sector Programme. This includes new case management systems in Fiji and mentoring and induction programmes for newly appointed judges.


The Ministry continues to support Pacific governments to lead their own responses to natural disasters and hazards. After a significant landslide struck Enga Province in Papua New Guinea in May 2024, New Zealand coordinated with other partners, including Australia, to support Papua New Guinea's government-led response. New Zealand deployed humanitarian supplies, logistical support, and in-country and remote geo-technical expertise to support this response. In October 2023, New Zealand provided humanitarian support to Vanuatu in the wake of Tropical Cyclone Lola, including relief supplies, aerial surveillance, and a five-person forward planning team.



Minister of Foreign Affairs, Rt Hon Winston Peters and Samoa's Prime Minister Fiamē Naomi Mata'afa signed a renewed Statement of Partnership in Apia in February 2024, reaffirming the unique bond between the two countries. Credit: X@NewZealandMFA

Indicator:	Desired Trend
Proportion of New Zealand responses to natural disasters in the Pacific that are launched within mandated timeframes	
Reason for choosing this Indicator New Zealand has a Cabinet-level mandate to respond to natural disasters in the Pacific within 24 hours (Polynesia) and 48 hours (Melanesia). The Ministry leads all Pacific responses. This measure demonstrates the extent to which we have fulfilled this mandate and links to achievement of Pacific Goal Outcome 2.	

	% within mandated timeframes	No. of responses launched	Response name	Overall Trend
2023-24	100%	3	1. Tropical Cyclone Lola, Vanuatu and the Solomon Islands 2. East Sepik Earthquake, Papua New Guinea 3. Enga Landslide Response, Papua New Guinea	
2022-23	100%	1	Tropical Cyclones Kevin and Judy, Vanuatu	
2021-22	100%	1	Hunga Tonga-Hunga Ha'apai volcano, Tonga	
2020-21	100%	4	1. Water insecurity Kiribati 2. Tropical Cyclone Yasa 3. Tropical Cyclone Ana 4. Tropical Cyclone Harold	
2019-20	100%	4	5. Tropical Cyclone Sarai 6. Tropical Cyclone Tino 7. Tropical Cyclone Harold 8. Fiji Flooding	

Indicator:	Desired Trend
Proportion of key tuna fish stocks within biologically sustainable levels in the Pacific (percentage) (Sustainable Development Goal Indicator: 14.4.1)	
Reason for choosing this Indicator A sustainably-managed, healthy fishery is fundamental to food and income security for Pacific Island countries and territories. The Western and Central Pacific region accounts for over 50% of the global tuna catch. This SDG indicator assesses whether the Pacific's tuna stocks are maintained within sustainable levels. New Zealand's support for sustainable tuna fisheries in the Pacific contributes to maintenance of a 100% result for this Indicator and links to achievement of Pacific Goal Outcome 2.	

	Proportion of key tuna fish stocks	Overall Trend
2023-24	100% (4 out of 4 key tuna stocks)	↔
2022-23	100% (4 out of 4 key tuna stocks)	
2021-22	100% (4 out of 4 key tuna stocks)	
2020-21	100% (4 out of 4 key tuna stocks)	
2019-20	100% (4 out of 4 key tuna stocks)	

Indicator:	Desired Trend
Government Effectiveness Index in bilateral partner countries (percentile ranking)	^
<p>Reason for choosing this Indicator</p> <p>The World Bank Group Government Effectiveness Index demonstrates overall governance effectiveness for individual countries by measuring the quality of public services, civil service, policy formulation and implementation, and the credibility of government commitment to improving or maintaining these aspects. Results against this measure demonstrate the progress made by Pacific states towards more effective and accountable institutions and better public services, which the Ministry supports through our development and foreign policy engagement in the region. The Indicator links to achievement of Pacific Goal Outcome 2.</p>	

	Government Effectiveness Index average rank*	Number of bilateral partner countries showed improving trend in the past 10 years*	Overall Trend
2023-24	53.1 across 12 bilateral partner countries where data was available	9/12 countries in the past 10 years (2013-2022)	^
2022-23	50.1^ across 12 bilateral partner countries where data was available	9/12 countries in the past 10 years (2012-2021)	
2021-22	44.7 across 12 bilateral partner countries where data was available	9/12 countries in the past 10 years (2011-2020)	
2020-21	39.5 across 12 bilateral partner countries where data was available	6/12 countries in the past 10 years (2010-2019)	
2019-20	33 across 11 bilateral partner countries where data was available	7/10 countries in the past 10 years (2009-2018)	

*Source: World Bank

^ This figure varies from the value reported in 2022-23 (41.5) due to a revised source data being published. World Bank: "Changes over time in a country's score on the WGI reflect a combination of three factors (i) changes in the underlying source data, (ii) the addition of new data sources for a country that are only available in the more recent period, and (iii) changes in the weights used to aggregate the individual sources."

**Outcome 3:
A Pacific strategic environment conducive to New Zealand's interests and values has been preserved and our influence as a preferred and prominent partner maintained**

New Zealand has a direct stake in the Pacific region's peace, stability, prosperity and resilience. The geostrategic environment in the Pacific has sharpened over the past year. Broader global trends, including protectionism, threats to the liberal rules-based international system, competition over natural resources, and climate change, pose risks to Pacific security and stability.

Through regular leader, ministerial, cross-party and senior officials' level engagements and active participation in regional architecture, **New Zealand works with Pacific partners to develop shared understanding of key security challenges and mechanisms to build greater regional resilience.**

New Zealand contributes to regional security and stability through practical cooperation, training and knowledge exchanges. Through high-level visits, we have strengthened bilateral relationships and shared perspectives on managing strategic challenges to inform and support Pacific countries' own responses.

In addition to the significant increase of visits noted in Outcome 2, the Deputy Prime Minister and Opposition Foreign Affairs Spokesperson attended PIF Leaders Week in the Cook Islands in November 2023; the Minister of Foreign Affairs attended the PIF Foreign Ministers' Meeting in Suva in September 2023; Associate Finance Minister

attended the PIF Economic Ministers Meeting in Suva in August 2023; and the Minister for Emergency Management visited Fiji and Vanuatu in July 2023.

New Zealand's active engagement in the PIF is key to supporting regional solidarity and geostrategic stability. In April 2024, PIF launched the Regional Transnational Organised Crime Disruption Strategy 2024–2028 that identifies priorities to reduce transnational crime and its impact in the region.

New Zealand is working more closely than ever with Australia to address Pacific priorities and strengthen the region's resilience. In the past year we have worked together to share information and coordinate on shared regional priorities; inform our respective views and inputs to the PIF Review of Regional Architecture; ensure complementarity in terms of our Pacific labour mobility policy settings; and coordinate our development support for Pacific partners including, for example, support for Samoa's preparations to host CHOGM in October 2024.

2023–24 has seen **increasing international interest in engagement with the Pacific region.** In our engagement with external partners, we have consistently advocated for approaches that advance Pacific priorities, are consistent with established regional practices, and support regional institutions. During the year we held formal and informal discussions on the Pacific with the United Kingdom, European Union, Germany, United States of America, China, Japan, Korea, Australia, and Taiwan (held as a Trilateral with Australia), and continue to seek opportunities to collaborate and coordinate with other development actors in support of Pacific priorities.

Indicator:	Desired Trend
Evidence of partnerships between New Zealand and Pacific bilateral partners strengthened	
<p>Reason for choosing this Indicator Strong and constructive partnerships between the Ministry and Pacific partners are critical to achieving of effective shared responses to the region’s challenges. This Indicator (based on internal assessment of proactive and reactive engagements with individual countries) demonstrates progress against Pacific Goal Outcome 3.</p>	

New Zealand and Pacific bilateral partnerships assessed as:					Overall Trend
	Extremely strong and constructive	Very strong and constructive	Somewhat strong and constructive	Functional but could be improved	
2023-24	1/12	5/12	4/12	2/12	
2022-23	3/12	3/12	4/12	2/12	
2021-22	3/12	2/12	7/12	-	
2020-21	-	6/12	6/12	-	
2019-20	-	7/12	5/12	-	

Case Study



Participants from the Pacific Diplomatic Training Programme visit the debating chamber in New Zealand's Parliament House. Credit: MFAT

Pacific Diplomatic Training Programme

In 2023–24 the Manaaki New Zealand Scholarships Programme piloted the Pacific Diplomatic Training Programme for early-career diplomatic and foreign service officials. The programme responds to strong interest from Pacific partner governments and plays a key role in strengthening partnerships with Pacific countries.

30 officials from nine Pacific countries participated in training sessions delivered in Wellington, Port Moresby and Suva, covering a range of topics including:

- Diplomatic tradecraft and tools of diplomacy.
- Pacific regional architecture.
- Trade policy and economic architecture.
- Multilateral diplomacy.
- Development partnerships.
- Climate change.

The Programme focused on building enhanced foreign policy capability for Pacific diplomats and officials. Its content was Pacific-centred, promoting Pacific national, regional and

international interests, including the 2050 Strategy for the Blue Pacific Continent. The Programme underscored the important role for diplomacy in supporting shared interests in a peaceful, prosperous and resilient Pacific.

The skills developed are expected to contribute to enhanced service delivery and performance within Pacific foreign service organisations. Participants commented that the knowledge and skills gained will be of significant value to their work within their respective foreign ministries.

Another important outcome from the initiative was strengthened collaboration and connection between regional foreign service organisations and related agencies in the region. Training sessions were delivered by experienced practitioners from New Zealand and the Pacific, including foreign affairs officials, academics, and representatives from regional organisations. The sessions encouraged two-way knowledge exchange, and sharing of cultural perspectives, while

group discussions and networking opportunities supported relationship building.

The Pacific Diplomatic Training Programme pilot was managed in partnership with Education New Zealand and delivered by Wellington Uni-Professional of Victoria

University of Wellington. It is one of many scholarship offerings under the Manaaki New Zealand Scholarships Programme, which continues to build on the deep and long-standing connections and manaakitanga between New Zealand and partners in the Pacific.



Pacific foreign service diplomats and officials with Wellington Uni-Professional Programme Manager Maciu Raivoka (centre). Credit: MFAT

05 Climate Change & Environment



Minister for Climate Change, Hon Simon Watts at COP28. Credit: Getty

Promote sustainable international solutions to climate change, global environment and natural resource challenges that impact on New Zealand

The devastating impacts of climate change and environmental degradation are increasingly being felt at home, in the Pacific, and across the globe. International cooperation and collective action remain essential to tackling these challenges, while international partnerships play an important role in supporting domestic climate action.

New Zealand is committed to the effective conservation and sustainable use of oceans and the protection of biodiversity. We have a particular interest in ensuring that Antarctica is protected, and that the Pacific and Southern Oceans are effectively governed, sustainably managed, and environmentally resilient.

Geopolitical tensions are negatively impacting many multilateral processes and making it harder to reach agreement on action to address environmental challenges. Despite this, New Zealand continues to play its part in promoting the security and prosperity of future generations through effective global action on climate change and to address environmental and natural resource challenges.

Notable progress was made over the past year in disbursing New Zealand's funding to support Pacific climate resilience, utilising trade rules to contribute to sustainable development outcomes, and to clarify the application of international law in the context of global climate action.

Key achievements

- Concluded two landmark agreements that utilise trade rules to support sustainable development objectives: the ACCTS, and the Clean Economy Agreement under the IPEF (see Case Study, p.63).


- In the face of growing international tension and divisions, New Zealand protected and advanced its interests in Antarctica through the Antarctic Treaty System (ATS) (see Outcome 2, p.60).


- Delivered 59% of New Zealand's Climate Finance Commitment of NZD\$1.3 billion for 2022–2025 and contracted a further 16%, supporting adaptation and mitigation initiatives across the Pacific and Southeast Asia. New Zealand also helped Pacific partners access finance to support their climate resilience.


- New Zealand made an influential contribution to the International Tribunal on the Law of the Sea (ITLOS) Advisory Opinion on the obligations of states under international law regarding climate change (see Outcome 1, p.59).



Outcome 1: The global response to climate change reflects New Zealand's ambitions, including for Pacific climate resilience

New Zealand played an active role in international climate change negotiations.

New Zealand contributed to a successful outcome of the 28th Conference of Parties (COP28) to the United Nations Framework Convention on Climate Change (UNFCCC) in December. The 'UAE Consensus' saw agreement of a package to drive achievement of the Paris Agreement's goals, including those regarding clean energy and the global transition from fossil fuels. A global Loss and Damage Fund was agreed and operationalised, together with a framework for advancing the global goal on adaptation. New Zealand became an Alternate Board Member for this newly established Fund. Our primary focus, as in other global climate and environment funds, is ensuring the Fund is relevant and accessible for Pacific Island countries.

New Zealand continued its support for the Moana Pacific Pavilion at COP28, helping sustain strong participation by Pacific partners in annual climate change negotiations. **New Zealand also committed significant funding to support climate**

resilience in the Indo Pacific. In addition to New Zealand's commitments in the Pacific (see Key Achievement above), New Zealand provided USD\$25 million to the Asian Development Bank (ADB) to support the shift to clean, sustainable energy in Southeast Asia, including by financing critical groundwork such as feasibility studies for clean energy projects.

New Zealand advocated for improved access to climate finance by Pacific and other Small Island Developing States (SIDS) in a range of settings, including in the boards of climate funds, through high level processes such as the UN SIDS Conference (see Goal 1, p.23), in Multilateral Development Banks, and in UNFCCC negotiations on the new global climate finance goal. Over the past year, the Green Climate Fund (GCF) approved four Pacific projects worth USD\$79 million, focussed on coastal protection, health, ecosystem-based adaptation and community resilience. In July 2023, the ADB and the GCF concluded an agreement that will enable the ADB to access and deploy GCF funds to scale up its support for climate mitigation and adaptation initiatives in the Asia-Pacific. In May 2024, ADB member countries agreed on a USD\$5 billion replenishment of the Asian Development Fund (ADF14) that will support climate change adaptation and disaster risk reduction (DRR) projects and programmes in

the Indo-Pacific over the period 2025–28. The ADB provided USD\$128 million in climate finance to the Pacific in 2023. Of the World Bank’s active Pacific portfolio in fiscal year 2023, 41% (USD\$777 million) was assessed to have climate co-benefits, supporting a range of analytical work, policy reform, and investments in adaptation and resilience, including disaster and climate risk assessments, innovative risk financing mechanisms, and risk reduction measures, such as early warning systems and resilient housing and infrastructure.

New Zealand made an influential contribution to the work of ITLOS on the climate change obligations of states under international law. The Tribunal’s Advisory Opinion, which was largely consistent with New Zealand’s submissions, acknowledged the UNFCCC and the Paris Agreement as the international community’s primary response to climate change.

New Zealand also made a submission to the ICJ Advisory Opinion on states’ climate change obligations and is working on written responses to submissions made by other states. New Zealand considers an ICJ Advisory Opinion could play a useful role in providing clarity on states’ climate change obligations and support cooperation on global climate action under the Paris Agreement. Pacific partners have been appreciative of New Zealand’s approach to the ITLOS and ICJ cases.

Outcome 2: Antarctica and New Zealand’s place in it are protected

After a period of disruption during the COVID-19 pandemic, **this year saw a return to relatively normal levels of activity in Antarctica.** This had flow-on impacts for the Ministry’s responsibilities for managing New Zealand’s interests in Antarctica and the Southern Ocean. Close engagement was required with Antarctica New Zealand and a range of government agencies on issues ranging from scientific research to tourism, environmental protection, and conservation, including efforts to combat illegal, unreported, and unregulated (shing. New Zealand played

an influential role at the Commission for the Conservation of Antarctic Marine Living Resources in October 2023 and the Antarctic Treaty Consultative Meeting in May 2024 in promoting constructive negotiations and preserving Antarctica’s status as a zone of peace and science.

The Ministry continued its work as New Zealand’s Competent Authority in ensuring implementation of the Protocol on Environmental Protection to the Antarctic Treaty through its administration of the Antarctica (Environmental Protection) Act 1994. This includes environmental impact assessments for activities on the ice, and coordinating the training of national representatives who observe and report on the environmental impact of Antarctic activities.

There was continued focus on maintaining Christchurch as the Antarctic Gateway of choice for activities in the Ross Sea region, and in identifying opportunities to highlight Antarctic dimensions of our bilateral relationships. The Ministry supported work on a memorandum of arrangement between Germany’s Alfred Wegener Institute and Antarctica New Zealand, focused on scientific cooperation. This was signed during the visit to New Zealand by the German Foreign Minister.



C-17 Globemasters III arriving at the Phoenix Runway, Antarctica. Credit: NSF/USAP

The Ministry’s role as Crown Monitor of Antarctica New Zealand required additional effort in the context of the redevelopment of Scott Base. This is a highly complex project in a challenging location, and cost escalations remain an ongoing issue. The project was paused in October, pending recommendations by the Antarctica New Zealand Board on

options for bringing it back within its total budget allocation of NZD\$498 million. Scott Base remains integral to New Zealand's significant and enduring interests in Antarctica. Its redevelopment will continue to be a priority focus for the Ministry.

Outcome 3: International stewardship of oceans, especially Pacific and Southern Oceans, has improved

New Zealand supported effective international oceans governance through its participation in negotiations towards a new international treaty on plastic pollution, including in the marine environment. In line with a refreshed mandate approved by Cabinet in April 2024, New Zealand is engaging to promote outcomes consistent with a full lifecycle approach, including through the avoidance or reduction of waste generated, as well as the reform of environmentally harmful subsidies.

New Zealand continues to **work closely with Pacific partners** where our priorities and objectives are aligned. We hosted a Pacific regional meeting in February 2024 to help Pacific partners prepare for the fourth round of negotiations in Canada in April 2024.

New Zealand maintained its advocacy in the International Seabed Authority (ISA) for states to refrain from deep sea mining in areas beyond national jurisdiction, until a mining code is agreed that provides effective environmental protections. In July 2023, the ISA Council agreed to continue negotiations on the mining code with a view to its adoption in 2025. New Zealand continues to engage constructively to push for robust rules that meet the requirements set out in the United Nations Convention on the Law of the Sea (UNCLOS), and to seek common understandings on appropriate processes if a mining application is submitted before the rules have been finalised.

New Zealand is working to combat IUU fishing regionally and internationally. The Ministry is contributing to work led by the Ministry for Primary Industries (MPI) to update New Zealand's fisheries legislation to

better address this issue, including by providing advice on international legal elements. The Fisheries (International Fishing and other matters) Amendment Bill is currently in the Select Committee phase.

New Zealand is contributing to efforts to effectively implement the IUU Action Alliance, an initiative launched by the UK, US, and Canada in June 2022 to enhance international cooperation to combat IUU fishing.

New Zealand is training Pacific fisheries officers and is actively engaged through the Forum Fisheries Agency's Regional Fisheries Surveillance Centre and in Regional Fisheries Management Organisations, including to advocate for additional obligations in relation to the subsidisation of IUU fishing vessels. New Zealand is also exploring work to strengthen regulation of Tokelau's Exclusive Economic Zone (EEZ) by enhancing fisheries compliance, monitoring and enforcement activities, including to enable IUU activities to be addressed more readily.

New Zealand continues to work to ensure the International Whaling Commission (IWC) moratorium on commercial whaling is respected and maintained. New Zealand opposes commercial whaling in all its forms and continues to raise concerns with countries that conduct commercial whaling operations. New Zealand is contributing to proposals to modernise the IWC Rules of Procedure, which will be considered at the next IWC meeting in September.

New Zealand is engaging actively in the WTO to strengthen trade rules and disciplines relevant to sustainable development goals, including the protection of global fish stocks through agreement on stronger disciplines on fisheries subsidies. In September, New Zealand ratified the WTO Fisheries Subsidies Agreement, contributing towards the goal of its entry into force.

**Outcome 4:
Better international stewardship of biodiversity has halted its global decline and reflected New Zealand’s national and regional priorities**

New Zealand signed the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity in Areas beyond National Jurisdiction (BBNJ) in September.

A Cabinet decision on ratification will be sought in coming months. In the interim, New Zealand is contributing to work necessary to prepare for the Agreement’s entry into force. New Zealand will continue to work with close partners on these issues, including Australia, Canada, Norway, Iceland, the EU, and Pacific Island countries.

New Zealand continues to advocate for the effective **implementation of the Kunming-**

Montreal Global Biodiversity Framework (GBF) agreed at the 15th Conference of the Parties to the Convention on Biodiversity (CBD) in 2022. New Zealand engaged in meetings of the CBD Subsidiary Bodies in May to ensure its key interests were reflected in outcomes on issues such as synthetic biology, marine protection, and an effective GBF monitoring framework.

Resource mobilisation to implement the GBF has been relatively slow given the scale of the global biodiversity crisis. New Zealand has played its part, making a **financial contribution to the GBF** under the Global Environment Facility (GEF) in June 2024.

Domestically, the Ministry is working with the Department of Conservation to ensure **New Zealand’s Biodiversity Strategy** is aligned with the GBF.



The ocean is one of the main repositories of the world’s biodiversity. Marine biodiversity plays an important foundational role in supporting the healthy functioning of our planet. Credit: Shutterstock



Minister for Trade, Hon Todd McClay at the ACCTS Ministerial meeting at the OECD, May 2024. Credit: MFAT

Supporting climate action through effective trade rules

New Zealand is committed to leading and participating in initiatives that demonstrate practically, how trade can help support a net-zero transition. In the past year, New Zealand concluded negotiations on two trade agreements that showcase how trade can deliver commercial opportunities while helping address climate change and other sustainable development challenges.

IPEF Clean Economy Agreement

On 6 June 2024, **New Zealand signed the Clean Economy Agreement negotiated under the IPEF**. Launched by the United States in 2022, the IPEF brings together fourteen partners⁶ from across the Indo-Pacific to strengthen economic and supply chain resilience, boost investment flows, counter corruption, and drive collaboration on climate action through cooperative agreements. IPEF members account for 40% of global GDP and 30% of global greenhouse gas emissions. They include most of the top

technological, industrial, and financial powers in the region.

IPEF's ground-breaking Clean Economy Agreement seeks to accelerate and coordinate regional action to meet net-zero greenhouse gas emissions targets, including by facilitating green investment flows while promoting sustainable growth.

The Agreement includes an **annual investor forum** bringing together technology, finance, and regulatory stakeholders to support developing and deploying clean energy and climate friendly infrastructure and technologies. New Zealand was represented at the inaugural investor forum in Singapore, by five climate tech start-ups – Mint Innovation, Openstar, Bspkl, Miruku, and Neocrete.

The Agreement also facilitates several **cooperative work programmes**, including on hydrogen, clean electricity, sustainable

⁶ Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, the United States and Viet Nam.

aviation fuels, e-waste mining and carbon markets. It provides new and practical ways for Kiwi innovators and investors to partner in technology and nature-based solutions for climate change.

Agreement on Climate Change, Trade and Sustainability (ACCTS)

On 20 June 2024, New Zealand concluded negotiations on the **ACCTS**. This is a groundbreaking trade agreement, demonstrating New Zealand's leadership at the nexus of trade, climate change, and sustainable development issues. Together with our ACCTS partners Costa Rica, Iceland, and Switzerland, we are showing how trade rules can be leveraged to address climate and sustainability challenges by:

- Delivering the most ambitious credible list of **environmental goods and services** for liberalisation to date. The list includes over 300 environmental goods and over 100 environmental and environmentally related services, including solar panels, wool fibre, recycled paper, wood products, and services such as sustainable agriculture and forestry consultancy

services, engineering, and architectural services.

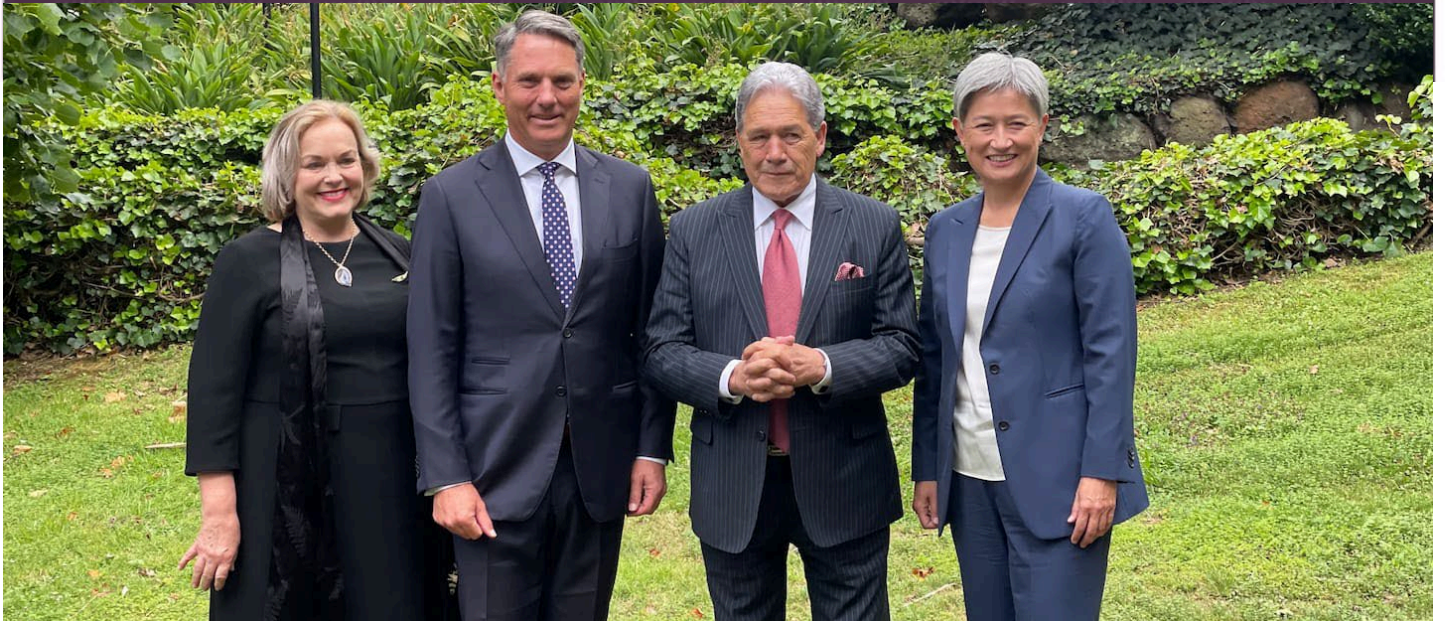
- Establishing innovative **eco-labelling guidelines** to help consumers make environmentally meaningful choices, facilitate trade in sustainable products, and build consumer confidence, while also preventing ecolabels becoming inadvertent trade barriers.
- Introducing the first legally binding international framework to reform and eliminate **environmentally harmful fossil fuel subsidies**. This supports reduction of global emissions and sustainable development outcomes. It is estimated that the removal of fossil fuel subsidies globally could reduce greenhouse gas emissions by up to 10% by 2030.

ACCTS is designed to allow expansion in both membership and trade policy actions. Following ratification in 2025, it will be open to all WTO members that can meet its standards. Being WTO consistent, the ACCTS establishes a pathway for renewed multilateral action on the trade, climate change, and sustainability agenda.



Minister of Climate Change, Hon Simon Watts, signing the IPEF Clean Economy Agreement. Credit: MFAT

06 Security & Safety



Left to right: Defence Minister Hon Judith Collins, Australia Defence Minister Richard Marles, Foreign Affairs Minister Rt Hon Winston Peters, Australia Foreign Minister Penny Wong. Credit RNZ/Katie Scotcher

Lead New Zealand's international action to advance and protect New Zealanders' safety and New Zealand's security

New Zealand faced a range of threats in 2023–24 (see A shifting strategic context, p.15).

In the Middle East, the Israel-Hamas conflict has continued, leading to a dire, and deepening humanitarian crisis in Gaza. Ongoing clashes are taking place between Israel and Lebanese Hezbollah around the Israel-Lebanon border. Illegal Houthi attacks from Yemen on civilian and naval shipping in the Red Sea continue to impact global trade and supply chains. In April 2024 Iran launched its first direct attack on Israel, following an alleged Israeli strike on Iran's Consulate in Damascus. Risks of regional conflict escalation remain real.

Russia's war of aggression against Ukraine continues to exact a devastating toll on Ukraine, with security implications for Europe, and the global security and economic environments. Russia's actions have undermined multilateral institutions in flagrant violation of the UN Charter – violations more egregious given Russia's permanent membership of the UN Security Council.

The liberal international rules-based system has come under pressure elsewhere also. Russia broke 14 years of unanimous support to end the UN Security Council's Panel of Experts on the DPRK mandate raising the risk North Korea will conduct illegal arms transfers and threaten South Korea and Japan with missile launches (see Goal 1, Outcome 1, p.24).

The risks of foreign interference and malicious cyber activity have become more prevalent, both in New Zealand and overseas. The Ministry responded to these developments, often in close partnership with other Government agencies, to protect New Zealanders' safety and New Zealand's security.

Key achievements

- Participated in maritime security coalition to address Houthi attacks in Red Sea (see Case Study, p.71)
- Highlighted malicious cyber activity linked to Russia and China (see Outcome 1, p.66)
- Assisted almost 100 New Zealanders to depart safely from Israel, West Bank and Gaza; and 224 from New Caledonia following civil unrest (see Outcome 4, p.68)
- Supported Solomon Islands' security during Pacific Games and election period (see Outcome 3, p.68)



Outcome 1: Reduced risk to New Zealand from trans-border security issues, including terrorism, malicious cyber activity, irregular migration, transnational crime, foreign interference, and weapons proliferation

Emerging technologies continue to present New Zealand and its likeminded partners with opportunities and risks. Artificial Intelligence (AI), for example, has immense potential across a range of sectors. At the same time, AI amplifies existing threats (e.g. disinformation) and presents new risks (e.g. deepfakes). New Zealand is participating actively in multilateral efforts to regulate AI through co-sponsoring a UN General Assembly Resolution on AI and Sustainable Development, joining the Hiroshima AI Process Friends Group, and signing the Seoul Ministerial Joint Statement for advancing AI safety, innovation and inclusivity.

New Zealand further helped build global norms by participating actively in UN negotiations on responsible state behaviour

in cyberspace, and by helping to progress the draft UN Cybercrime Treaty.

Calling out malicious cyber activity, New Zealand joined international action condemning malware linked to Russia and malicious intrusions into democratic institutions and processes by People's Republic of China (PRC) state-backed cyber actors. Public release of relevant information linked to such activity helps protect critical infrastructure and democratic institutions. It also, supports international detection and discovery efforts.

The Christchurch Call Secretariat transitioned successfully to a non-governmental organisation, the **Christchurch Call Foundation**, which will continue efforts to eliminate terrorist and violent extremist content online. This gives effect to the November 2023 Call Leaders' Summit outcomes, where Leaders called on New Zealand and France to build a resilient Secretariat ahead of the Call's fifth anniversary in May 2024. New Zealand Government funding for the Call ended in June 2024, with support functions now funded by pledges from Call Community members and philanthropic donors.

Indicator:	Desired Trend
Government policies to mitigate the risk from emerging security issues contain clearly articulated international engagement priorities	✓
Reason for choosing this Indicator This Indicator measures whether that New Zealand Government policies are aligned with international engagement priorities, to reduce risk to New Zealand from trans-border security issues, including terrorism, malicious cyber activity, irregular migration, transnational crime, foreign interference, and weapons proliferation.	

Progress update	Overall Trend
2023-24 Met – see narrative	✓

**Outcome 2:
New Zealand’s participation in international military and peace support operations mitigates direct security threats, contributes to a more stable global environment, and delivers benefits to our major relationships**

New Zealand continued to provide support to Ukraine’s self-defence as Russia’s war of aggression stretched into a third year. By 30 June 2024, the value of New Zealand’s pledged diplomatic, military, economic, and humanitarian assistance had reached more than NZD\$114 million. Up to 97 New Zealand Defence Force (NZDF) personnel are deployed in Europe working alongside international partners to support Ukraine across four themes: intelligence, liaison, logistics and training. This makes it New Zealand’s largest operational deployment.

At the same time, New Zealand has worked to support international legal accountability, by intervening as a third party in Ukraine’s case against Russia at the ICJ in September 2023, and sponsoring (for a second year) the secondment of a senior NZDF legal officer to the ICC for their investigation into the situation in Ukraine.

New Zealand participated in the Ukraine Peace Formula process, including the Summit on Peace in Ukraine in June 2024, to advance preparation of a comprehensive, just and lasting peace settlement.

New Zealand deployed a P-8A Poseidon maritime patrol aircraft to North Asia in support of UN Security Council sanctions monitoring in relation to DPRK. This was a tangible demonstration of our support for international law, the liberal international rules-based system, and nuclear non-proliferation efforts.

New Zealand maintained contributions to long-standing United Nations peacekeeping missions in the Middle East and Africa including United Nations Mission in South Sudan (UNMISS) and United Nations Truce Supervision Organisation.



Boeing P-8A Poseidon aircraft. Credit: NZDF

The Ministry responded to the Israel-Hamas conflict by mobilising a consular response; calling for a cessation of fighting across multilateral forums and bilaterally; and contributing aid to address the on-going humanitarian crisis.

New Zealand unequivocally condemned the terrorist attacks carried out by Hamas in Israel on 7 October 2023. New Zealand has consistently called for a ceasefire in Gaza, urged Hamas to release hostages, and advocated for safe, rapid, and unimpeded flow of humanitarian access. The Ministry mobilised a consular response to the Israel-Hamas conflict to ensure the safety of New Zealanders.

New Zealand repeatedly advocated for all parties to abide by their obligations under international law. The Prime Minister, Foreign Minister, and senior officials emphasised this in the United Nations, in joint statements with Australian and Canadian counterparts, and in other official engagements.

New Zealand contributed NZD\$22 million in aid to address the ongoing humanitarian crisis. This funding supported the World Food Programme, International Committee of the Red Cross, the United Nations Children's Fund, and the United Nations 2,720 Mechanism for Gaza.

New Zealand designated the entirety of Hamas as a terrorist entity, and established a travel ban regime against some extremist Israeli settlers.

New Zealand joined partners condemning attacks against shipping in the Red Sea and supported efforts to uphold maritime security through the deployment of NZDF personnel (see Case Study, p.71).

Outcome 3: New Zealand's security partnerships directly contribute to New Zealand's security

New Zealand engaged actively in supporting Indo-Pacific regional security architecture during 2023-24.

The New Zealand-Indonesia Cooperation Arrangement on Counter Terrorism and Violent Extremism was renewed in December 2023. We co-chaired the ARF Inter-Sessional Support Group Meeting on Confidence Building Measures and Preventive Diplomacy in May 2024.

New Zealand provided NZDF and policing support to the Solomon Islands to ensure its safe hosting of the Pacific Games, and the holding its general election. This support included explosive detection capabilities and helicopter transport of election materials and personnel to remote locations around the country.

The Ministry funded several new initiatives through the **Pacific Security Fund and Global Security Fund**. Projects ranged from research on conflict resolution in Papua, to training for police in Indonesia and Thailand on counter-terrorism and human rights, and interviewing practices to minimise the risk of human rights violations.

Outcome 4: New Zealanders are safer overseas

The Ministry worked in challenging circumstances **to assist New Zealanders caught up in unrest and crises abroad.**

Officials from New Zealand's Embassies in Ankara, Cairo and Abu Dhabi alongside NZDF partners, other supporting agencies and consular officers deployed to Tel Aviv, Rafah and Cyprus were instrumental in assisting the departures of almost 100 New Zealanders and their families from Israel, Gaza and the West Bank. The Ministry also helped New Zealand families stranded in Sudan and, in May, led operations to bring 224 stranded New Zealanders home following unrest in New Caledonia and evacuated the largest number of foreign nationals (almost 150) of any third country.

Through the year, Ministry's crisis teams led responses to wildfires in Maui, flooding in Brazil, and other extreme weather events across the globe impacting many New Zealanders, their families and travelling groups.

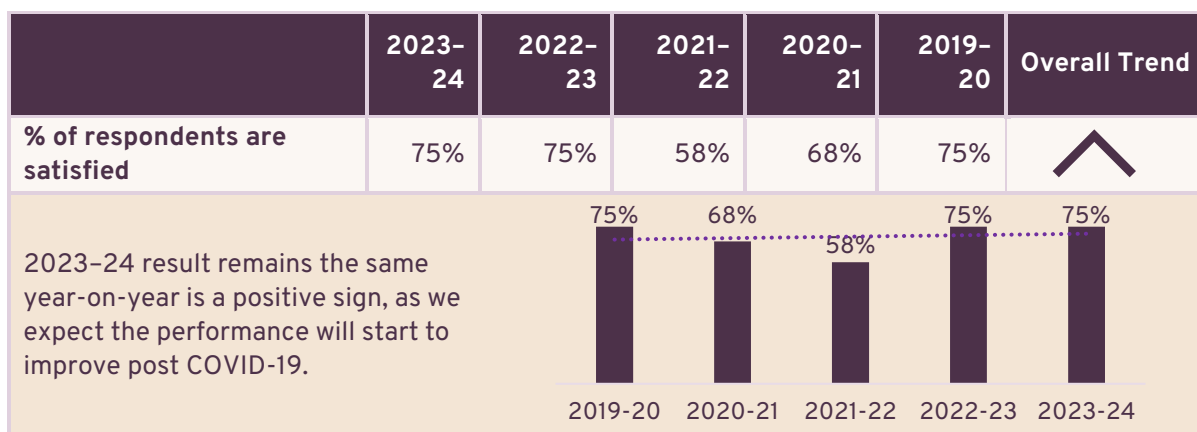
Over the last two years, the Ministry has established a number of Task Forces and activated the Emergency Coordination Centre (ECC) in response to a range of complex international security events, consular incidents and humanitarian crises. Last year, there were six ECC response activations requiring cross Ministry and inter-agency coordination, with one on-going response carried over into 2023–24. In 2023–24 there were four ECC response activations, with the ECC response function activated for approximately 77 days and the Ministry engaged in active response for a further 103 days (180 in total, or 49% of the year). Approximately 200 staff members have been directly involved in supporting a response, contributing to an estimated 1,494 workdays in effort.

Over 500 messages were sent to New Zealanders registered on SafeTravel during these and other events, and to advise them of security alerts and regular updates to the Ministry’s travel advice for New Zealanders living or travelling offshore.


Building on the passage of the Foreign Affairs (Consular Loans) Amendment Act in 2023, the Ministry progressed planning to introduce a new debt recovery framework that will improve the administration of consular loans received by New Zealanders in emergency situations that threaten their immediate health and safety. Following a significant growth in loans issued during the COVID-19 pandemic, more rigorous follow up with debtors over the last year is having a demonstrable effect in aiding the recovery process for consular loans.

The Ministry fielded around 45,000 consular enquiries during the year and dealt with more than 2,200 cases requiring management by the Consular Division and posts. The latest survey results of New Zealanders’ satisfaction level remains steady and returned to pre-COVID levels, with three in four consular clients reporting satisfaction with the services received

Indicator:	Desired Trend
80%* or more respondents are satisfied with the quality of consular services	↔ ↗
Reason for choosing this Indicator A key role for the Ministry is helping support the safety of New Zealanders travelling and living abroad, and ensuring they are able to consular assistance and emergency advice, when required. Survey respondents being satisfied with the quality of consular services received measures the success of the Ministry’s consular service. <small>*Our previous target of achieving 85% satisfaction has been reviewed, as we have not achieved this since 2017–18. There are a number of factors that contribute to satisfaction ratings (refer to 2022–23 Annual Report, p.117, p.130). Revising the budget standard to 80% is a more realistic approach.</small>	



Indicator:	Desired Trend
80% of consular survey respondents are aware of SafeTravel	
<p>Reason for choosing this Indicator</p> <p>The Ministry recommends that New Zealanders registers their travel details on SafeTravel. This allows us to send important travel information and provide updates about emergencies, natural disasters, or other crises. SafeTravel registration is voluntary. All information provided remains confidential and is held in accordance with the Privacy Act 2020.</p>	

	2023-24	2022-23	2021-22	Overall Trend
% of respondents are aware	53%	63%	75% (new indicator)	

Case Study



The MV Tutor, a Greek-owned coal carrier, sinks in the Red Sea after it was attacked by the Houthi rebels on June 12, 2024. Credit: Etat-Major des Armées/France/AP

Protecting Shipping through the Red Sea

In November 2023, the Houthis – a group that occupies much of northern Yemen – began attacking commercial and naval vessels illegally in the Red Sea, Bab al-Mandab Strait, and Gulf of Aden.

Vessels from over 50 nations have been impacted. Crews from over 20 nations have been threatened and, in some cases, taken hostage or killed. The attacks have also had a significant destabilising impact on the global economy.

Traditionally around 15% of global trade and 30% of all global container traffic flows has passed through the Bab al-Mandab strait and Suez Canal connecting Asia and Europe. Due to the Houthi attacks, however, thousands of ships have been forced to pay higher insurance costs or divert thousands of kilometres round the Cape of Good Hope, adding more than 10 days to their passage.

Supply chain disruptions caused by these attacks mean higher costs for New Zealand consumers and delays getting goods to and from markets in Europe, the Middle East, and North Africa.

On 1 December 2023, the UN Security Council issued a statement condemning Houthi attacks and

demanding their immediate cessation. Later in December and in January 2024, New Zealand joined several nations in condemning further attacks.

When these warnings were not heeded, a team of six NZDF personnel was deployed as part of an international coalition to support the rules-based international system, and to help uphold maritime security and freedom of navigation. The coalition included the United States, United Kingdom, Australia, Canada, Denmark, Kingdom of Bahrain, and Netherlands.

The deployment is a continuation of New Zealand's long tradition of defending freedom of navigation, an integral part of our national prosperity and security, and the liberal international rules-based system.

The Minister for Foreign Affairs, Winston Peters, described New Zealand's response as **“the inevitable consequence of the Houthis' disregard for international law, peace and stability. We are a trading nation that relies on international maritime law and the free flow of goods, and Houthi actions strike at the heart of New Zealand's national security.”**

07 International Relationships



India Foreign Minister Subrahmanyam Jaishankar met with Minister of Foreign Affairs Winston Peters in India, March 2024.
Credit: High Commission of India, New Zealand

Build and leverage targeted international relationships to achieve our goals

In an increasingly contested world New Zealand has renewed its focus on strong international relationships within our region and with traditional and likeminded partners. These relationships ensure New Zealand is able to seize opportunities, manage risks, protect our core values, enhance our prosperity, manage security threats, and uphold the liberal international rules-based system that is critical to us.

While maintaining a strong Pacific focus (see Goal 4, p.46), there has been an increase in energy and intensity on our relationships in Southeast Asia, South Asia (in particular India), and North Asia (see Goal 3, p.40). We are focusing renewed attentiveness to our partnerships with Australia, Canada, the United Kingdom and the United States, and working with other likeminded partners in Europe and Asia on issues of mutual interest.

New Zealand is also working with likeminded partners through mini-lateral groupings such as the Indo-Pacific Four (IP4 – comprised of New Zealand, Australia, Republic of Korea and Japan) and the Small Advanced Economies Initiative (SAEI) to advance our interests and capabilities, enabling New Zealand to be an effective, valued, and credible partner, and contributor, in our region and beyond.

Key achievements

- The Minister of Foreign Affairs and US Secretary of State released a joint declaration that sets out the principles and priorities to reinvigorate the New Zealand-United States strategic partnership.
- New Zealand and Australia held inaugural 2+2 Australia-New Zealand Ministerial Consultations (ANZMIN 2+2) for the Ministers of Foreign Affairs and Ministers of Defence; and also for the Ministers of Finance and Ministers of Climate Change.
- The Prime Minister's Mission to Southeast Asia successfully built new momentum in New Zealand's relationships with Singapore, Thailand and the Philippines (see Case Study, p.77).
- A Prime Minister-led business delegation to Japan reinvigorated our political, security and economic ties with the world's fourth largest economy.



Outcome 1 & 2: Our diplomacy is aligned to changing global realities, and the quality of our relationships enables us to progress New Zealand objectives

In an increasingly contested world, building and maintaining New Zealand's international relationships, and deepening key partnerships, is more important than ever. The Ministry's global network of diplomatic posts, a high tempo of high-level visits, and increased bilateral engagement are critical foreign policy enablers – including by allowing us to deepen the quality of our relationships.

In 2023–24, the Ministry supported 57 outward visits by the Governor-General, Prime Minister, Deputy Prime Minister, and portfolio Ministers, and 61 'Guest of Government' incoming visits.

A number of these visits have focused on **Southeast Asia and South Asia**, reflecting the government's foreign policy priorities. Several key objectives were achieved and progressed, including: driving increased momentum in our bilateral relationships with **Singapore, Thailand, the Philippines and India** and reinvigorating New Zealand's business and trade ties (see Case Study, p.77). We continue to adapt our Strategic Partnership with **Viet Nam** to mutual

priority areas, including negotiations to enhance air connections through our bilateral Air Services Agreement and in new areas of cooperation such as green economy, energy transition, and oceans governance. We are working to develop a Strategic Partnership with **Thailand** by 2026 as well as substantially elevating our Enhanced Partnership with **Singapore**, including through negotiations on a supply chains agreement and cooperating on the climate and green economy. New Zealand is aligning all-of-government efforts in our foreign, defence and trade policies to underscore New Zealand's value as a trusted regional partner.

Increased engagement with **North Asian** partners has delivered tangible results for New Zealand. We continue to invest in our significant, consequential, and complex relationship with **China**. New Zealand continues to engage where it is beneficial to do so, while also acting to protect and promote our interests and values. We work with partners where this helps advance our common interests, including with respect to our support for human rights; international rules and norms; and regional security.

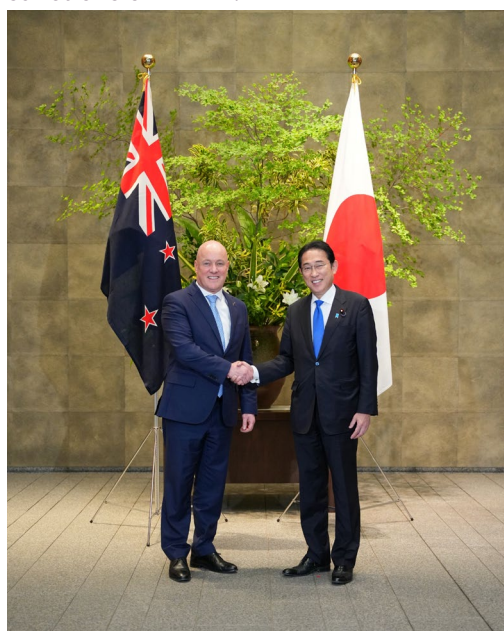
The Ministry supported a significant number of leader level and high-level engagements with China throughout the year, culminating in a successful visit by Premier Li. During his visit, Premier Li and Prime Minister Luxon

issued a Joint Statement of Outcomes and witnessed the signing of a number of arrangements delivering tangible trade and market access outcomes for New Zealand, including on infant formula and kiwiberries. Several commercial deals and education-related arrangements were also concluded as part of the visit.

The Minister for Trade, Hon Todd McClay visited China in support of two-way trade that totals approximately NZD\$38 billion.

The Prime Minister led a large business delegation to **Japan** in June 2024 to reinvigorate our relationship. This included through agreement in principle of an Information Security Agreement. Prime Minister Luxon announced increased defence cooperation with Japan, with HMNZS Aotearoa visiting in the second half of 2024. The Prime Minister also launched a new Tourism New Zealand Campaign, promoted rugby connections, and witnessed his delegation closing business deals. During the visit, the Prime Minister also announced State Minister for Foreign Affairs Tsuji Kiyoto as the next New Zealand Prime Minister's Fellow.

Our concerns regarding security in the Indo-Pacific, were underscored by the announcement of further NZDF deployments to North Asia to monitor UN sanctions on DPRK.



Prime Minister Rt Hon Chris Luxon with Prime Minister of Japan Fumio Kishida. Credit: X@ChrisLuxonmp

Renewed attentiveness to our closest likeminded partners has also been a key focus for the Ministry, in line with the government's foreign policy priorities.

Cooperation with **Australia** on key regional and global challenges has increased over the past year, led by a steady and intensified pattern of political-level engagements. This has been spearheaded by three PM-level meetings and extensive engagement by other Cabinet Ministers including the first ANZMIN Foreign and Defence Ministers meeting, held in February 2024.

These engagements enable strategic-level coordination on our responses in shared priority areas, including the shifting geopolitical landscape and economic transitions to low carbon economies. New Zealand and Australia have coordinated closely on responses to developments in the Pacific, the Israel-Hamas conflict and situation in Gaza, and to Russia's illegal invasion of Ukraine. This further demonstrates the value of our closest partnership to New Zealand. The launch of the **Australia-New Zealand Relationship Roadmap to 2035** is an important bilateral achievement that will drive our relationships, interests and objectives.

In April 2024, the Minister of Foreign Affairs and the US Secretary of State released a Joint Declaration with the **United States** in which we recommitted to our strategic partnership and set out principles and priorities for further cooperation. Intensive bilateral engagement over the year supported an enhanced government to government dialogue on emerging and critical technologies and space, and reinvigorated US contributions to Pacific priorities. There has been an ongoing focus, also on deepening a dynamic economic relationship.

The **United Kingdom** remains one of New Zealand's closest partners, with cooperation across a range of issues, including support for Ukraine, a stable and prosperous Indo-Pacific, and collaboration in research, science and innovation. This has been enhanced by the recently concluded

NZ-UK Research Science and Innovation Arrangement. Implementation of New Zealand's Free Trade Agreement with the UK and coordination on the UK's accession to the CPTPP have delivered meaningful trade outcomes for New Zealand (see Goal 2, p.31). Close security cooperation on Ukraine and the Red Sea, and coordination on consular issues in Gaza and New Caledonia have supported New Zealand citizens and businesses (see Goal 6, p.65).

Increased Ministerial engagement and visits to **European Union** countries, strengthened science and technology links through the signature in July 2023 of New Zealand's association with Pillar Two of Horizon Europe, as well as participation in discussions on global security challenges like Ukraine and Israel-Hamas through New Zealand's attendance as an Indo-Pacific partner at NATO meetings, have stimulated closer ties between New Zealand and a number of likeminded European partners. The NZ-EU FTA is expected to have significant benefits for many New Zealand exporters (see Goal 2, p.31).

In the Middle East, New Zealand has intensified engagement with **the United Arab Emirates (UAE) and Saudi Arabia** over the past year. Trade Ministers have visited the UAE multiple times, leading to the launch of negotiations for a Closer Economic Partnership Agreement in May. This has been complemented by enhanced foreign policy engagement, including regular discussions between Foreign Ministers and the second New Zealand-UAE Foreign Ministry Consultations in June. Similarly, Ministerial engagement with **Saudi Arabia** has seen reinvigoration of free trade agreement negotiations with the Gulf Cooperation Council.

New Zealand's **partnerships in the Pacific** remain a key priority focus, as well as promoting a peaceful, prosperous and resilient Pacific (see Goal 4, p.46 for detailed information).

Outcome 3: We adapt to ensure we continue to create impactful connections and leverage benefits

New Zealand works with a diverse range of global partners using a range of diplomatic tools, to deliver impactful connections and benefits for New Zealand and New Zealanders.

The Ministry has utilised video conferencing to engage internationally using our digital diplomacy suites. While virtual diplomacy cannot replicate in-person interactions, this tool has enabled us to adapt to the global environment and participate in a wider range of engagements. It also has some positive budgetary and climate benefits.

The Ministry also utilises a Public Diplomacy programme that is designed to enhance New Zealand's reputation and profile in areas including: arts and culture, business, science, technology, sports, and our Treaty of Waitangi/Te Tiriti o Waitangi partnership. Public Diplomacy helps raise New Zealand's profile and perspectives through government, public, media, business and NGO engagement and connections.

A **Public Diplomacy Fund** of NZD\$270,000 was almost fully utilised through 39 projects covering podcasts, video campaigns, hosting of major events, sponsoring cultural activities, and supporting policies on human rights, trade, climate action and Indigeneity.

A second fund, the **Cultural Diplomacy International Programme (CDIP)**, administered through the Ministry for Culture and Heritage, Manatū Taonga has a mandate to establish and maintain a New Zealand cultural presence overseas to boost New Zealand's profile and economic, trade, tourism, diplomatic, and cultural interests.

The Ministry also works with and supports a number of organisations and groups to progress our foreign policy objectives. This includes **supporting business councils** to support and encourage business and trade links. For example, the Ministry supports: the

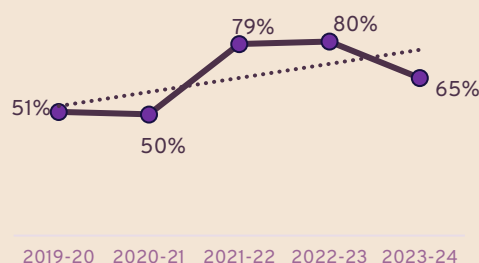
Japan New Zealand Business Council (JNZBC), the China and New Zealand Business Council (CANZBC), and the New Zealand United States Council (NZUS Council). The Ministry also supports the work of the New Zealand Institute of International Affairs (NZIIA) and Kea. The Ministry also sponsored the China Business Summit in May 2024, which explored New Zealand China economic, commercial, and political relations.

The Ministry continues to support the work of the **Asia New Zealand Foundation** to upskill New Zealanders to operate with comfort in Asian cultures. The Ministry also led activities to improve awareness in the public sector through the China Capable Public Sector programme.

Indicator:	Desired Trend
New Zealanders confidence in engaging with Asian cultures increases	
Reason for choosing this Indicator New Zealand’s present and future – economically, culturally and socially – are tied firmly to Asia. New Zealand needs to be deliberate and thoughtful in its approach with Asia. With New Zealand’s confidence in engaging with Asian cultures increasing, New Zealanders will have the tools needed to engage with Asia.	

Progress	Overall Trend
2023-24 65% of New Zealanders said that developing political, social and economic ties with Asia is important for New Zealand’s future` 2022-23 80% of New Zealanders said that developing political, social and economic ties with Asia is important for New Zealand’s future~ 2021-22 79% of New Zealanders believed it was important for New Zealand to develop political, social, and economic ties with Asia* 2020-21 50% of New Zealanders feel they know at least a fair amount about Asia+ 2019-20 51% of New Zealanders feel they know at least a fair amount about Asia^	

`Asia New Zealand identify events and developments that took place around the time their fieldwork was carried out as contextual factors that may influence results. Due to the nature of quantitative polling, it is difficult to know why people answer a question in a particular way. It’s also worth noting that this statistic should be considered alongside other findings, particularly: a) Perceptions of Asia’s importance to New Zealand’s future increased three percentage points to 75 percent from the previous survey; b) Self-assessed knowledge of Asia and each Asian sub-region has steadily increased over time; c) Asia New Zealand data shows an uptick in the number of ‘neutral’ responses on this question indicating higher ambivalence on this question among survey respondents. Next year’s data will help to access whether the drop in score this year is an anomaly.



+ Source: New Zealanders’ Perceptions of Asia and Asian Peoples Survey 2019
 ^ Source: New Zealanders’ Perceptions of Asia and Asian Peoples Survey 2020
 *Source: New Zealanders’ Perceptions of Asia and Asian Peoples Survey 2021
 ~Source: New Zealanders’ Perceptions of Asia and Asian Peoples Survey 2023
 `Source: New Zealanders’ Perceptions of Asia and Asian Peoples Survey 2024

Case Study



Prime Minister Rt Hon Christopher Luxon and Philippines President Bongbong Marcos look ahead to elevating the New Zealand-Philippines relationship to a Comprehensive Partnership. Credit: Prime Minister's Office

Prime Minister's Southeast Asia Mission to Singapore, Thailand and the Philippines

Uplifting our Relationships in Southeast Asia

As part of the government's foreign policy reset, New Zealand has significantly increased attention on our relationships in Southeast Asia. Kicking off this activity early in 2024, the government embarked on a high tempo of political visits with Southeast Asian countries to underscore New Zealand's value as a trusted partner. This included the Prime Minister's travel to Melbourne in March to meet six ASEAN counterparts and welcoming the Vietnamese Prime Minister and the Vice President of Indonesia to New Zealand.

The Prime Minister embarked on a visit to Singapore, Thailand and the Philippines on April 14–20, his first international trip outside of Australia. Underscoring a whole-of-government approach to deepening regional ties, Prime Minister Luxon was accompanied by Minister of Climate Change and Revenue Hon. Simon Watts and New Zealand's first

Filipino Member of Parliament, Paulo Garcia. To enhance business ties and capitalise on private sector opportunities, the Prime Minister was joined by a business delegation of 24 senior executives from New Zealand's top companies. To showcase New Zealand's unique bicultural identity and culture, the delegation included a champion kapa haka group (Te Wehi Haka).

“Southeast Asia is a region that has huge strategic and commercial importance to New Zealand. It's where our security, but also our prosperity, really lies going forward.” – Prime Minister Luxon

Securing Key Political Objectives

The visit was successful in achieving its primary objective – securing agreements to upgrade our bilateral relationships with Singapore, Thailand and the Philippines. New Zealand secured other key objectives with each country on the trip.

In **Singapore**, the Prime Minister and Prime Minister Lee agreed to elevate our Enhanced Partnership in 2025 with practical cooperation in priority areas including defence, investment and the transition to a green economy. New Zealand and Singapore agreed to deepen cooperation on supply chains and connectivity, and food security negotiations were launched for an Agreement on Trade in Essential Supplies.

Outcomes from the **Thailand** leg included an agreement to upgrade our bilateral relationship to a Strategic Partnership in 2026; a shared goal of tripling two-way trade by 2045; and an agreement to boost two-way tourism and re-introduce direct flights between New Zealand and Thailand.

The Prime Minister's visit to the **Philippines** was the first primarily bilaterally focused visit by a New Zealand Prime Minister in over 18 years. Prime Minister Luxon and President Marcos agreed to elevate the New Zealand-Philippines relationship to a Comprehensive Partnership by 2025 and agreed to a goal to grow trade by 50 percent by 2030. New Zealand and the Philippines agreed to deepen defence cooperation including working to conclude a Status of Visiting Forces Agreement.

The Prime Minister also announced a NZD\$41 million contribution to the Asian Development Bank's Energy Transition Mechanism to support clean energy transition in the Philippines, Viet Nam and Indonesia.

The Prime Minister-led mission also saw a number of tangible business deliverables announced. Examples of deals signed in the tourism, education and agriculture industries included:

- **NZ Aero** signed a multi-million-dollar, multi-year deal with Thai Aviation Industries Co. Ltd to supply parts to the Royal Thai Airforce.
- **Air New Zealand** announced an agreement to purchase nine million litres of sustainable aviation fuel (SAF) from Neste – its biggest ever deal on sustainable fuel.
- **Massey University** unveiled an enhanced partnership with PSB Academy in Singapore. This will see the tertiary education provider established its first ever offshore campus.
- **Plant & Food Research** signed a cooperation agreement with the ADB and secured a contract with Quezon City, the largest city in metropolitan Manila to support development of traditional markets.
- **Oritain** announced its Southeast Asia expansion and the opening of a new office in Singapore later this year, alongside a multi-year deal with Singapore-based Ramatex.

“There is enormous opportunity for New Zealand exporters in this region and that’s evidenced by the number of deals that were inked by our delegates during this trip, the first of many.” – Fonterra CEO Miles Hurrell.

08 NZ Connections



MFAT's Auckland Office hosts a variety of events at Fieldays' International Business Centre. Credit: LinkedIn – Lawrence Meredith

Foster mutually beneficial relationships with NZ Inc partners, Māori, domestic stakeholders and New Zealanders

To effectively deliver New Zealand's international priorities, the Ministry needs to have strong connections with NZ Inc agencies, Māori, Iwi, domestic stakeholders, and the public. Collaboration and cooperation with government agencies maximises government resources, enables the Ministry to advance NZ Inc objectives and enables us to share our insights from our network of overseas posts.

The Ministry's work benefits from engagement with a wide range of domestic stakeholders, including business, Iwi and Māori, and civil society. This helps to promote mutual understanding, and ensures a wide range of views and perspectives inform New Zealand's foreign, trade, and development policy.

Key achievements

- Released the Ministry’s 2023 Strategic Foreign Policy Assessment (see Outcome 4, p. 84).
- Collaborated with NZ Inc partners to deliver substantial commercial outcomes for New Zealand businesses.
- Overall stakeholder satisfaction remains positive.
- Replaced the Māori policy unit with the new Māori division, Houtina (see Outcome 2, p.81).



Outcome 1: Effective leadership and partnership enhances NZ Inc delivery of the Government’s international objectives

The Ministry provides effective strategic leadership and coordination with NZ Inc agencies, domestically and offshore, enabling the delivery of New Zealand’s international priorities. The Ministry has continued to lead and facilitate cross-agency engagement, which serves to advance Government priorities and objectives.


The Ministry works closely with NZTE to promote New Zealand’s trade and economic interests abroad, by assisting businesses with market access and developing connections. Over the past year, the Ministry and NZTE have worked closely together in the planning and delivery of Prime Ministerial-led trade missions to Singapore, Thailand, the Philippines (April 2024) and Japan (June 2024). These missions have delivered substantive commercial outcomes for New Zealand businesses. As a monitoring agency for NZTE, the Ministry provides input on the development of key performance documents, including NZTE’s Statement of Performance Expectations, helping to drive greater organisational alignment.


The Ministry participates as a Board member in regular meetings with the Auckland Chamber of Commerce and the six related Pacific Business Councils based in Auckland (Samoa, Tonga, Fiji, Papua New Guinea, Pacific and French Polynesia) to support economic development and growth for both the New Zealand and the Pacific private sectors.

The Ministry also continues to meet regularly with Pacific facing agencies – Pacific Trade Invest New Zealand, New Zealand Trade and Enterprise and Business Link Pacific (BLP) – to share information and collaborate on economic initiatives that support businesses interested in the Pacific.

As a result of relationships formed with businesses across New Zealand through our Pacific Update annual roadshow, the Ministry is also working one-on-one with New Zealand firms interested in the Pacific, to connect them to procurement, trade, export and investment opportunities.

The Ministry supports NZ Inc working internationally by providing market intelligence and evaluating the impact of what we do. In 2023–24, the Ministry recorded over 744 trade related engagements with stakeholders and contacts, from the business sector, civil society, academia, and the public. The Ministry also delivered international insights through multiple reports, using information from our overseas network to respond to a range of requests from agencies.

Indicator:	Desired Trend
Ratings for leadership and collaboration from NZ Inc agencies	
Reason for choosing this Indicator Tracking ratings for leadership and collaboration from NZ Inc agencies helps to demonstrate whether the Ministry provides effective strategic leadership and coordination with NZ Inc agencies, domestically and offshore, enabling the delivery of New Zealand’s international priorities.	

Goal	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
70% of NZ Inc agencies agree that MFAT provides strategic direction for New Zealand’s international engagement	67%	70%	70%	Results not reported	73%	
45% agree MFAT leadership enables agencies to function as one team	47%	52%	52%	Results not reported	50%	
65% of NZ Inc respondents agree MFAT collaborates as a team player with NZ Inc agencies on shared objectives	54%	66%	66%	Results not reported	65%	
Note: For disclosure notes on 2019–20–2022–23 results, please refer to MFAT Annual Report 2022–23, pg. 82. There has been a dip in 2023–24 in the overall rating around MFAT’s collaboration with partner agencies to deliver on Government objectives with international dimensions. NZ Inc partners have noted opportunities for MFAT to adopt a greater team approach, including in a supportive role rather than a leadership role where appropriate.						

Outcome 2: MFAT’s commitment to its Treaty partnership with Māori is understood and embedded in our work


The Ministry continues its work to embed The Treaty of Waitangi/Te Tiriti o Waitangi. Building greater Mātauranga Māori capability is an organisational priority, and this year the Ministry has strengthened its capability through the establishment of the Māori Division/Houtina (see Māori-Crown Capability section, p.103).


The advice and guidance of **Te Hurumanu, the Ministry’s Māori Partnership Group**, supports the Ministry’s engagement with Māori and helps us ensure that we deliver on our responsibilities to support Māori-Crown relations.


The Ministry continues our engagement with Māori stakeholders on trade policy, including through meetings with Ngā Toki Whakaruruanga, Te Taumata, Federation of Māori Authorities (FOMA) leadership and the National Iwi Chairs Forum. This engagement enhances the Ministry’s understanding of Te Ao Māori perspectives, and contributes to deeper relationships with Māori stakeholders across our trade and economic work, and more broadly.

The recent Prime Minister’s mission to Japan included Te Iti Kahurangi kapa haka. Te Iti Kahurangi impactfully showcased Māori culture and the centrality of Māori to our country’s unique identity. The group promoted te ao Māori and fostered cultural connections paving the way for more meaningful engagements and relationships reflective of tirohanga and Mātauranga Māori.

Indicator:	Desired Trend
Confidence of Māori in their partnership with the Ministry	
Reason for choosing this Indicator	
This Indicator was chosen as it reflects whether the Ministry is fulfilling its obligation as Treaty partner and if the Ministry is uplifting its Mātauranga Māori capability.	

	Progress update	Overall Trend
2023-24	81% of Māori partners are satisfied with their recent interactions with MFAT.	
2022-23	81% of Māori partners are satisfied with their recent interactions with MFAT. The 2021-22 results remains current (biennial survey). The next survey will be undertaken in 2023-24.	
2021-22	81% of Māori partners are satisfied with their recent interactions with MFAT. The overall perception of Māori survey participants is that engagement has improved.	

Indicator:	Desired trend
MFAT staff who are able to apply Mātauranga Māori in their mahi	
Reason for choosing this Indicator	
This Indicator was chosen because an increased desired trend means the Ministry is able to better support Māori international aspirations and represent New Zealand overseas.	

Number of MFAT staff attended:	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
Te reo Māori classes, with a 75% completion rate (Indicator from 2020-21)	155*	200	222	200	N/A	
The Te Tiriti at MFAT course (to be reintroduced in 2024-25)	N/A	N/A	194	300	N/A	
The Māori-Crown Relations workshop	190	63	99	N/A	N/A	
Te Hiko Maumahara Connecting People To The Past 'Wall Walk'	101	90	N/A	N/A	N/A	
<p>*155 staff attended in-person te reo Māori classes with a 66% completion rate. The classes are delivered at Level 1, 2 and 3, focusing on building te reo Māori confidence, capability and understanding. Staff enjoyed the content and provided positive feedback on the delivery and engagement being relational and genuine improvements were suggested on the content of the resources and the duration of the course, with some staff preferring longer courses, and smoother transitions to support further learning.</p> <p>Note: There are a range of Mātauranga Māori capability programmes that have been initiated both internally and internationally across the Ministry. Notably, Mātauranga Māori workshops were delivered face-to-face at five posts internationally.</p> <p>For disclosure notes on 2019-20-2022-23 results, please refer to MFAT Annual Report 2022-23, pg. 84.</p>						

**Outcome 3:
Mature and sustainable relationships with New Zealand domestic stakeholders enhances the Ministry’s policy development and international engagement and reputation**

The importance of being attuned to the issues that matter to domestic stakeholders have driven the Ministry to improve the breadth and depth of its outreach.

The Ministry engages regularly with the public, business, Māori and civil society groups on a range of trade issues. The Ministry partnered with Export NZ and NZ Inc agencies on roadshows and webinars promoting the NZ-EU & NZ-UK FTA. New Zealand’s hosting of AANZFTA Agreement officials this year included engagement with business leaders and groups, with a view to increasing visibility of the challenges and opportunities for businesses trading in the region (see Goal 3 Case Study, p.44).


Equally, the Ministry’s IDC Programme partners engage with New Zealand non-government organisations (NGOs) to deliver a range of development and humanitarian outcomes in communities across the Pacific and Southeast Asia, including in areas such as social and economic development and climate change adaptation. In September 2023 the Ministry hosted the annual MFAT-NGO Hui-ā-tau, bringing the NGO sector together to discuss areas of shared interest, identify examples of best practice, and consider how

to incorporate these into our partnerships and programmes. The Ministry also hosted a series of open workshops in different parts of the country for NGOs considering applying to the Manaaki Fund, an annual contestable fund managed by the Ministry to support community development in the Pacific and Southeast Asia.

The Ministry’s Auckland Office continues to strengthen its engagement with a network of key stakeholders in Auckland, running an active outreach programme, assisting to host and leverage high-level visits, and regularly reporting insights to Wellington and posts (see Case Study, p.87).

The Ministry’s efforts to improve our outreach is reflected in the annual results the Ministry receives from the Public Sector Reputation Index. This year, the Ministry’s overall reputation has increased by three points to 66, its highest point score to date, and above the benchmark average for our six peer agencies.

The Ministry also runs a biennial Stakeholder Survey that measures public and stakeholder perceptions. This has shown that the overall stakeholder sentiment is mostly positive. Eighty three percent of those surveyed are satisfied with our engagement and think the Ministry is effective. Deeper insights into the interests and perceptions of domestic stakeholders, such as the perceptions of Māori stakeholders, have assisted the Ministry to better focus and raise its levels of engagement.

Indicator:	Desired Trend
Stakeholder satisfaction with the Ministry’s effectiveness representing New Zealand interests is maintained (biennial survey)	
Reason for choosing this Indicator This Indicator was chosen because the Ministry acts in the world on behalf of New Zealand stakeholders, so stakeholder satisfaction is a measure of whether the Ministry is effective at representing their interests.	

Target	2023-24	2021-23	2020-21	2019-20	Overall Trend
% of stakeholders satisfied with the Ministry's effectiveness representing New Zealand interests is maintained	83%	85%	Results not reported	88%	▼
<p>Our stakeholder satisfaction remains high and continues to outperform Verian's (survey conductor) stakeholder satisfaction benchmark. The Ministry is seen as a very consistent, stable organisation, and we perform well on many key measures. However, some feedback noted room for improvement in the Ministry's ability to take on board feedback and adapt its approach.</p> <p>Note: For disclosure notes on 2019-20-2022-23 results, please refer to MFAT Annual Report 2022-23, pg. 85.</p>					

Indicator:	Desired Trend
Domestic stakeholders' satisfaction with engagement with the Ministry (biennial survey)	▲
<p>Reason for choosing this Indicator</p> <p>This Indicator was chosen because the Ministry acts in the world on behalf of New Zealand stakeholders, so stakeholder satisfaction is a measure of whether the Ministry is effective at representing their interests.</p>	

Target	2023-24	2021-23	2020-21	2019-20	Overall Trend
% of domestic stakeholders' satisfaction with engagement with the Ministry	85%	86%	78.4%	92%	⚡
<p>Our stakeholder satisfaction remains high and continues to outperform Verian's (survey conductor) stakeholder satisfaction benchmark. The Ministry is seen as a very consistent, stable organisation, and we perform well on many key measures. However, some feedback noted room for improvement in the Ministry's ability to take on board feedback and adapt its approach.</p> <p>Note: For disclosure notes on 2019-20-2022-23 results, please refer to MFAT Annual Report 2022-23, pg. 85.</p>					

**Outcome 4:
MFAT has raised understanding and support among the New Zealand public for New Zealand's international objectives and the work we do**

The Ministry is committed to engaging with New Zealanders about the work that we do, and the strategic context in which we operate.

In July 2023, the Ministry's 2023 Strategic Foreign Policy Assessment was released to the public. The assessment looks ahead to 2035 and – with the theme of *Navigating a*

shifting world – Te whakatore i tētahi ao hurihuri – is intended as a contribution to the national conversation on foreign policy.


The Assessment is a departmental document, produced by the Ministry to help inform, and ensure policy coherence across, our 1700+ staff in Wellington, Auckland and our 58 offshore posts. Its purpose is not to propose specific responses, but to provide a wide-angle lens that can be used to shape our foreign, trade, and development policy choices. The purpose of the Assessment is to help build public understanding of New Zealand's changing strategic


environment, related emerging issues and challenges, and how we can respond to them.


The Ministry continues to deliver on its commitment to release information proactively, including Cabinet papers and OIA requests.


2023–24 saw a decrease in total views on MFAT social media, due primarily to reduced levels of content published immediately before and after the New Zealand election. Despite this, the Ministry’s social media following continued to grow, with website visitor sessions maintained at similar levels to the previous year.

Social media posts have covered a wide range of relevant information about New Zealand’s international relations, development and trade. These have included posts about free trade agreements, market reports, climate change, public diplomacy, the Pacific and bilateral issues (such as the Israel-Hamas conflict) and emergency responses (such as the New Caledonia response).


Indicator:	Desired Trend
Understanding of MFAT’s role and what it delivers for New Zealanders	
Reason for choosing this Indicator	
This Indicator was chosen because the Ministry acts in the world on behalf of New Zealanders, so stakeholder satisfaction reflects whether the Ministry is effective at representing their interests.	



Target	2023–24	2022–23	2021–22	2020–21	2019–20	Overall Trend
% of stakeholders say they have a lot or moderate understanding of what MFAT offers	89%	89%	87%	Not available	84%	
Note: For disclosure notes on 2019–20–2022–23 results, please refer to MFAT Annual Report 2022–23, pg. 87.						

Indicator:	Desired Trend
Visit numbers and user satisfaction with MFAT’s websites and social media platforms	
Reason for choosing this Indicator	
This Indicator was chosen because an increasing trend in visit numbers and user satisfaction with the Ministry’s websites and social media platforms reflects an increase in outreach. This also measures whether the Ministry has raised understanding among the public about New Zealand’s foreign policy objectives and the work we do.	

Platforms	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
Sessions on MFAT website	2,818,597*	3,052,345	1,853,966	2,712,665	1,029,409	
Sessions on Trade Barriers	2,758	2,535	12,035	19,857	N/A	
Twitter followers	27,173	25,141	22,895	19,550	14,000	
Facebook followers	38,896	39,952	35,703	33,088	28,694	
LinkedIn followers	49,192	42,699	34,638	28,769	N/A	

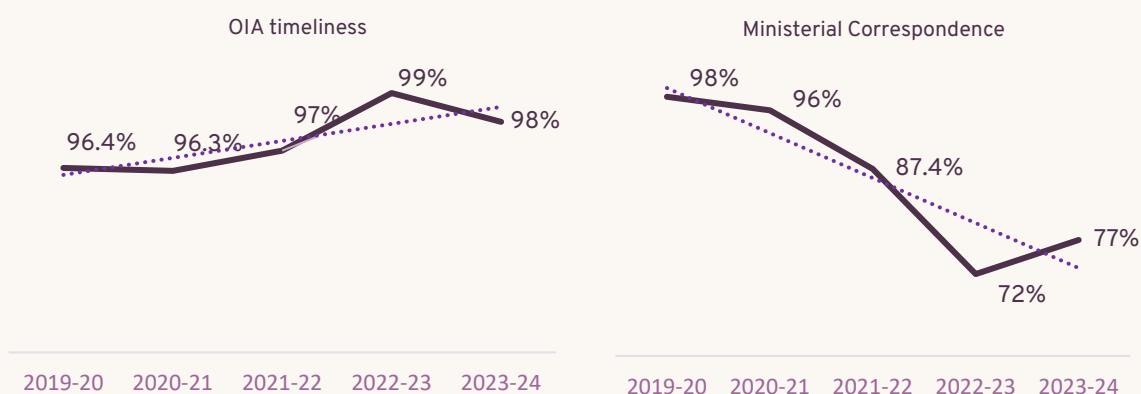
*Bot traffic removed from result.
Note: Please refer to Outcome 4 above for more information.

Indicator:	Desired Trend
Timeliness of response to Official Information Act (OIA) requests and ministerial correspondence*	
Reason for choosing this Indicator	
This Indicator reflects that the Ministry is providing accessible and timely information to the public.	

Timeliness of responses	2023-24	2022-23	2021-22	2020-21	2019-20	Overall Trend
OIA requests	98%	99%	97%	96.3%	96.4%	
Ministerial correspondence	77%	72%	87.4%	96%	98%	

* This Indicator relates to the timeliness of all of the Ministry's OIAs and ministerial correspondence.

The timeliness of MFAT OIA responses remains at a high level despite the increasing volume of requests. We continue to work on improving timeliness for responding to ministerial correspondence and are making some progress. This is an on-going challenge as the Ministry needs to reprioritise work to manage the large increase in OIA requests.





Tamaki Mākauarau hosts the 2023 Diplomatic Study Tour. Credit: MFAT

Auckland Office engagement team

Strong connections with NZ Inc agencies, Māori, Pasifika, domestic stakeholders, and the public are vital to the effective delivery of New Zealand's foreign policy priorities. The Ministry plays a lead role in working with government agencies and domestic stakeholders to advance NZ Inc objectives and shares insights from our network of overseas posts.

The Ministry's Auckland office is a vital component of MFAT's engagement with domestic stakeholders. Operating in New Zealand's largest city, the office's Auckland Engagement Team facilitates the Ministry's engagement with businesses, civil society and Māori partners in Tāmaki Makaurau, helping to identify and enhance trade and investment opportunities, foster international connections, share insights, and broaden public connections with New Zealand's foreign policy priorities.

The office's Pacific Connections team leads on the Ministry's engagement with Pacific diaspora communities, Pacific-facing businesses, NGOs, community leaders, academics, other government agencies and

individuals to inform them of MFAT's Pacific work and invite their perspectives and contributions to this. The team are also responsible for the facilitation of high-level Pacific-related visits to Auckland. This work contributes meaningfully to MFAT's efforts to deepen and strengthen relationships in the Pacific by broadening our networks and ensuring we are aware of, and can draw on, the talents, knowledge and contributions New Zealand Pacific communities can bring to MFAT's work.

Examples of Ministry engagement led by the Auckland office over the last year include:

- Facilitating high-level meetings and programmes between New Zealand and international leaders.
- Hosting a wide range of trade and networking events, including at Fieldays, to promote opportunities presented by free trade agreements, deliver exporter services, and connect international delegations to New Zealand exporters.
- Facilitating outreach programmes for outgoing Heads of Mission with domestic stakeholders before they take up their

roles offshore to engage on New Zealand's foreign policy priorities and interests.

- Facilitating MFAT's annual Pacific Update outreach series with Pacific diaspora communities and stakeholders across New Zealand. Since 2021, this outreach has facilitated engagement on our work and priorities in the Pacific, demonstrated how previous engagement has influenced the Ministry's work, and provided important insights on how we can better partner with the Pacific.
- Supporting engagement across international business councils and sector-focused industry associations.

- Hosting the 2023 Diplomatic Study Tour, which showcased New Zealand capability in the space, marine and education sectors, as well as the Māori economy.
- Supporting the University of Auckland's Public Policy Institute to convene the Auckland Trade and Economic Policy School (ATEPS). This brings together trade experts, exporters, business leaders, diplomats, economists, academics, officials, and local and central government politicians to discuss trade policy.

Throughout these engagements, the office works closely and collaboratively with NZTE and other NZ Inc partners.

09 Organisational Foundations



The Ministry's new head office building progress. Credit: Precinct Properties New Zealand Limited.

Deliver optimal outcomes for New Zealand through our people, network, systems and services

The Ministry's organisational foundations are critical enablers for our work. Our aim is to ensure that the Ministry has a happy, secure, and resilient workforce, high-quality and efficient global networks and services, and delivers the best outcomes for the resources invested in it.

This year the Ministry refreshed its Strategic Framework to communicate our purpose, goals and areas of focus in an increasingly challenging international environment. The Ministry has continued to progress work on delivering our new head office and a new Financial Management system.

In moving our digital services into The Cloud, a project which requires a transformation in our knowledge and capabilities, the Ministry has encountered challenges, which have required a reset of this work.

As a result, the Ministry is confident that we have plans in place to move forward with active risk management in place.

This year also saw work to better manage our commercial and human resources policies and processes through our business process management system.

Key achievements

- Refreshed our Strategic Framework, which provides direction about areas of focus and supports planning, alignment and allocation of resources.
- Completed the detailed design for our new Head Office fit-out with construction underway – a key milestones for the Head Office building project.
- Modernised our Financial Management Information System has simplified, standardised and centralised the Ministry’s finance process.
- Initiated review to ensure alignment with Government foreign policy priorities.



Outcome 1: The Ministry functions as a happy, healthy and high-performing community for all

In addition to ongoing work to enhance the safety, security, and resilience of our staff, positive workplace culture remains a key Ministry focus. A new Code of Conduct and baseline employee survey will be launched in 2024–25.

In addition to surveys, there are other proxy indicators used to gauge employee engagement and issues for our staff. These include trends from our workforce data, confidential reporting channels, and staff engagement in our training and work programmes.

Other steps designed to build a positive workplace culture include: workshops focused on standing up for positive behaviour, and strategies to address unwanted and inappropriate behaviour that does not align with the Ministry’s values; ‘Conversation starters’ designed to highlight how individuals contribute to workplace culture; and maintaining the Ministry’s ‘Speak Up Safely’ programme which enables staff to raise concerns knowing they will be treated with confidentiality and sensitivity.

Against the background of a complex strategic environment and increased fiscal constraint, people leaders and Workplace

Culture champions (Frontrunners) have participated in a Leading Through Change workshop series focused on the fundamental knowledge, skills, and tools to help them guide their teams through change. Staff have also participated in retirement planning workshops to support them in considering the practicalities associated with retiring successfully. Fostering positive, safe, and inclusive workplace experiences for all staff remains at the heart of our Workplace Cultures organisational priority.

The Ministry has been responding to unexpected events and crises with increased frequency. This requires a flexible approach that allows the Ministry to surge resources as needed, with staff demonstrating the Ministry’s values in action (see Goal 6, Outcome 2, and 4, p.67, p.68).

Outcome 2: Excellent global networks, systems, and services enable Ministry business to be delivered effectively and efficiently

The Ministry has continued to invest in modernising its systems and processes. This year notable investments were made in our new head office, a new Financial Management Information System, our Pacific property asset management model, and transformation of our digital workplace capabilities.

The programme to prepare the Ministry for the move to a new head office in late 2025 has provided an opportunity to develop a new model for how we will work together and utilise our workspaces more efficiently.

A project to modernise our financial management delivered a new system, with rollout across our global network scheduled over 2024–25. This new system will enhance our ability to manage our finances sustainably and provides more rigour around the Ministry's financial transactions.

This year the Ministry committed to a new asset management arrangement for managing our Pacific property portfolio with Downer Group NZ. The new arrangement is designed to be fit-for-purpose, long-term, sustainable, will help raise health and safety and are aligned with the New Zealand Government's broader Pacific objectives. Providing a high level of facilities management expertise and consistent sub-trade supply chain management will reduce the risk of asset failure as well as reducing disruption to staff. This will improve the portfolio and better enable it to support people and business operations.

Following an Independent Quality Assessment (IQA), the Ministry commissioned a review into its Digital Workspace Transformation programme. Completed in May 2024, the review confirmed a range of serious issues with the programme. In response, the Ministry paused the programme for a fundamental reset, establishing new governance mechanisms, and developing a revised business case to ensure that essential work to support the Ministry's core business is prioritised and progressed effectively and efficiently.

Outcome 3: The Ministry ensures it delivers the best achievable outcomes for New Zealand from the resources invested in it

The triennial review of our Strategic Framework provided an opportunity to test whether it remained fit-for-purpose in a fast-changing world, including the challenges

identified in the Ministry's Strategic Assessment. The review found that the framework (see p.16) had largely got the foundations right, but suggested some improvements to provide greater strategic direction and to simplify, sharpen, and streamline aspects of it.

The Strategic Framework is designed to communicate the Ministry's purpose, our high-level strategic direction, priorities and values to staff, and stakeholders. The refreshed Framework will provide direction on shifting areas of focus to support planning, alignment, and allocation of resources.

The Ministry has also initiated a review that aims to align the Ministry's operations with the Government's foreign policy priorities, and to provide options for responding to cost and demand pressures. The project has progressed through two initial stages to meet the Government's 2024–25 baseline savings target and the development and implementation of internal savings options to reduce spending in areas including consultants, travel, and specialised funds. Options for further reprioritisation and cost efficiencies are being developed.

Case Study



Caption: MFAT 2024 Foundations cohort and deans. Credit: MFAT

2024 Foundations Programme

Our Foundations Programme is designed to support new staff develop the skills and knowledge needed for a diplomatic career.

A revised approach to developing new recruits into the Minsitry was adopted in 2024, with an eight-week dedicated programme of focused learning and development. In previous years the programme was run as a series of courses dispersed across the year to fit around ‘on the job’ learning.

The eight-week Foundation Programme provides an opportunity for new Foreign Policy Officers to gain an understanding of a variety of topics relevant to their roles, as well as a broader of foreign policy issues including New Zealand strategic environment, trade and economic priorities, and key relationships.

The Programme allowed participants opportunities to network with experts, other

diplomats, and public servants, and to build connections amongst themselves.

A highlight for many was the noho marae. For many of the group, this was a new experience and an emersive beginning to developing a deeper understanding of Māori tikanga and kawa. The two day visit included a series of interactive activities and presentations to help them grow their Mātauranga Māori.

Overall feedback from the 2024 Foundations Programme was positive. When asked what exceeded their expectations about the programme, participants spoke of the strength of the relationships they had built, particularly with their cohort, but also with the presenters from across the Ministry. All acknowledged that the wide range of presentations had developed their understandings and skills required for their work.

Organisational Health and Capability





Caption: Pink Shirt Day morning tea celebration, 17 May 2024. Pink Shirt Day is about working together to stop bullying by celebrating diversity and promoting kindness and inclusivity. Credit: MFAT

Diversity, equity, and inclusion

Diversity, equity, and inclusion across the Ministry is critical to helping us act in the world and engage with our stakeholders.

Led by the Ministry’s ***Diversity and Inclusion Strategy***⁷, our ***2023–24 Gender and Ethnic Pay Gap Action Plan***⁸, and the Public Service Commission’s Papa Pounamu Framework, progress has been made towards developing a positive, safe and inclusive culture, in which our people can find a sense of belonging and be their best.

The Ministry’s main accomplishments for 2023–24 are as follows:

- **Refreshing our 10-year Diversity and Inclusion Strategy with a greater emphasis on belonging, to be launched in 2024–25.** The intent of our refreshed strategy is to learn from our successes, sustain the good work have done to date

and to explore additional ways to increase diversity, inclusion and belonging in the Ministry. **The Ministry’s employee-led networks** have been involved in this refresh, which has included several workshops.

- **The Ministry launched a new Disability and Accessibility Policy** on 3 December 2023, which coincided with the International Day of Persons with Disabilities. The policy uses the social model of disability to support our staff, and was developed through significant collaboration with the **Disability Network**. The policy will set a foundation for what inclusion means for our kaimahi with disabilities, building greater awareness, guidance and understanding.

⁷ www.mfat.govt.nz/assets/About-us-Corporate/MFAT-corporate-publications/Diversity-and-inclusion/MFAT_Diversity-and-Inclusion-Strategy-Booklet-FINAL-19Jun.pdf

⁸ <https://www.mfat.govt.nz/assets/About-us-Corporate/MFAT-corporate-publications/Diversity-and-inclusion/Gender-Maori-Pacific-and-Ethnic-Pay-Gap-Action-Plan-2023-24.pdf>

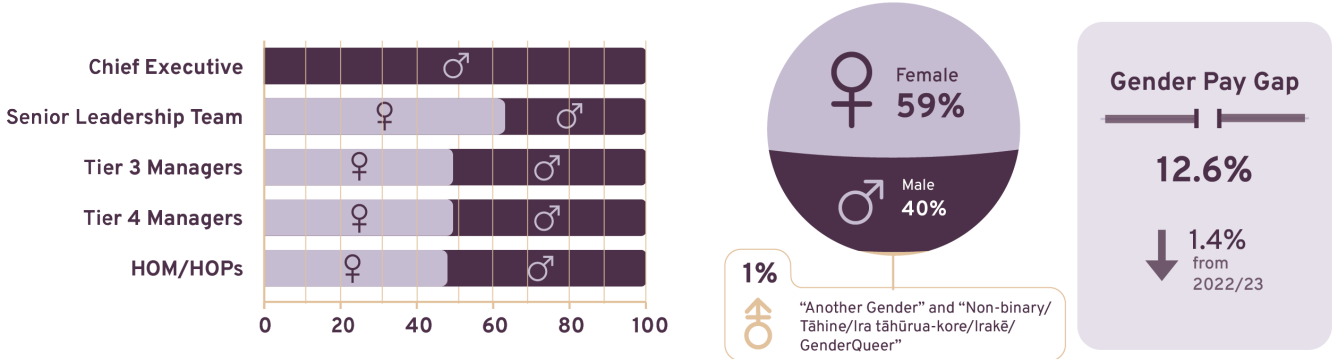
- **The Ministry’s People Division and our Rainbow Network helped the Ministry get reaccredited with the Rainbow Tick.** The Tick recognises the Ministry to be a workplace that accepts and embraces the diversity of sexual and gender identities. **Gender Transition Guidelines** were also launched this year.
- To support capability development, two workshops – **Empowering Me** and **Empowering Us to Step Up and Speak Out**, were delivered. Content included promoting inclusion, being an upstander, addressing inappropriate behaviour, and where to access further support. Just over 200 participants attended these two workshops.
- The Ministry **continued to roll-out ‘Conversation Starter’ resources** as part of the **Workplace Cultures programme** for people leaders to use with their teams. This initiative is supported by our Frontrunners, a group of internal champions representing various roles, groups, and posts who support our people leaders in fostering a consistently positive, safe, and inclusive workplace experiences for all staff.
- **Delivery of the Ministry’s annual Diversity and Inclusion Fellowship Programme** has continued to support our

diverse staff to grow and develop. The programme provides financial support to fund costs associated with the completion of formal or informal learning in support of diversity and inclusion objectives. This has proven to be a great support for our diverse kaimahi.

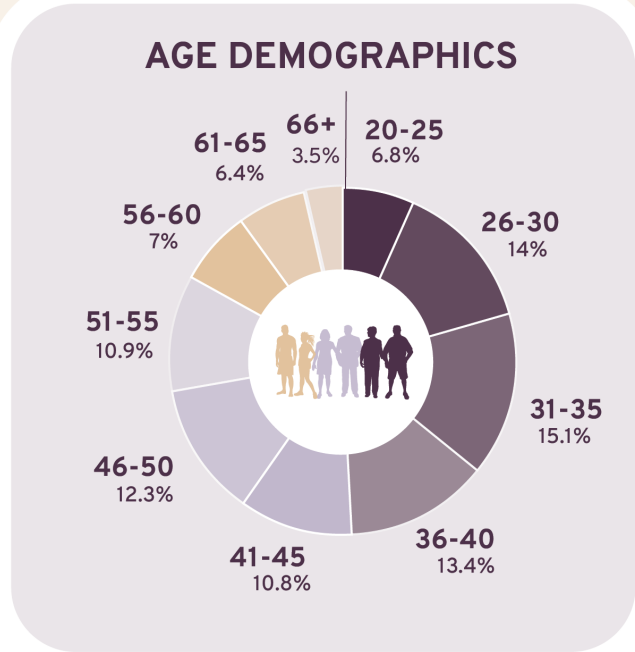
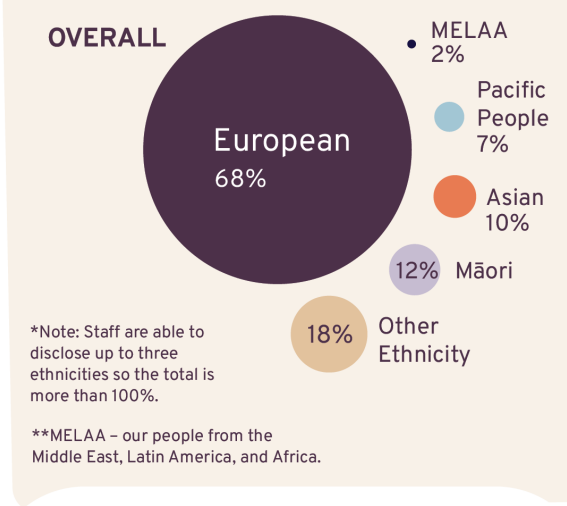
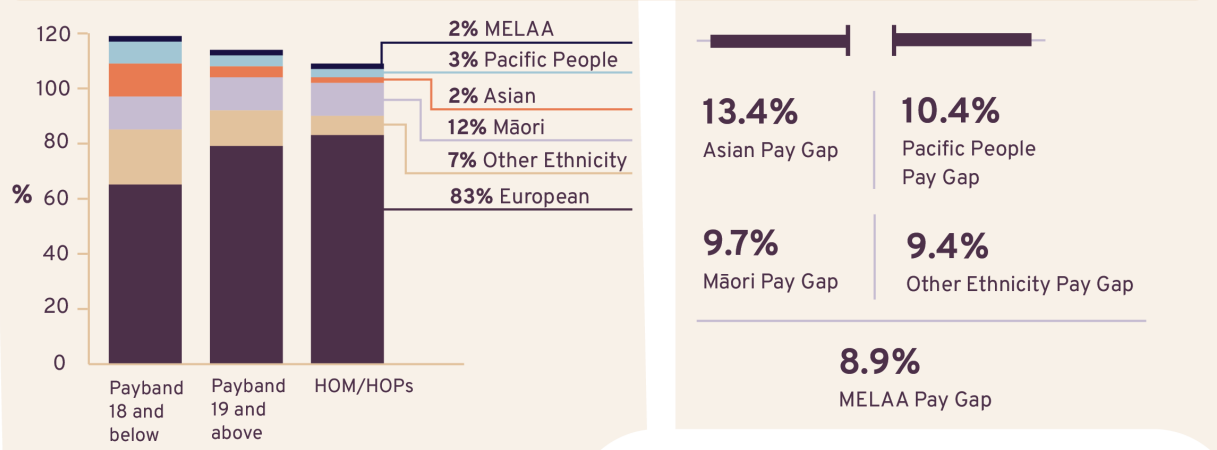
- **Employee-led networks** are essential partners across all of this mahi. The ten employee-led networks (in no particular order) are:
 - Women’s Network.
 - Flexible Work Network.
 - Solo Parent Network.
 - Ethnic Network.
 - Rainbow Network.
 - Te Pou Māori.
 - Vaka Pasifika.
 - Specialist’s Network.
 - Kaitiaki Network.
 - Disability Network.
- The Networks foster opportunities for our people to build connections, create a sense of belonging and engage with organisational policy development and leaders. The Ministry continues to support our employee-led networks with social planning events, including a number of away days attended by members of the Ministry’s Senior Leadership Team.

The following demographic information is based on voluntary, self-disclosed information on our New Zealand-employed staff as of 30 June 2024.

GENDER



ETHNICITY



Demographic profile

The Ministry has a distribution of 59% female, 40% male, and 1% gender diverse, compared to 61% female and 39% male in the previous year. Similarly, regarding our ethnic distribution, 68% of our staff identify as European, compared to 71% in the previous year.

The number of staff members who have disclosed living with a disability has remained stable over time. However, with the publication of our Disability Policy and improvements made to our data disclosure system we are expecting to see a rise in disclosures.

Kia Toipoto – Gender pay gap

Launched in November 2021, Kia Toipoto, the public service pay gap’s action plan, is a comprehensive set of actions to help close gender, Māori, Pacific, and ethnic pay gaps in the public service. The Ministry has been working on closing our gender and ethnic pay gaps. The Ministry’s current gender pay gap (mean average) is 12.6%. This has decreased by 1.4% from 2022–23.

Pay gaps for Māori, Pacific and Asian staff at the Ministry sit at 9.7%, 10.4% and 13.4% respectively (mean average). These pay gaps are all reduced from 2022–23. Conversely, the pay gaps for Middle Eastern, Latin American, and African (MELAA) and other ethnicity sit at 8.9% and 9.4%, which have a slight increase from 2022–23.

Overall, the Ministry has made progress in 2023–24. A reduction in the majority of our pay gaps is positive, but there is more work to do. The Ministry will continue to focus on the actions previously set, and identifying new actions based on updated organisational priorities and Kia Toipoto milestones.

For more information, refer to our [Gender and Ethnic Pay Gap Action Plan 2023–24⁹](https://mfat.govt.nz/assets/About-us-Corporate/MFAT-corporate-publications/Diversity-and-inclusion/Gender-Maori-Pacific-and-Ethnic-Pay-Gap-Action-Plan-2023-24.pdf) on the MFAT website.

⁹ <https://mfat.govt.nz/assets/About-us-Corporate/MFAT-corporate-publications/Diversity-and-inclusion/Gender-Maori-Pacific-and-Ethnic-Pay-Gap-Action-Plan-2023-24.pdf>

Health, safety and well-being

Keeping our people healthy, safe, and well is a fundamental priority, both for staff employed in New Zealand and offshore. The Ministry made significant progress this year in evolving our Health, Safety and Well-being (HSW) systems and practices, and implementing robust principles to enhance the safety and well-being of all Ministry staff.

Supporting our people

The Ministry facilitated numerous in-house health and safety courses throughout the year, to build staff health and safety knowledge and skills. This included 100% completion of the Health and Safety Foundations Training Module by all new recruits to the Ministry, to ensure a consistent understanding of safety practices across the Ministry.

GoodYarn workshops were delivered in Wellington and at posts overseas. These interactive discussions about mental well-being, and addressing mental health issues in the workplace.

Working Environment

The Ministry **finalised its comprehensive Health, Safety and Well-being Incident Management procedure** in August 2023. This has enhanced the framework for incident reporting, investigation, and escalation, ensuring timely and effective responses to workplace incidents. Posts were provided with tailored guidance, including to develop an escalation process for mental health crises. **Recruitment of a permanent Organisational Psychologist and in-house Counsellor** further strengthened our psychological support services.

Focus on critical risks

A significant review led to the identification and refinement of seven critical health, safety, and well-being risks: physical well-being, psychosocial well-being, third party works and overlapping duties, natural disasters and man-made hazards, security and crime, travel safety and management, and infrastructure.

Deep dives were undertaken into critical risks, including distressing material, workload, and infectious diseases. The Ministry's audit programme was also expanded to include a stronger focus on Health, Safety and Well-being areas, further enhancing our proactive risk management capabilities.

Monitoring our Healthy, Safety and Well-being

As the Ministry's Health, Safety and Well-being framework progresses and matures, we are reporting against seven types of incidents (see infographics p.99). The continuous improvement the Ministry is making in our Health, Safety and Well-being practices and processes is improving our ability to provide timely and effective responses to workplace incidents.

Where incidents happened

The graphic below illustrates incidents at a glance across MFAT's network. The map depicts seven types of incidents (biological, environmental, physical, environmental, psychosocial, ergonomic, security, and chemical) that occurred during 2023–24.





Setting up our Apia office recycling station with help from our recycling partner, Samoa Recycling and Waste Management Association (SRWMA). Credit: MFAT

Organisational sustainability

A key element of the Ministry’s Strategic Framework is Kaitiakitanga: that generations of New Zealanders benefit from sustainable solutions to global and regional challenges.

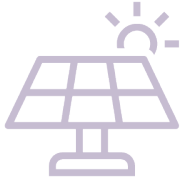
Throughout 2023–24, the Ministry continued activities to advance organisational sustainability and to contribute to the New Zealand’s climate response.

The Ministry continued to implement our Emissions Reduction Plan by undertaking activities to reduce emissions through the year. These included:

- Implementation of energy efficiency projects at various locations, including improved commissioning of Heating, Ventilation, and Air Conditioning (HVAC) systems, and installation of solar film to improve temperature regulation.
- Sustainability and emissions reductions workshops at several Ministry posts overseas.
- Revising travel-related policies to increase cost-effectiveness and reduce emissions.
- Continuing to replace fossil-fuelled vehicles with hybrids and electric vehicles.
- Improving waste management systems in some locations and implementing zero-waste systems.
- Continued integration of sustainability practices into the Pacific properties project and the new Wellington head office project.
- A pilot project to understand the most efficient approach to capturing emissions data by relevant development partners.

Another focus for 2023–24 has been on improving the quality of Ministry emissions data so we can better target emissions reductions activities. For example, the Ministry is upgrading processes to collect electricity data, a key input to understanding energy efficiency and assessing the cost-effectiveness of solar PV¹⁰ installations.

¹⁰ Refers to the use of photovoltaic (PV) cells to convert sunlight into electricity.



INVESTING IN SOLAR: A case study of the Honiara Chancery

MFAT's investment in solar PV on the Chancery in Honiara went live in February 2020. The investment has more than paid itself off in financial savings, and it has led to over 150 tCO2e of avoided emissions (about 60 return trips between Auckland and Singapore) so far.



<p>Original investment \$250,000</p>	
<p>Solar PV capacity 50kW</p>	
<p>Total generation Feb 2020 - Dec 2023 219MWh</p>	

Year	Savings (approx NZD)*	Annual electricity generated	Avoided emissions
1 - 2020	\$66,040	50,990 kWh	35 tCO2e
2 - 2021	\$59,500	58,500 kWh	41 tCO2e
3 - 2022	\$64,250	57,000 kWh	40 tCO2e
4 - 2023	\$74,090	52,480 kWh	36 tCO2e
Total	\$263,940	218,960 kWh	152 tCO2e

*Based on average per kWh rate for the calendar year

Totals from Feb 2020 - Dec 2023

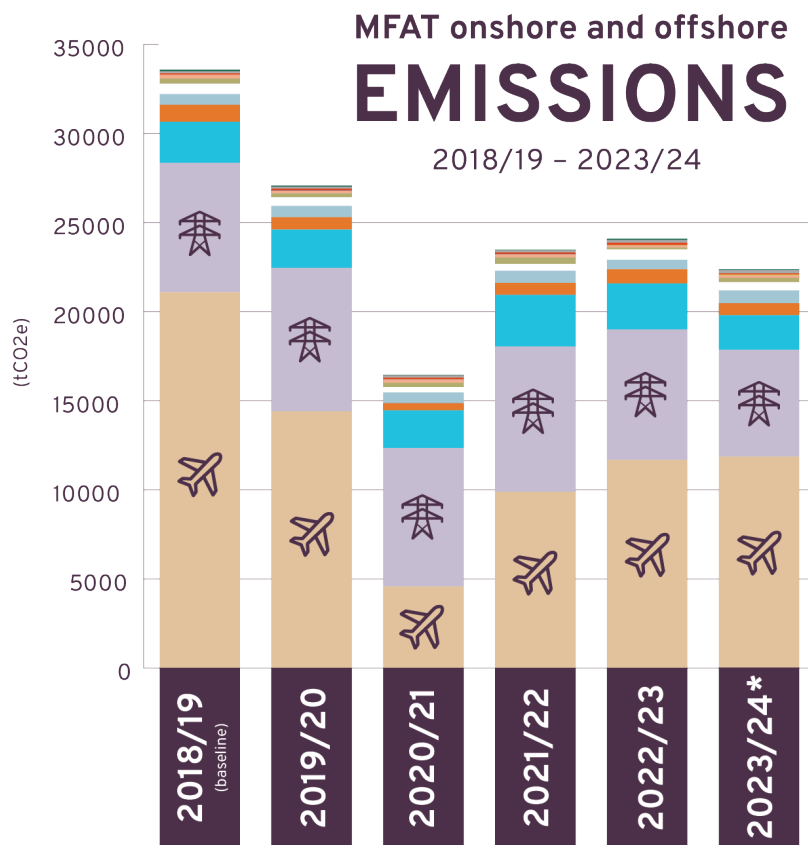
<p>Savings (approx NZD)* \$263,940</p>	<p>Avoided emissions 152 tCO2e</p>	<p>Electricity generated 218,960 kWh</p>
--	--	--

WHICH IS EQUIVALENT TO FLIGHTS FROM AKL-SIN:

ECONOMY 61 RETURN TRIPS

OR

BUSINESS CLASS 21 RETURN TRIPS



TYPE:

Air travel

Electricity

Freight

Short term Accommodation

Natural gas

Vehicle fuel

Fuel oil

Diesel for generators

LPG**

Refrigerants

Waste/water

Taxis, rail, rental cars

*2023/24 subject to minor changes following third-party verification and audit.
**Data collection for LPG started in 2022/23

Table 1: MFAT onshore and offshore emissions, 2018-19 – 2023-24 (tCO2e). Every year, an independent third party audits and verifies our emissions data in order to meet ISO 14064-1 and Carbon Neutral Government Programme requirements.

Source	2018-19 (baseline)	2019-20	2020-21	2021-22	2022-23	2023-24*
Air travel	21,092	14,410	4,578	9,885	11,681	11,864
Electricity	7,254	8,037	7,777	8,161	7,325	5,995
Freight	2,306	2,158	2,113	2,897	2,581	2,063
Short-term accommodation	957	690	392	671	792	673
Natural gas	601	640	608	678	533	711
Vehicle fuels	584	480	298	383	588	471
Fuel oil	281	213	230	365	78	230
Diesel for generators	206	169	201	183	122	134
LPG**	0	0	0	0	28	18
Refrigerants	106	106	106	106	106	97
Waste/water	101	112	121	120	156	194
Taxis, rail, rental cars	90	67	37	39	81	58
TOTAL tCO2e	33,578	27,082	16,461	23,488	24,041	22,512
Change from baseline		-19%	-51%	-30%	-28%	-34%

*2023-24 subject to minor changes following third-party verification and audit.

**Data collection started in 2022-23.

Strengthening the Ministry's Māori-Crown relations capability

The Treaty of Waitangi/Te Tiriti o Waitangi sets out a partnership framework between Māori and the Crown. The Public Service Act 2020 requires public service agencies to build their capability to support the Crown in the Māori Crown relationship.

The Ministry/Manatū Aorere has ongoing commitments to meet our obligations as a Treaty/Te Tiriti partner with authenticity and integrity. This includes through appropriate engagement with Māori, strengthening partnerships (see Goal 8, p.79), and ensuring that Māori rights and interests are identified, and that appropriate steps are taken to protect them.

The Ministry's efforts in this area reflects recognition of the critical importance of staff having a well-developed understanding of the intersection between their work and the Crown's obligations under the Treaty of Waitangi/Te Tiriti o Waitangi.

Investing and progressing our Whāinga Amorangi Commitments

The Ministry has continued its efforts to strengthen its capability as an effective Treaty partner, and to reflect Mātauranga Māori appropriately in its work. This has included establishing Houtina, a new business unit to provide expert guidance and support and build Ministry capability in these areas.

Houtina Division has been constructed as a Whare with four pou (pillars) to symbolise key interdependencies in its mahi: enabling Māori Policy, Engagement, Capability and Tikanga. Key achievements include:

- Continuing to integrate a Tirohanga Māori perspective into our foreign and trade policy advice.
- Delivery of tikanga wānanga and Te Reo education in Wellington and at our diplomatic posts.
- Development and delivery of strategies for Iwi and Māori engagement.
- Implementation of Mātauranga Māori Capability Framework to build greater capability across the Ministry.

Houtina also supported the involvement of kapa haka groups into two Prime Minister-led Missions – one to Southeast Asia and another to Japan. The richness and impact of their involvement profiled our rich Māori culture, underlining our unique national identity, and contributing to building meaningful cultural, business and indigenous connections in those countries.

Houtina has also helped to facilitate Māori business participation in Prime Minister-led Missions in support of the Māori economy and Iwi commercial opportunities.

Establishment of Houtina marks a significant milestone for the Ministry, building on foundations laid by the former Māori Policy Unit, the Mātauranga Māori Programme, and the commitment and efforts of numerous other Māori staff.

The Ministry's Mātauranga Māori Capability Framework and Te Reo Strategy

The Ministry's success in pursuing New Zealand's foreign policy interests overseas relies on strong connections at home. These require the Ministry to invest in developing our capability in Mātauranga Māori and te reo Māori.

In October 2023, the Ministry adopted a:

- Mātauranga Māori Capability Framework. This Framework supports the Ministry's capability uplift in six competency areas: te reo Māori, New Zealand History & the Treaty of Waitangi/Te Tiriti o Waitangi, Engagement and racial equity and institutional racism. Current areas of focus are te reo Māori and the Treaty of Waitangi/Te Tiriti o Waitangi. Plans are

underway to roll out comprehensive workshops and programmes to support staff capability in other areas in 2025.

- He Aka Reo – Māori Language Strategy. He Aka Reo reflects the Ministry’s objective of promoting the learning and use of te reo Māori, setting out three goals:



Goal 1: Mana | Status

Demonstrate and promote the value of te reo Māori to the Ministry and to New Zealand globally.



Goal 2: Āhei | Access

Provide staff with access to ongoing opportunities to learn te reo Māori so that they can continue to enhance their Māori language proficiency.



Goal 3: Whakamahi | Use

Normalise the use of te reo Māori within the Ministry so that any staff member feels confident, safe and supported to use te reo Māori anywhere, anytime.

The strategy also contributes to the Crown’s Maihi Karauna strategy and the overall revitalisation of the Māori Language in New Zealand (see Goal 8, Outcome 2, p.82 Indicator for more information on Mātauranga Māori capability programmes offered and staff attendance).

The Ministry’s refreshed Strategic Framework recognises the Treaty of Waitangi/Te Tiriti o Waitangi as a foundation of our work and the Ministry’s role to support the Crown and its relationships with Māori. Our values, manaakitanga¹¹ and kotahitanga¹², demonstrate how we engage both internally and externally.

Treaty settlement commitments

The Ministry is not currently responsible for Treaty settlement commitments, so is not required to provide an update in accordance with the He Korowai Whakamana framework.

¹¹ Manaakitanga – process of showing respect, generosity and care for others.

¹² Kotahitanga – unity, togetherness, solidarity, collective action.

¹³ Kaupapa – Initiative, topic, agenda

The Ministry’s capability with regard to Māori-Crown relations is also strengthened through the advice and guidance of Te Hurumanu, the Ministry’s Māori partnership group, as outlined under Goal 8, Outcome 2.

Māori data governance

The Māori data governance strategy has been a priority action directed to the Ministry by the Chief Archivist in response to the findings of Public Records Act audit undertaken at the end of 2022. All our people have a role to play in the success of this kaupapa¹³, and the external obligations we need to meet.

Māori Data Governance is an important part of our work to honour the Treaty of Waitangi/Te Tiriti o Waitangi and strengthen relationships and credibility with Māori. This is an evolving area of work at the Ministry and recognises Māori rights to decide what, how and why Māori data is collected, stored, and used.

A Māori Data Governance Strategy was approved in November 2023 and sets out the direction the Ministry needs to take to align with broader Māori Data Governance kōrero and thinking. The strategy puts together a work programme that promotes the importance of this kaupapa.

The Māori Data Governance Strategy guides the Ministry to identify which data and information is of interest to Māori and can be used as tools for furthering the economic, social, cultural, and environmental well-being of Māori (including iwi and hapū).

This is a tangible reflection of the work the Ministry/Manatū Aorere is doing to engage meaningfully with Māori, and to embed tirohanga Māori (a Māori lens) into the way New Zealand’s Foreign Policy information is understood, cared for and made accessible.

Asset performance

The Ministry is a tier-two investment-intensive¹⁴ public service department. It has a NZD\$699 million asset base that comprises property (96 percent), information and communications technology assets (3 percent) and motor vehicles (1 percent).

Our properties

The Ministry actively manages a portfolio of 334 owned and leased properties globally. These are essential to maintaining New Zealand’s international diplomatic network and connecting our people worldwide. Ensuring Ministry staff have appropriate, fit for purpose accommodation and workspaces is an important part of our focus on the well-being of our people, working to deliver outcomes for New Zealand around the world.

The Ministry’s property portfolio is made up of: 60 chanceries, 62 official residences, 212 staff houses and our Wellington head office. The Ministry’s property portfolio programme that focuses on three principles:

- Enabling people to reach their maximum potential while keeping them safe and embodying New Zealand.
- Supporting modern work practices, choices and styles to meet a variety of needs.
- Enacting balanced and targeted investment, to ensure we deliver value from our portfolio while ensuring it remains fit for purpose.

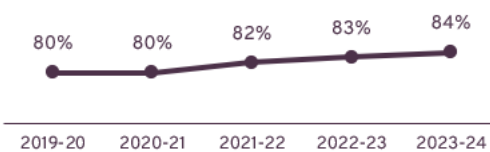
This year The Ministry continued to prepare for the move to a new head office in late 2025 and invest into our Pacific property asset management (see Goal 9, Outcome 2, p.90 for more information).

How we performed

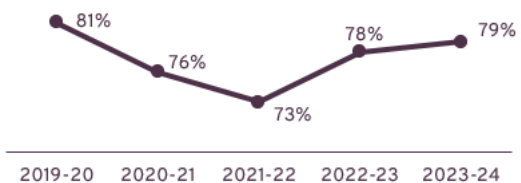
The Ministry uses a fit-for-purpose framework that rates every chancery (office) and official residence property against five asset management criteria of location, building and infrastructure quality, brand, functionality, and flexibility. Weighted sub-criteria are used to reflect the criticality of each asset management criteria relative to specific locations. The current performance of each property asset in the above-mentioned class is scored against pre-determined business defined target scores. The target scores reflect the relative importance of each of the five asset criteria as an enabler supporting the specific objectives and business model in each location – 3 of 5 indicator targets were achieved.



84% of Chancery buildings with a fitness for purpose performance gap ≤ 2 against of target of more than 80%



79% of Chancery buildings assessed with an overall Building Quality Gap of ≤ 2 against a target of more than 80%

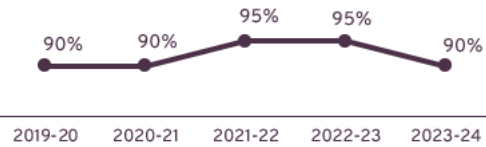


Not achieved – The Ministry investment plan identifies projects that we have underway to close this gap. Year on year the result has improved by 1%.

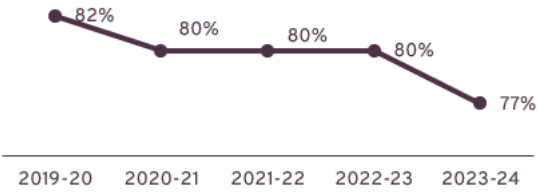
¹⁴ Investment-intensive agencies are tier 1 and tier 2 agencies that manage large or service-critical portfolios, programmes and projects. Investment-intensive agencies are listed at: <http://www.treasury.govt.nz/statesector/investment-intensive-agencies>



90% of Official residences with a fitness for purpose performance gap ≤ 2 against a target of more than 90%



77% of Official residences assessed with an overall Building Quality gap of ≤ 2 against a target of more than 80%

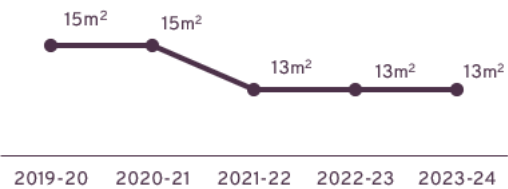


Not achieved – The Ministry investment plan identifies projects that we have underway to close this gap.

The occupancy of head office is assessed using the Government Property Group (GPG) standard as a target. As at June 2024 there were 947 onshore staff in head office and Willeston St occupying a total of 13,600m².



Head Office occupancy rate is **13m²** against a utilisation target of less than 16m²



Our technology

The Ministry actively manages our information and communications technologies to ensure efficient and effective delivery of the service outcomes the Ministry requires.

This year, a focus has been modernising our technology through the Financial Management Information System (FMIS) Project, replacing our existing finance tools and processes with an updated set of tools and processes. We are changing as our current suite of tools and processes is no longer supported and it presents a risk to the Ministry. We have the opportunity in making this change to modernise our finance activity with a focus on standardising, centralising, simplifying, and drawing on all of government

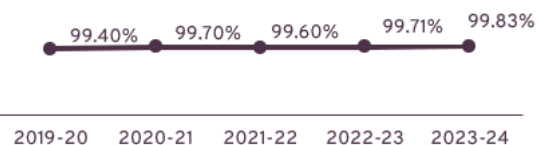
processes where sensible. The new FMIS system will be launched in July 2024. The Ministry’s digital transformation programme was paused for a fundamental reset, to ensure that work essential for the Ministry’s core business is progressed to a successful outcome (please see Goal 9, Outcome 2 for more information).

How we performed

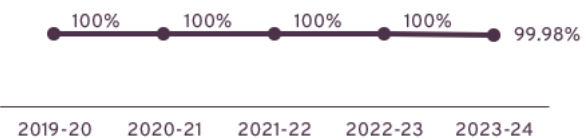
During the 2023–24 reporting period, the Ministry continued to migrate its information and digital services from Ministry-owned information technology assets to externally hosted cloud services. The three indicators measuring fitness for purpose and conditions were all achieved:



99.83% of time our networks are available against a fitness for purpose target of more than 99.70%.

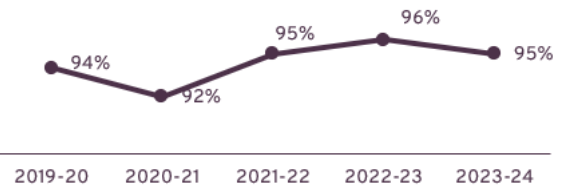


99.98% of time our critical services are available against a fitness of purpose target of more than 99.70%





95% of server machines patched each month against a target of more than 95%



four indicators previously used to measure utilisation are no longer applicable during 2023–24 due to the migration to cloud services.

- Proportion of available data storage capacity being used in the production environment: SAN MGMT pools.
- Proportion of available data storage capacity being used in the production environment: SAN IC pools.
- Proportion of available data storage capacity being used in the production environment: SAN Restricted Pools.
- Proportion of available data storage capacity being used: Data Domain.

The Ministry has initiated use of new metrics better suited to assessing the performance of cloud-delivered services – including cost, reliability, efficiency, security – and the sustainability of remaining Ministry-owned information technology assets. We will be reporting on these in our 2024–25 Annual Report.

Statements and schedules



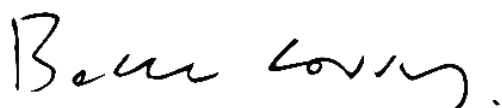
Statement of responsibility

I am responsible, as Chief Executive of the Ministry of Foreign Affairs and Trade (the Ministry), for:

- the preparation of the Ministry's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this Annual Report; and
- the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in the Annual Report.

In my opinion:

- the Annual Report fairly reflects the operations, progress, and the health and capability of the Ministry;
- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2024 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2025 and its operations for the year ending on that date.



Bede Corry
Chief Executive and Secretary of Foreign Affairs and Trade
18 October 2024

Statement of compliance

The service performance information and the financial statements have been prepared in accordance with the Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting.

Statement of performance

The Ministry of Foreign Affairs and Trade/Manatū Aorere, is a New Zealand government department as defined by section 5 of the Public Service Act 2020.

The Ministry's statutory and operational responsibilities are diverse and reflect the range of work the Ministry does. Key Acts that we administer include the Foreign Affairs Act 1988, the Russia Sanctions Act 2022 and Antarctica (Environmental Protection) Act 1994. Other Acts we administer relate to Foreign Affairs; Peace, Rights and Security; Antarctica; Law of the Sea; and the Realm of New Zealand and the Pacific.

The Ministry leads work on the Government's international priorities and provides advice about how international events and activities affect New Zealand. It delivers New Zealand's international development programme; negotiates international trading relationships; provides essential consular

services to New Zealanders; leads New Zealand's international effort to support peace and resilience, particularly in the Pacific region, and engagement on global issues such as climate change and disarmament. The Ministry runs New Zealand's 58 overseas diplomatic posts.

This section reports on our performance against performance targets (known as budget standards), as included in 2023–24. Estimates of Appropriations for Vote Foreign Affairs¹⁵ 2023–24 and the Supplementary Estimates of Appropriations for Vote Foreign Affairs¹⁶, as required by section 19C of the Public Finance Act 1989.

The Minister of Foreign Affairs purchased the following from Vote Foreign Affairs:

Vote Foreign Affairs

- Analysis and advice to inform New Zealand's foreign policy.
- Delivery of New Zealand's foreign policy.
- Delivery of services.
- Management of New Zealand's International Development Cooperation.
- Policy advice and representation – other countries (PLA).

In addition, the Ministry has a capital expenditure appropriation for the purchase of assets by and for the use of the Ministry.

Vote Foreign Affairs departmental expenditure is funded through the following:

- Annual multi-category output expense appropriation, comprising four categories within the Multi-Category Appropriation (MCA).
- An annual output expense appropriation for policy advice and representation – other countries (PLA).
- An annual Departmental Capital Expenditure appropriation (PLA).

The service performance information in the multi-category output expense appropriation “Act in the world to build a safer, more prosperous, and more sustainable future for New Zealanders” represents the key outputs the Ministry delivers:

- The provision of analysis and advice to inform New Zealand's foreign policy.
- The delivery of representation, advocacy, and negotiation of New Zealand's foreign policy.
- The delivery of services to support New Zealanders overseas who require consular services, New Zealand businesses, NZ Inc agencies, and host government services to the diplomatic and consular corps in New Zealand.
- The management of New Zealand's International Development Cooperation.

The Ministry works with NZ Inc agencies – onshore and offshore – to achieve the government's international objectives as expressed in our Strategic Framework.

The performance information included in PBE FRS 48 are:

- Outcome indicators – are not audited but provide contextual performance information – pp.116-117
- Output measures – pp.118-144
- Three IDC non-departmental performance measures, as mentioned on p.135

¹⁵ www.treasury.govt.nz/publications/estimates/vote-foreign-affairs-external-sector-estimates-appropriations-2023-24

¹⁶ www.treasury.govt.nz/publications/supplementary-estimates/vote-foreign-affairs-supplementary-estimates-appropriations-2023-24

Our performance measures show what we have achieved

In selecting our performance measures, we have centred it on the three objectives that the Ministry strive to realise in our purpose statement:

1. Build a safer future for New Zealanders.
2. Build a more prosperous future for New Zealanders.
3. Build a more sustainable future for New Zealanders.

How do these objectives drive MFAT’s Goals and performance measures

What the Ministry intends to achieve in broad terms over the medium to long term



Safer future

Key activities in working towards a secure and just world include New Zealand taking an active role in:

- Promoting peace and security.
- Working with international partners on rules and capacity building to reduce threats from cyber and terrorist attacks, illegal migration, transnational crime, and other threats.
- Helping advance international disarmament, and rules against the proliferation of weapons of mass destruction.
- Promoting global rules and legal frameworks on issues, including human rights.
- Responding to humanitarian crises and natural disasters with a focus on the Pacific
- Providing safe travel information, helping New Zealanders affected by crises and other problems overseas, and ensuring their rights are protected.

Key activities in achieving security, prosperity, and sustainability in the Pacific and beyond include:

- Managing and delivering of IDC. The IDC is New Zealand’s official support for developing countries, with a particular focus on development partnerships in the Pacific.

How we go about this

Progress can be found under the following Goals

- 01 International Rules & Institutions
- 03 Indo-Pacific
- 04 Pacific
- 06 Security & Safety
- 07 International Relationships

We measure our achievements through the following performance measures categories:

Delivery of New Zealand’s foreign policy

- Strengthen, protect and use international rules and institutions to pursue New Zealand interests and values.
- Lead New Zealand’s international action to advance and protect New Zealanders’ safety and New Zealand’s security.

Delivery of services

- Consular services to keep New Zealanders safer abroad.

Management of New Zealand’s International Development Cooperation

- All components under this category.



More Prosperous future

Key activities in promoting free and open trade include:

- Helping build global and regional trade rules and frameworks through the WTO and other forums, such as APEC to make it easier for New Zealanders to transact business internationally.
- Opening up and protecting diverse exporting and investment opportunities through negotiating free trade agreements and reducing non-tariff barriers.
- Defending New Zealand’s trade access including through taking dispute settlement action when other countries do not keep their commitments.
- Supporting New Zealand businesses to succeed in international markets and support international connections in areas such as research through our network of overseas posts.
- Promoting and protecting the New Zealand brand.

Key activities in achieving security, prosperity, and sustainability in the Pacific and beyond include:

- Managing and delivering of IDC. The IDC is New Zealand’s official support for developing countries, with a particular focus on development partnerships in the Pacific.

How we go about this

Progress can be found under the following Goals

- 01 International Rules & Institutions
- 02 Economic Returns & Resilience
- 03 Indo-Pacific
- 04 Pacific
- 05 Climate Change & Environment
- 07 International Relationships

We measure our achievements through the following performance measures categories:

Delivery of New Zealand’s foreign policy

- Grow sustainable economic returns and resilience from trade, investment and other international connections.
- Embed New Zealand as an active and integral partner in shaping the Indo-Pacific order that delivers regional stability and economic integration.
- Promote a stable, prosperous and resilient Pacific in which New Zealand’s interests and influence are safeguarded.

Delivery of services

- Services to New Zealand exporters and businesses to help them succeed overseas.

Management of New Zealand’s International Development Cooperation

- All components under this category.



More Sustainable future

Key activities in working on smart solutions to global environmental challenges include:

- Supporting international and regional institutions tasked with resolving problems that cross borders and impact on global well-being.
- Working with other countries to negotiate and implement agreements on key issues, such as climate change and over-fishing.
- Contributing to global sustainable development efforts.
- Promoting global rules and legal frameworks, and supporting New Zealand’s interests in Antarctica and the Southern Ocean.

Key activities in achieving security, prosperity, and sustainability in the Pacific and beyond include:

- Managing and delivering of IDC. The IDC is New Zealand’s official support for developing countries, with a particular focus on development partnerships in the Pacific.

How we go about this

Progress can be found under the following Goals

- 01 International Rules & Institutions
- 04 Pacific
- 05 Climate Change & Environment
- 07 International Relationships

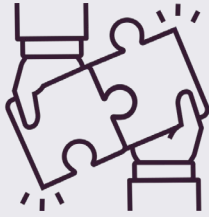
We measure our achievements through the following performance measures categories:

Delivery of New Zealand’s foreign policy

- Promote sustainable international solutions to global environment and natural resource challenges that impact on New Zealand.

Management of New Zealand’s International Development Cooperation

- All components under this category.



Realisation of our Goals and objectives are enabled by:

Provide analysis and advice to inform New Zealand’s foreign policy

Key activities include:

- Providing Policy Advice.
- Providing Ministerial Services.
- Monitoring Crown Entities.

We also survey domestic stakeholders’ satisfaction with their engagement with the Ministry, and satisfaction with its effectiveness at representing New Zealand’s interest.

Build and leverage targeted international relationships to achieve our goals

Key activities include:

- Providing visits management.
- Providing appropriate support to diplomatic and consular corps in New Zealand.
- Providing services and support to NZ Inc overseas.

We measure our achievements through the following performance measures categories:

Analysis and advice to inform New Zealand’s foreign policy

- Policy Advice.
- Ministerial Services.
- Monitor Crown Entities.
- New Zealand domestic engagement.
- Stakeholder Satisfaction.

Delivery of New Zealand’s foreign policy

- Build and leverage targeted international relationships to achieve our goals.

Delivery of Services


- Host government services to the diplomatic and consular corps in New Zealand.
- Services for other New Zealand agencies overseas.

Management of New Zealand’s International Development Cooperation

- All components under this category.

Our outcome indicators

The Ministry's purpose is to act in the world to build a safer, more prosperous and more sustainable future for New Zealanders. The achievements measured against our Strategic Intentions are reflected in the nine Goal narratives and case studies. We also use a range of Indicators to add value to the qualitative assessment against Outcomes (see p.19). Below is a selection of Indicators showing activities that are attributable or sufficiently connected to the Ministry's work:

Indicator:	Desired Trend	Overall Trend
FTAs cover 75% of New Zealand goods and services exports by 2028		
Estimated trade value of non-tariff barriers resolved		Estimated Trade Value 
		No. of NTB resolved 
Effective provisions on environment and labour standards in New Zealand FTAs		
The benefits identified for the hosting of APEC in 2021 are realised		
Proportion of New Zealand responses to natural disasters in the Pacific that are launched within mandated timeframes		
Evidence of partnerships between New Zealand and Pacific bilateral partners strengthened		
80% or more respondents are satisfied with the quality of consular services	 	
80% of consular survey respondents are aware of SafeTravel		
Ratings for leadership and collaboration from NZ Inc agencies		
Confidence of Māori in their partnership with the Ministry		
MFAT staff who are able to apply Mātauranga Māori in their mahi		
Stakeholder satisfaction with the Ministry's effectiveness representing New Zealand interests is maintained		
Domestic stakeholders' satisfaction with engagement with the Ministry		
Understanding of MFAT's role and what it delivers for New Zealanders		
Visit numbers and user satisfaction with MFAT's websites and social media platforms		
Timeliness of response to Official Information Act (OIA) requests and ministerial correspondence		OIA requests 
		Ministerial correspondence 

The Ministry has made judgements in identifying the most relevant outcome indicators that best supplement our output measures and on how we are progressing towards our purpose, as follows:

Economic Returns & Resilience

Grow sustainable economic returns and resilience from trade, investment, and other international connections.

This is linked to the Vote Foreign Affairs Multi-Category Appropriation – Delivery of New Zealand’s foreign policy

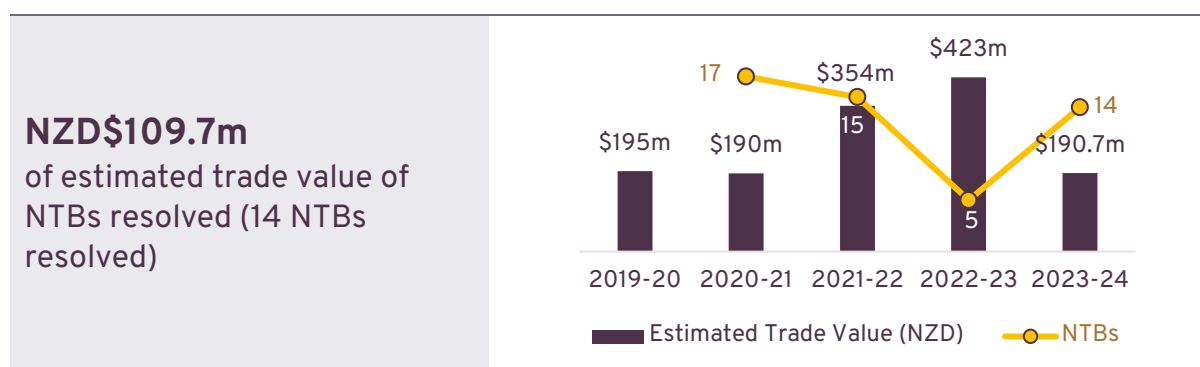
What we intend to achieve

This category is intended to achieve international representation, advocacy and negotiation on all elements of New Zealand’s foreign policy, other than IDC.

Indicator:

Increase in the number of estimated trade value of Non-Tariff Barriers (NTBs) resolved

The Ministry helps New Zealand exporters by promoting increased market access and better commercial conditions for New Zealand businesses. Increase in the number of estimated trade value of NTBs resolved is an Indicator of achieving this.



NZD\$109.7m

of estimated trade value of NTBs resolved (14 NTBs resolved)

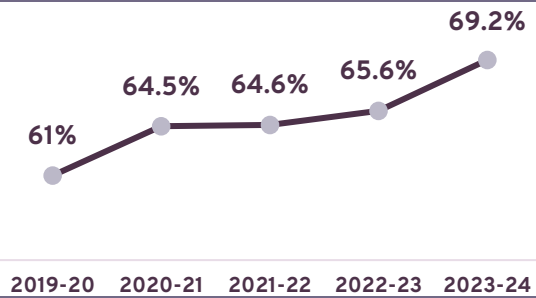
More non-tariff barriers with lower commercial materiality have been resolved in 2023–24 (14 NTB at NZD\$190.7m) compared to 2022–23 (5 NTB at NZD\$423m). Overall, the estimated trade value has been trending upwards, while the number of non-tariff barriers resolved has been trending downwards. Given the range of factors influences outcomes on non-tariff measures we would expect fluctuations year-on-year. See pp.127–128 for related performance measures.

Indicator:

FTAs cover 75% of New Zealand goods and services exports by 2028

This measure reflects that New Zealand is a trade dependent economy and we are a firm supporter of free and open trade, with one of the most open market economies in the world. FTAs coverage is important, as an increase in this is proportional to the increase of New Zealand’s Gross Domestic Product.

FTAs cover
69.2%
of New Zealand goods and services
exports in 2023–24



In 2023–24, with the NZ-EU FTA now entered into force, the coverage has increased by 6.2%, reaching 69.2%. Without the addition of the EU-NZ FTA, New Zealand’s FTA partner coverage would have declined year on year, by 1.8%. This was driven by a decline in trade to FTA partners such as China, Japan and Korea, and a proportional increase in trade to non-FTA partners such as the United States for the year ended June 2024. See p. 127 for related performance measures.

Security & Safety

Lead New Zealand’s international action to advance and protect New Zealanders’ safety and New Zealand’s security.

This is linked to the Vote Foreign Affairs Multi-Category Appropriation –
Delivery of services

What we intend to achieve

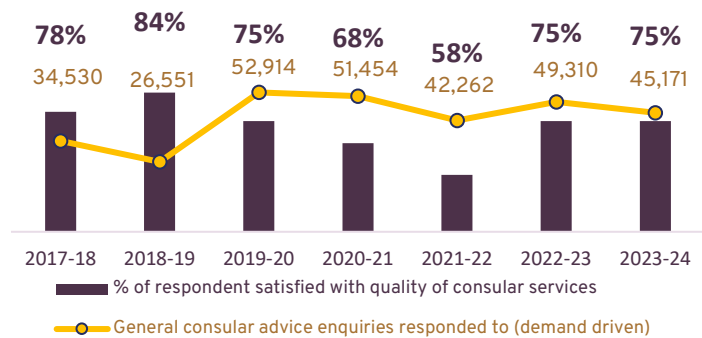
This category is intended to achieve the delivery of services to support New Zealand individuals, businesses, and agencies overseas, and host government services to the diplomatic and consular corps in New Zealand.

Indicator:

80% of more respondents are satisfied with the quality of consular services

A key role for the Ministry is helping New Zealanders be safe when travelling and living abroad, and ensuring they can access consular assistance and emergency advice, when required. Survey respondents being satisfied with the quality of consular services received reflects the successfulness of the Ministry’s consular service.

75%
of respondents are
satisfied with the
quality of consular
services received











Between 2019–20 and 2021–22, the Ministry’s ability to provide New Zealanders overseas with access to consular advice and assistance has been heavily affected by the COVID-19 pandemic. 2022–23 showed a rebound in satisfaction levels to pre-COVID levels. Maintaining the satisfaction score in the latest survey result is a positive sign, as we expect the performance will start to improve in the post-COVID-19 environment. See pp.130-131 for related performance measures.

Our output measures

Service performance information

The service performance information is selected and aligned with the Ministry’s Strategic Framework. The Ministry uses its Strategic Framework to define its purpose and the impacts it is seeking to make, to set out how it is going to realise its purpose and achieve collective impact, and to enable it to assess our collective performance as articulated in this report. Our output measures have performance targets (known as budget standard), and we have two types of output measures:

<p>Quality & Timeliness measure</p> 	<p>The Quality & Timeliness measures and results can be controlled by the Ministry, and this is considered a more accurate Indicator of performance.</p>	
<p>Key</p>	<p> Met standard – achieved</p>	<p> Did not meet standard – not achieved</p>

<p>Quantity measure</p> 	<p>These measures are quantitative and represent key outputs the Ministry delivers, of which some are demand driven. For demand driven measures, as the name suggests, the results cannot be controlled by the Ministry.</p>	
<p>Key</p>	<p> Met standard or exceeded forecast – achieved</p>	<p><i>Note: For budget standards with a range, this is used when actual results are in range, or exceed the range upper limit.</i></p>
	<p> Did not meet standard – not achieved</p>	<p><i>Note: For budget standards with a range, this is used when actual results fall below the lower limit.</i></p>
	<p>The following are also used to explain results that did not meet standard:</p>	
<p> Within 20% of forecast range</p>	<p> Outside 20% of forecast range</p>	

Performance measures footnotes or additional information

The Ministry includes footnotes or additional information for some performance measures. We applied these criteria to ensure disclosure of the most relevant and useful information:

- The reason for not achieving a particular target (quality & timeliness measure).
- The reason (where possible) for results outside 20% of forecast (quantity/demand driven measure).
- Assessment criteria used for survey scale.
- Contextual information to aid understandability.
- Any change in measurement methodology from the previous year.
- Any correction to a previously reported result.

Review of 2023–24 output performance measures and budget standards

We review our output measures and targets each year to ensure they reflect the services we deliver and our operating environment, and support the achievement of our outcomes. We apply the reporting standard PBE FRS 48¹⁷ to ensure reporting is appropriate and meaningful to users. We also take into consideration the qualitative requirements of relevance, faithful representation, understandability, and verifiability.

Changes to measures and targets

MCA — Analysis and advice to inform New Zealand’s foreign policy

Policy advice

The standard for “Assessment of performance of the quality of the Ministry’s policy advice papers” has been revised to 3.5 to align with other government agencies. The previous standard of 4 resulted in the Ministry “not achieving” this standard despite having consistently finished in the top 3 government departments assessed by NZIER.

The standard for “In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework: Score of 4.5 or higher will be no less than” has been adjusted from 40% to 25%. Our previous budget standard of 40% of policy papers scoring 4.5 or higher has been reviewed, as we have not achieved this target since the measure was put in place (actual result of 30% in 2021/22 and 17.5% in 2022/23), average of actual results to date = 23.75%). Revising the budget standard to 25% is a more realistic standard.

Ministerial services

The measure wording “Number of Ministerial letters prepared for Ministers based on correspondence received from the public” has been amended to improve its meaningfulness, by providing context and purpose of the output. Original measure: Number of Ministerial letters prepared.

The measure wording “Number of parliamentary questions responses provided to the Minister’s office so that answers can meet the timeframe set in Parliamentary standing orders” has been amended to improve its meaningfulness, by providing context and purpose of the output. Original measure: Number of parliamentary questions responses provided.

The standard for “Percentage of Ministry OIA requests responded to within statutory timeframes” has been adjusted from 90% to 95%. While the Ministry always strive for 100% achievement for this standard, it has been set at 95% to allow some room to account for unforeseen circumstances.

The statutory obligations of making and communicating a decision to the requester “as soon as reasonable practicable” and no later than 20 working days after the date on which the requests was received, unless an extension is required (refer to section 15A – Extensions and the Official Information Act –

http://www.legislation.govt.nz/act/public/1982/0156/latest/DLM65394.html?search=sw_096be8ed81c873fd_15A_25_se&p=1&sr=1).

¹⁷ PBE FRS 48 – Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting.

New Zealand domestic engagement

The standard for “Percentage of domestic stakeholders who are satisfied with their engagement with MFAT” has been adjusted from 90% to 80%. As noted by Kantar Public (our survey conductor), the overall perceptions of the Ministry's engagement with our domestic stakeholders remains consistently high (2022-23 actual – 86%).

The satisfaction score compares very favourably to the Kantar Public benchmark for other similar stakeholder surveys. This means MFAT is one of the highest rated public sector agencies in this category. Our previous budget standard of achieving 90% domestic stakeholder satisfaction is distorting the perception of our performance. The revised budget standard of 80% also aligns with our other measure on stakeholder satisfaction.

MCA – Delivery of New Zealand’s foreign policy

Embed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers regional stability and economic integration

The measure wording “Number of policy statements and initiatives led or co-sponsored by New Zealand in Indo-Pacific regional forums” has been amended to use plain English (from initiated to led) to improve understandability. Original measure: Percentage of policy statements and initiatives initiated or co-sponsored by New Zealand in Indo-Pacific regional fora.

Promote a stable, prosperous and resilience Pacific in which New Zealand’s interests and influence are safeguarded

The new measure “Number of inwards Guest of Government visits supported by the Ministry” has been proposed to sharpen our performance story, by consolidating the existing inwards visits into one. The basis of new measure budget standard is obtained by adding the two existing measures together. The range has been extended to reflect the Ministry's work programme in 2023-24. Replaces the following measures:

- Inwards Guest of Government visits from Pacific countries supported by the Ministry.

Budget Standard	2022-23 Actual	2021-22 Actual	2020-21 Actual	2019-20 Actual
4-8	11	2	1	7

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

Budget Standard	2022-23 Actual	2021-22 Actual	2020-21 Actual	2019-20 Actual
20-30	31	0	1	13

The new measure “Number of outward visits (bilateral, multilateral, plurilateral) on which New Zealand Ministers are supported by the Ministry” has been proposed to sharpen our performance story, by consolidating the existing outwards visits measures into one. The basis of new measure budget standard is obtained by adding the two existing measures together. The range has been extended to reflect the Ministry's work programme in 2023-24.

Replaces the following measures:

- Number of outward bilateral visits to Pacific countries on which New Zealand Ministers are supported by the Ministry.

Budget Standard	2022-23 Actual	2021-22 Actual	2020-21 Actual	2019-20 Actual
5-12	9	2	0	11

- Number of outward visits on which New Zealand Ministers are supported by the Ministry (outside the Pacific).

Budget Standard	2022-23 Actual	2021-22 Actual	2020-21 Actual	2019-20 Actual
30-40	36	40	1	76

MCA – Delivery of services

Services to New Zealand exporters and businesses to help them succeed overseas

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

Consular services to keep New Zealanders safer abroad

The standard for “Percentage of respondents satisfied with the quality of consular services” has been adjusted to 80%. Our previous budget standard of achieving 85% satisfaction has been reviewed, as we have not achieved this target since 2017–18. (Average of actual results 2017–18–2022–23 = 73%). There are a number of factors that can contribute to satisfaction ratings (refer to 2022–23 Annual Report, p.117, p.130). A budget standard to 80% is considered more realistic.

MCA – Management of New Zealand’s International Development Cooperation

Policy advice

The standard for “Assessment of performance of the quality of the Ministry’s policy advice papers” has been revised to 3.5 to align with other government agencies. The previous standard of 4 resulted in the Ministry “not achieving” this standard despite having consistently finished in the top 3 government departments assessed by NZIER.

The standard for “In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework: Score of 4.5 or higher will be no less than” has been adjusted from 40% to 25%. Our previous budget standard of 40% of policy papers scoring 4.5 or higher has been reviewed, as we have not achieved this target since the measure was put in place (actual result of 30% in 2021/22 and 17.5% in 2022/23), average of actual results to date = 23.75%). Revising the budget standard to 25% is a more realistic standard.

Ministerial services

The measure wording “Number of Ministerial letters prepared for Ministers based on correspondence received from the public” has been amended to improve its meaningfulness, by providing context and purpose of the output. Original measure: Number of Ministerial letters prepared.

Note: A typographical error was made in the Supplementary Estimates 2023–24. The budget standard for the same measure under category “Analysis and advice to inform New Zealand’s foreign policy” was entered instead. There’s been no change to the budget standard from 2022–23 and remains as 75–125.

The measure wording “Number of parliamentary questions responses provided to the Minister’s office so that answers can meet the timeframe set in Parliamentary standing orders” has been amended to improve its meaningfulness, by providing context and purpose of the output. Original measure: Number of parliamentary questions responses provided.

Note: A typographical error was made in the Supplementary Estimates 2023–24. The budget standard for the same measure under category “Analysis and advice to inform New Zealand’s foreign policy” was entered instead. There’s been no change to the budget standard from 2022–23 and remains as 20–50.

The standard for “Percentage of Ministry OIA requests responded to within statutory timeframes” has been adjusted from 90% to 95%. While the Ministry always strive for 100% achievement for this standard, it has been set at 95% to allow some room to account for unforeseen circumstances. The statutory obligations of making and communicating a decision to the requester “as soon as reasonable practicable” and no later than 20 working days after the date on which the requests was received, unless an extension is required (refer to section 15A – Extensions and the Official Information Act –

http://www.legislation.govt.nz/act/public/1982/0156/latest/DLM65394.html?search=sw_096be8ed81c873fd_15A_25_se&p=1&sr=1).

New Zealand domestic engagement

The standard for “Percentage of domestic stakeholders who are satisfied with their engagement with MFAT” has been adjusted from 90% to 80%. As noted by Kantar Public (our survey conductor), the overall perceptions of the Ministry’s engagement with our domestic stakeholders remains consistently high (2022-23 actual – 86%).

The satisfaction score compares very favourably to the Kantar Public benchmark for other similar stakeholder surveys. This means MFAT is one of the highest rated public sector agencies in this category. Our previous budget standard of achieving 90% domestic stakeholder satisfaction is distorting the perception of our performance. The revised budget standard of 80% also aligns with our other measure on stakeholder satisfaction.

Delivery of New Zealand’s Aid Programme

The standard for “Percentage of Activities rated 4 or higher on a scale of 1-5 by review against the Ministry’s quality standard for activity management” has been reset, due to a change of measurement methodology for the annual Quality Management Review, to focus on a subset of the activity life cycle and a significantly increased number of activities.

The measure “Number of Independent assurance activities to review the quality of climate finance related activities” was added in 2022-23 to monitor performance assurance and improvement relating to activities with climate mitigation or adaptation as their principal purpose.

Budget Standard	2022-23 Actual	2021-22 Actual	2020-21 Actual	2019-20 Actual
2	3	New Measure	N/A	N/A

Per note 7, Supplementary Estimates 2022-23, this measure has been replaced by “Percentage of Climate Finance Activities rated 4 or higher on a scale of 1-5 by review against the Ministry’s quality standard for activity management.”

Retired Measures

A total of 24 measures have been retired to ensure the Ministry’s output measures remained meaningful and relevant. Some of the retired measures were identified as indicators of activity rather than depicting actual performance; and some measures were retired and consolidated in a single new measure.

How we performed against our output measures

Multi-Category Appropriation – Quality & Timeliness

We achieved 28 out of 35 (80%) performance targets compared to 20 out 36 last year (55.9%)

 Quality & timeliness measure	Multi-Category Appropriation	Analysis and advice to inform New Zealand's foreign Policy	Delivery of New Zealand's foreign policy	Delivery of services	Management of New Zealand's International Development Cooperation
	1/1	5/7	5/7	4/4	13/16



Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders (MCA)

1/1
Met Standard

What we intend to achieve

This appropriation is intended to achieve: the provision of analysis and advice, and delivery of New Zealand's foreign policy through representation, advocacy, and negotiations; 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; and management of New Zealand's IDC (including related, advice, representation and advocacy).









Assessment of performance














		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Percentage of stakeholders who are satisfied with MFAT's effectiveness at representing New Zealand interests	80%	83%		85% (Biennial Survey)	78.4%	N/A
	<p>Achieved standard – The Ministry conducts the Stakeholder Engagement Survey biennially. As majority of the Ministry's work is longitudinal and often takes a few years before impact or results become available, surveying annually is unlikely to see major changes in trends. The 2023–24 survey has demonstrated stakeholder sentiment is mostly positive and remained consistent over time. More stakeholders understand MFAT's direction/purpose than in 2022, especially among NGOs. The result of 83% continues to outperform Verian's (survey conductor) stakeholder satisfaction benchmark. The maximum margin of error on a sample of 192 survey respondents was +/-5.89% at the 95% confidence level. The sample size for this result was 172.</p>						



What we intend to achieve

This category is limited to providing analysis, advice and Ministerial services, and undertaking related domestic engagement, on all elements of New Zealand's foreign policy, other than international development cooperation.

Assessment of performance

		Standard	Results				
		2024	2024	2023	2022	2021	2020
Policy advice							
	Policy submissions produced for Ministers	1,250-1,750	1,100	1,166	1,563	1,126	172
	Not achieved, within 20% of forecast range – Reduction in number of policy submissions produced for Ministers is possibly a reflection of the election and post-election period.						
	Assessment of performance of the quality of the Ministry's policy advice papers~	3.5	3.8	3.7	3.93	4.03	4.03
	<p>Achieved standard - NZIER appraised a randomised sample of 40 substantive MFAT policy submissions (excluding routine or process submissions) submitted during the 2023-24 financial year. This sample was drawn from a pool of 418 policy papers produced in 2023-24. The score increased this year to 3.80, up from 3.70 last year. The median also increased from 3.5 to 4.0. Importantly, all papers met the PQF standards (scored 3 or above) and 55% of papers scored above 4. The feedback from NZIER was positive, noting that the papers were well-written, free and frank, and highly nuanced with strong tactical assessments and advice. Areas of improvement include strengthening financial analysis where financial recommendations are made, regularly use a systematic options analysis, and refine the Ministry template for super-short papers. This year's score puts the Ministry in the top few agencies compared to the spread of agency scores in 2023, which is a real achievement.</p> <p>~The budget standard is on a scale of 1 to 5 and is based on using DPMC's Policy Quality Framework to assess the quality of policy advice papers. An average score will be reported from the assessment of policy advice papers.</p> <p>Scale for scoring the quality of policy advice:</p> <ul style="list-style-type: none"> ● 1 - Unacceptable: Does not meet the relevant quality standards in fundamental ways. ● 2 - Poor: Does not meet the relevant quality standards in material ways. ● 3 - Acceptable: Meets the relevant quality standards overall, but with some shortfalls. ● 4 - Good: Meets all the relevant quality standards. ● 5 - Outstanding: Meets all the relevant quality standards and adds something extra. 						
	In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework: Score of 4.5 or higher will be no less than	25%	15%	17.5%	30%	New measure	–
	Not achieved – refer to notes above. A possible reason the standard was not met could include the increased work pressures from a global outlook of increased complexity, heightened strategic tension, and growing levels of armed conflict, disruption and risk. Nevertheless, the Ministry's score, would still be in the top few agencies, based on the spread of agency scores in 2023-24.						
	In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework: Score of 3 or higher will be no less than	100%	100%	100%	New measure	–	–
	Achieved standard.						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Satisfaction of the portfolio Minister with the policy advice service~	4 or above	4.64	3.86	3.95	2.96	4.47
	<p>Achieved standard. ~The Standard is on a scale of 1 to 5 and is based on DPMC's Ministerial Satisfaction Survey to assess ministerial satisfaction with the policy service. Scale for scoring Ministerial Satisfaction Survey:</p> <ul style="list-style-type: none"> ● 1 - Never ● 2 - Sometimes ● 3 - About half the time ● 4 - Usually ● 5 - Always 						
Ministerial services							
	Number of Ministerial letters prepared for Ministers based on correspondence received from the public	1,000-1,250	313	451	2,333	1,314	208
		Not achieved, outside 20% of forecast range – This performance measure represents the amount of correspondence that was sent to the Ministry to draft individualised responses. The Minister's office provided responses to numerous correspondence directly based on standard lines provided by the Ministry.					
	Number of parliamentary questions responses provided to the Minister's office so that answers can meet the time frame set in Parliamentary standing orders^	300-500	603	546	767	458	66
	<p>Achieved standard – The volume of Parliamentary Questions that is received is predicated on what issues are of interest Parliament. This is outside of the Ministry's control. The increase in Parliamentary questions responses provided relates to Budget 2024 savings. Public interest in foreign policy issues has also increased. ^ Standing Orders of the House of Representatives are the rules of procedure for the House and its Committees. The 2023 edition of the Standing Orders of the House of Representatives is available at: http://www.parliament.nz/media/10573/standing-orders-2023.pdf</p>						
	Number of Ministry Official Information Act requests (OIA) responses provided~	250-300	474	326	329	284	74
	Achieved standard – The number of OIA requests received is not controllable by the Ministry. A number of foreign policy issues and world events has most likely resulted in greater interest in information held by the Ministry. For example, the Israel-Gaza and Houthi conflicts, and the war in Ukraine.						
	Percentage of Ministry OIA requests responded to within statutory timeframes~	95%	99%	56%	89%	92%	97%
	Achieved standard. ~Ministry OIAs are requests of the Chief Executive of the Ministry of Foreign Affairs and Trade.						
Monitor Crown entities							
	Ministers receive advice on the performance of Crown entities within agreed timeframes	100%	75%	100%	100%	100%	–
	Not achieved – One report was not submitted as required. The Ministry has since strengthened its monitoring arrangements including internal processes regarding advice to Ministers.						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
New Zealand domestic engagement							
	Percentage of domestic stakeholders who are satisfied with their engagement with MFAT	80%	100%		86% (Biennial Survey)	78.4%	N/A
 Achieved standard.							

Financial performance (figures are GST exclusive)

30/06/23 Actual \$000		30/06/24 Actual \$000	30/06/24 Appropriation \$000	30/06/24 Variance \$000
78,826	Analysis and advice to inform New Zealand's foreign policy	77,386	85,287	7,901











Explanation of significant budget variance

















Underspend part of Ministry wide savings, from vacancy freeze and spending constraints.







What we intend to achieve

This category is intended to achieve international representation, advocacy, and negotiation on all elements of New Zealand's foreign policy other than international development cooperation.

Assessment of performance

		Standard	Results				
		2024	2024	2023	2022	2021	2020
Strengthen, protect and use international rules and institutions to pursue New Zealand values and interests							
	Number of resolutions New Zealand leads or co-sponsors in the UN General Assembly and the Human Rights Council	65-75	104	132	91	New measure	-
	Achieved standard – The spike in geostrategic tensions and initiatives around the conflicts in Ukraine and Gaza have contributed to a surge in the number of initiatives New Zealand was asked to sign up to over the last two years. As the budget standard was set during COVID-19 period when UN activity was more subdued, the Ministry will update the budget standard in 2024-25 to accurately reflect how the more contested and challenging international outlook is driving activities in the UN context.						
	Proportion of issues raised by New Zealand in WTO committees resolved to the satisfaction of our domestic traders	10%*	7.7% (1 issue resolved, 13 raised)	7.7% (1 issue resolved, 13 raised)	No issues to resolve	New measure	-
	Not achieved – The approach to raising issues in WTO bodies reflects the seriousness of an issue for New Zealand traders. For example, issues are raised following separate bilateral efforts, require complex ongoing engagement and we do not expect short term solutions. This figure reflects “Specific Trade Concerns – STCs” raised in SPS and TBT bodies and also issues raised in the Council for Trade in bodies. 7.7% was calculated by: (1 issue resolved ÷ 13 issues raised) x 100. * The budget standard recognises that issues can span a number of years with few resolved in any one year through being raised in the WTO alone. However, New Zealand traders benefit significantly when issues are resolved.						
	Percentage of WTO notification obligations that New Zealand has complied with in a timely manner~	90%	92%	96%	90%	New measure	-
	Achieved standard. ~Data source for New Zealand compliance with WTO notifications: https://notifications.wto.org/en/status-by-member/new-zealand						
Grow sustainable economic returns and resilience from trade, investment and other international connections							
	Number of trade negotiations concluded in line with Cabinet mandate and signed	3	4	5	2	New measure	-
	Achieved standard – Trade negotiations are inherently 'lumpy' and prospects for conclusion or signature often rely on factors outside of the Ministry's control. In this period, however, we have had considerable success and delivery across many trade negotiations. We do not expect these same numbers to be delivered year on year. It is important to note that conclusion or signature does not mean that work "stops" on a FTA. It often paves the way for serious legal and technical work required to bring an Agreement into force.						
	Number of trade negotiations in progress	11	5	7	12	New measure	-
	Not achieved – As noted above, trade negotiations are inherently 'lumpy' and prospects for starting new negotiations often rely on factors outside of the Ministry's control.						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Number of Non-Tariff Barriers resolved for exporters	15	14	5	15	17	–
	Not achieved – More non-tariff barriers with lower commercial materiality have been resolved in 2023–24 (14 NTBs at NZD\$190.7m) compared to 2022–23 (5 NTB at NZD\$423m).						
Embed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers regional stability and economic integration							
	Number of official-level Indo-Pacific regional meetings MFAT participates in	90–120	142	105	200	New measure	–
	Achieved standard.						
	Number of policy statements and initiatives led or co-sponsored by New Zealand in Indo-Pacific regional forums~	18–28	27	17	20	7	New measure
	Achieved standard.						
	Percentage of New Zealand’s commitments in the ASEAN Plan of Action assessed as on track or completed at the end of financial year~	70%	94.2%	91.3%	80%	88%	New measure
	Achieved standard. ~The ASEAN Plan of Action covers the 2022-2026 period.						
Promote a stable, prosperous and resilience Pacific in which New Zealand’s interests and influence are safeguarded							
	Number of inwards Guest of Government visits supported by the Ministry	New measure 30–45	61	New measure	–	–	–
	Achieved standard. Note – Please refer to p.120 for more information on original measures’ prior year comparatives.						
	Percentage of implemented Pacific Security Fund projects which meet stated objectives	100%	100%	100%	100%	New measure	–
	Achieved standard.						
	Percentage of implemented Pacific Enabling Fund projects which meet stated objectives	100%	100%	92%	86%	New measure	–
	Achieved standard.						
Lead New Zealand’s international action to advance and protect New Zealanders’ safety and New Zealand’s security							
	Number of people trained to lift security capability in the Southeast Asia region from MFAT’s Global Security Fund	120–180	138	112	190	1,010	New measure
	Achieved standard.						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Number of export control permits assessed	700-800	1,154	1,048	812	New measure	–
	Achieved standard – The Ministry increased outreach last year and has been more proactive in educating exporters of the export requirements for permits and better compliance. This has had an effect of the number of applications received.						
Build and leverage targeted international relationships to achieve our goals							
	Number of outward visits (bilateral, multilateral, plurilateral) on which New Zealand Ministers are supported by the Ministry~	New measure 50-70	57	New measure	–	–	–
	Achieved standard – The Ministry supported 57 visits to 34 countries with a total of 373 engagements, of which: 304 bilateral, 25 multilateral, 24 plurilateral and 20 with leaders of international/regional organisation. ~This measure reports the number of outward visits in which the Governor-General, Prime Minister and MFAT Ministers are supported to participate. Note – Please refer to p.120 for more information on original measures' prior year comparatives.						
	Percentage of visits rated as 4 or better on a scale of 1–5 by internal review against the Ministry's quality standard for visits management~	80%	88.8%	85%	N/A	N/A	N/A
	Achieved standard. ~We use a survey to obtain the percentage of visits rating. A random generated sample of ten visits from FY 2023-24 were selected, and Ministry staff who were involved in the visit management were asked to fill in the survey (16 questions in total) and provide a rating. Surveys for nine visits were completed. The survey results were moderated and a weighted average score was calculated (result excludes "don't know/not applicable"). The survey is intended to inform learnings to improve the visits management process.						

Financial performance (figures are GST exclusive)

30/06/23 Actual \$000		30/06/24 Actual \$000	30/06/24 Appropriation \$000	30/06/24 Variance \$000
265,208	Delivery of New Zealand's foreign policy	266,119	282,482	16,363













Explanation of significant budget variance













Underspend part of Ministry wide savings, from vacancy freeze and spending constraints.

What we intend to achieve

This category is intended to achieve the delivery of services to support New Zealand individuals, businesses and agencies overseas, and host government services to the diplomatic and consular corps in New Zealand.

Assessment of performance

		Standard	Results				
		2024	2024	2023	2022	2021	2020
Services to New Zealand exporters and businesses to help them succeed overseas							
	Percentage of exporters who are satisfied that MFAT solved their queries	85%	86%	86%	84%	90.1%	New measure
 Achieved standard.							
	Number of unique visits on Tradebarriers.govt.nz and Tariff finder online services	40,000–50,000	TB: 32,105 TF: 173,459 Total = 205,564	TB: 2,573 TF: 27,721 Total = 30,294	TB: 12,035 TF: 33,760 Total = 45,795	TB: 35,047 TF: 27,750 Total = 62,797	New measure
 Achieved standard – The increase of unique visits on could be related to the NZ-UK FTA and NZ-EU FTA implementation, where exporters are keen to understanding the different aspects of the FTAs and its benefits. Note: TB= Trade Barrier/TF = Tariff Finder.							
	Number of “market insight” reports on the conditions in offshore countries published by the Ministry for exporters	90-110	121	132	134	New measure	–
 Achieved standard.							
	Number of unique visits on “market insight” report pages on the Ministry website	90,000–100,000	132,922	135,637	131,698	New measure	–
 Achieved standard.							
Consular services to keep New Zealanders safer abroad							
	Percentage of respondents satisfied with the quality of consular services	80%	75%	75%	Re-instated measure	68%	75%
 Not achieved, within 20% of forecast range – The 2023-24 result is the same as the prior year. This is a positive sign as we expect satisfaction levels will stabilise back at these high levels as we move further away from COVID-related travel disruptions. The response rate for the 2023-24 survey was 27.4%; an improvement over last year’s 17.6% and a return to pre-COVID response levels. The results have a maximum margin of error of ± 6.5% at the 95% confidence estimate.							
	Distressed New Zealanders overseas who received consular services (demand driven)	3,500–4,000*	2,925	3,185	3,864	2,760	3,644
 Not achieved, within 20% of forecast range. *Volume of Consular services provided and requests for advice varies depending on international events and conditions. The Ministry has no control over the volume of requests received.							

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	General consular advice enquiries responded to (demand driven)	45,000–55,000	45,171	49,310	42,262	51,454	52,914
 Achieved standard.							
	Notarial services provided (demand driven)	7,000–10,000	7,050	8,789	6,710	8,200	10,432
 Achieved standard.							
	Consular emergencies responded to (demand driven)	30	29	25	23	36	44
 Not achieved, within 20% of forecast range.							
Host government services to the diplomatic and consular corps in New Zealand							
	Percentage of relevant formal New Zealand appointment documentation prepared in compliance with the Diplomatic Privileges and Immunities Act 1968 and Consular Privileges and Immunities Act 1971 and the Vienna Convention on Diplomatic Relations and the Vienna Convention on Consular Relations	100%	100%	100%	100%	100%	100%
 Achieved standard.							
	Percentage of arrival and departure documentation for foreign diplomatic and consular staff resident in New Zealand completed within 10 working days	80–100%	96.4%	89%	84%	90.8%	96.4%
 Achieved standard.							
Services for other New Zealand agencies overseas							
	Percentage of fee schedules (based on the agreed level of Ministry's services provided to other New Zealand agencies) accepted without amendment~	Baseline to be set	98.3%	97%	New measure	–	–
 Achieved standard. ~ The fee schedules are issued annually to New Zealand agencies overseas for services the Ministry provides them based on the level of support required. Services may include: co-location, shared infrastructure, residential accommodation, resource support, diplomatic facilitation, and any other specified additional services. Acceptance of fee schedules without amendment or queries reflects satisfactory service provided by the Ministry. Please note that any amendments to a fee schedule because of an administrative error would be excluded, i.e. as this would be considered as correcting a data entry/similar error. Budget standard for 2024–25 is 95%.							

The following information is provided for context only. This relates to “Host government services to the diplomatic and consular corps in New Zealand”

	2024	2023	2022	2021	2020
Number of foreign diplomatic missions and consular posts resident in New Zealand (including those led by Honorary Consuls or Honorary Consuls General)	173	167	167	168	168
<p>This is a contextual measure. The number of foreign diplomatic missions and consular posts generally remains reasonably static, although the number of Honorary Consuls (included in this count) tends to vary due to them leaving the role and not being replaced, or new appointments being delayed by the appointing government. The number of staff and dependants resident in New Zealand also fluctuates annually. The Ministry has limited ability to influence these numbers. This contextual measure, measures the quantity of work done by the Ministry. This is because it directly correlates to the workload of the Ministry’s Protocol Division administering diplomatic and consular privileges and immunities. The workload increases or decreases depending on the size of the diplomatic and consular corps, and the number of dependants.</p>					
Number of foreign diplomatic and consular staff (and their dependants) resident in New Zealand	1,259	1,252	1,302	1,295	1,318
<p>This is a contextual measure. It directly accounts for the workload of the Ministry’s Protocol Division administering diplomatic and consular privileges and immunities. As the number of foreign diplomatic and consular staff resident in New Zealand increases, the percentage of arrival and departure documentation for foreign diplomatic and consular staff resident in New Zealand completed within 10 working days decreases, and vice versa.</p>					

Financial performance (figures are GST exclusive)

30/06/23 Actual \$000		30/06/24 Actual \$000	30/06/24 Appropriation \$000	30/06/24 Variance \$000
58,741	Delivery of services	58,779	61,625	2,846

Explanation of significant budget variance

Underspend part of Ministry wide savings, from vacancy freeze and spending constraints.

International Development Cooperation (IDC) Departmental and Non-Departmental Performance Information – applying the PBE FRS 48 reporting standard

IDC Programme – refers to the totality of work carried out to support international development outcomes, including foreign policy engagement, multilateral advocacy and development programming funded out of other New Zealand Government agencies. The Ministry’s management of the overall IDC Programme is funded by Vote Foreign Affairs – Departmental Multi-Category Appropriation. Please see *Management of New Zealand’s International Development Cooperation* on page 135.

IDC appropriation – refers to the Ministry’s development cooperation funded from *Vote Foreign Affairs – Non-Departmental Appropriation*. Please see Annex 2: Minister of Foreign Affairs’ report on the International Development Cooperation Non-Departmental within *Vote Foreign Affairs 2023-24* (p.200) for complete results from the IDC Programme. Non-departmental information is not subject to audit.

The Ministry’s IDC performance framework is based on the all-of-Government international development policy (NZ’s International Cooperation for Effective Sustainable Development – ICESD¹⁸), the Ministry’s Strategic Framework, and four-year plans by theme, country and region. These documents provide the strategic and planning mechanisms to help the Ministry determine what outcomes we will deliver and how we will know if we have delivered them.

An *IDC priorities framework* aligns delivery of the IDC Programme to the Ministry’s strategic objectives and defines how impact will be determined – from indicators that demonstrate movement towards the Ministry’s long-term outcomes, through to Estimates performance measures that are directly attributable to New Zealand’s IDC funding.

The Ministry’s performance measurement framework is not intended to cover the entirety of IDC Programme activities. It focuses on our priorities set out in guiding documents for the IDC Programme, and provides an appropriate

and meaningful mix of performance measures for the reporting period.

Performance measures have a limited ability to capture the breadth and depth of impact delivered to our audiences and partners. For this reason, the IDC Annex, which provides complete results from the IDC Programme, also includes case studies and additional narrative to provide further qualitative evidence and examples of impact delivered over the reporting period.

We regularly review and refine our outcome, aggregated result, and appropriation output class measures to ensure they remain meaningful and relevant. This includes, considering the qualitative characteristics and constraints of performance information set in PBE FRS 48. Most of our measures have been in place for a number of years, to ensure an understanding of performance over time and to track the impacts of external events. Information about comparability and consistency of performance measures is included throughout the report and IDC Annex by providing the prior year’s results (as a minimum).

The Ministry consulted Audit NZ and the Office of the Auditor General in 2024 on proposed improvements to our performance management framework, including alignment to the Ministry’s strategic framework, and improvements to output class measures. Some of these have been applied from 2023–24.

In establishing our Pacific Goal outcome indicators and IDC non-departmental performance measures, the Ministry made judgments in identifying the most relevant performance information to establish progress towards our strategic direction and appropriation intention. In all instances our outcome indicators and non-departmental performance measures directly align to a Pacific Goal outcome, and in some instances also, to other Ministry Goals. Where possible, performance measures are focused on the real

¹⁸ <https://www.mfat.govt.nz/assets/Aid-Prog-docs/Policy/Policy-Statement-New-Zealands-International-Cooperation-for-Effective-Sustainable-Development-ICESD.pdf>

benefit or impact made (in people terms) of funded programmes or activities.

Results delivered through training and capability-building is a specific focus across the IDC Programme, aligned to our ICESD development approach of providing sustained impact beyond IDC funding. We also include performance information specifically focused on assessing the effectiveness of activities. These are, based on pre-defined objectives agreed with our partners. Performance measures relating to climate change mitigation or adaptation are becoming more prominent due to scaled up investment in this outcome.

Where relevant, assessments of performance are moderated by internal governance groups to ensure consistency of application across countries and activities.










To support a complete view of the Ministry's performance story in the Annual Report 2023-24, we have provided three non-departmental performance measures as examples of effective performance and impact across the IDC Programme, for consideration as part of the Ministry's audited performance information:











- Number of people directly benefitting from activities which aim to increase resilience to climate change and environmental degradation (No., M/F) (p.256)
- Number of people receiving training or capability building support in priority sectors (No., M/F) (p.257)
- Percentage of Activities with effectiveness rated as good or better (based on MFAT Activity Completion Assessments) (p.257)













What we intend to achieve











This category is limited to advice (including related domestic engagement and Ministerial services), representation and advocacy on international development issues, and the management of the New Zealand Aid Programme.








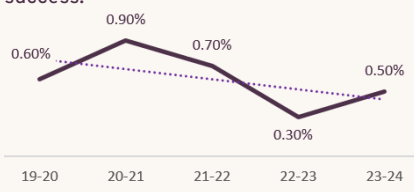




Assessment of performance









		Standard	Results				
		2024	2024	2023	2022	2021	2020
Policy advice							
	Policy submissions produced for Ministers	200-300	186	324	320	257	255
		Not achieved, within 20% of forecast range – reduction in number of policy submissions produced for Ministers is possibly a reflection of the election and post-election period.					
	Assessment of performance of the quality of the Ministry's policy advice papers~	3.5	3.8	3.7	3.93	4.03	4.03
	<p>Achieved standard - NZIER appraised a randomised sample of 40 substantive MFAT policy submissions (excluding routine or process submissions) submitted during the 2023-24 financial year. This sample was drawn from a pool of 418 policy papers produced in 2023-24. The score increased this year to 3.80, up from 3.70 last year. The median also increased from 3.5 to 4.0. Importantly, all papers met the PQF standards (scored 3 or above) and 55% of papers scored above 4. The feedback from NZIER was positive, noting that the papers were well-written, free and frank, and highly nuanced with strong tactical assessments and advice. Areas of improvement include strengthening financial analysis where financial recommendations are made, regularly use a systematic options analysis, and refine the Ministry template for super-short papers. This year's score puts the Ministry in the top few agencies compared to the spread of agency scores in 2023, which is a real achievement.</p> <p>~The budget standard is on a scale of 1 to 5 and is based on using DPMC's Policy Quality Framework to assess the quality of policy advice papers. An average score will be reported from the assessment of policy advice papers.</p> <p>Scale for scoring the quality of policy advice:</p> <ul style="list-style-type: none"> ● 1 - Unacceptable: Does not meet the relevant quality standards in fundamental ways. ● 2 - Poor: Does not meet the relevant quality standards in material ways. ● 3 - Acceptable: Meets the relevant quality standards overall, but with some shortfalls. ● 4 - Good: Meets all the relevant quality standards. ● 5 - Outstanding: Meets all the relevant quality standards and adds something extra. 						
	In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework: Score of 4.5 or higher will be no less than	25%	15%	17.5%	30%	New measure	–
	Not achieved – refer to notes above. A possible reason the standard was not met could include the increased work pressures from a global outlook of increased complexity, heightened strategic tension, and growing levels of armed conflict, disruption and risk. Nevertheless, the Ministry's score, would still be in the top few agencies, based on the spread of agency scores in 2023–24.						
	In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework: Score of 3 or higher will be no less than	100%	100%	100%	New measure	–	–
	Achieved standard.						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Satisfaction of the portfolio Minister with the policy advice service~	4 or above	4.64	3.86	3.95	2.96	4.47
	<p>Achieved standard.</p> <p>~The Standard is on a scale of 1 to 5 and is based on DPMC's Ministerial Satisfaction Survey to assess ministerial satisfaction with the policy service.</p> <p>Scale for scoring Ministerial Satisfaction Survey:</p> <ul style="list-style-type: none"> ● 1 - Never ● 2 - Sometimes ● 3 - About half the time ● 4 - Usually ● 5 - Always 						
Ministerial services							
	Number of Ministerial letter prepared for Ministers based on correspondence received from the public~	75-125*	33	74	107	89	144
	<p>Not achieved, outside 20% of forecast range - ~This performance measure represents the amount of correspondence that was sent to the Ministry to draft individualised responses. The Minister's office provided responses to numerous correspondence directly based on standard lines provided by the Ministry.</p> <p>*A typographical error was made in the Supplementary Estimates 2023-24. The budget standard for the same measure under category "Analysis and advice to inform New Zealand's foreign policy" was entered instead. There's been no change to the budget standard from 2022-23 and remains as 75-125.</p>						
	Number of parliamentary questions responses provided to the Minister's office so that answers can meet the time frame set in Parliamentary standing orders^	20-50*	14	50	64	27	32
	<p>Not achieved, outside 20% of forecast range - The volume of Parliamentary Questions that is received is predicated on what issues are of interest Parliament. This is outside of the Ministry's control.</p> <p>^ Standing Orders of the House of Representatives are the rules of procedure for the House and its Committees. The 2023 edition of the Standing Orders of the House of Representatives is available at: http://www.parliament.nz/media/10573/standing-orders-2023.pdf</p> <p>*A typographical error was made in the Supplementary Estimates 2023-24. The budget standard for the same measure under category "Analysis and advice to inform New Zealand's foreign policy" was entered instead. There's been no change to the budget standard from 2022-23 and remains as 20-50.</p>						
	Number of Ministry Official Information Act requests (OIA) responses provided	40-70	70	58	60	64	51
	Achieved standard.						
	Percentage of Ministry OIA requests responded to within statutory timeframes~	95%	97%	56%	89%	92%	97%
	<p>Achieved standard.</p> <p>~Ministry OIAs are requests of the Chief Executive of the Ministry of Foreign Affairs and Trade</p>						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
New Zealand domestic engagement							
	Percentage of domestic stakeholders who are satisfied with their engagement with MFAT	80%	86%		87% (Biennial Survey)	78.4%	N/A
 Achieved standard.							
Representation and advocacy							
	Participation in governance mechanisms of targeted multilateral institutions which New Zealand core funds (% of institutions)	100%	100%	100%	100%	New measure	–
 Achieved standard.							
	Participation in governance mechanisms of targeted Pacific regional institutions which New Zealand core funds (% of institutions)	100%	100%	100%	100%	New measure	–
 Achieved standard.							
Delivery of the New Zealand Aid Programme							
	Percentage of Crown IDC for the partner government sector disbursed in year for which it was scheduled (bilateral programmes only)	90%	100% (\$186.5m)	100% (\$198.1m)	97% (\$248m)	97% (\$210.6m)	91.2% (\$134.6m)
 Achieved standard.							
	Proportion of Pacific country partner governments provided with an indicative Total Country Aid Programme Budget for the current year plus projections for two or more years in the future	100%	50%	100%	100% (12/12 Pacific bilateral partners)	8% (1/12 Pacific bilateral partners)	67% (8/12 Pacific bilateral countries)
 Not achieved. As 2023-24 was the final year of the triennium, allocations for outyears were not known. 73% of country partner governments were provided with a budget for the current year.							
	Amount and percentage of Crown IDC resources spent on the Pacific~	60% for the triennium*	63.2% (\$760.0m)	61.0% (\$592.2m)	70.9% (\$586.3m)	65.2% (\$524.6m)	61.0% (\$446.9m)
 Achieved standard. *The budget standard was amended to reflect greater accuracy in data.							

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Amount and percentage of Crown IDC resources spent in vulnerable countries~	40%	41.9% (\$504.1m)	^40.6% (\$394.6m)	51.6% (\$426.8m)	Revised measure	–
	<p>Achieved standard.</p> <p>~Vulnerable countries are defined as those above the median Multidimensional Vulnerability Index score (currently 52.8). The MVI is a new international quantitative benchmark to measure structural vulnerability and the lack of structural resilience across multiple dimensions of sustainable development at the national level. See: https://www.un.org/ohrlls/mvi. The MVI does not include data on non-UN Member states i.e. territories. In absence of this data, we have deemed Realm countries (Cook Islands, Niue, and Tokelau) as 'vulnerable' using the previous definition (i.e. population <100,000).</p> <p>^ The figure varies from the value reported in 2022–23, 25.2% (\$244.4m) due to a data entry error.</p>						
	Amount and percentage of new climate finance: Spent in the Pacific	At least 50%	60.7% (\$177.3m)	44.4% (\$65.1m)	~Not applicable – previous data belongs to the original measure		
	<p>Achieved Standard.</p> <p>~The original measure “Amount of percentage of IDC funding, which addresses climate change mitigation and adaptation – of this percent and amount spent in the Pacific; percent and amount addressing climate change adaptation” has been split into two measures, one covering "Spent in the Pacific" and the other covering "Spent on Activities" which target adaptation". The wording of the measure has been revised to better match Cabinet's commitment to supporting developing countries adapt to the environmental, economic and social impacts of climate change, with a focus on the Pacific. These commitments are set out in New Zealand's International Climate Finance Strategy (see link below).</p> <p>Note: Where activities do not target climate adaptation, they target climate mitigation.</p> <p>• New Zealand's International Climate Finance Strategy www.mfat.govt.nz/assets/Aid/Climate-finance/International-Climate-Finance-Strategy-At-a-glance-FINAL.pdf</p>						
	Amount and percentage of new climate finance: Spent on Activities which target adaptation	At least 50%	90.9% (\$265.4m)	70.4% (\$103.2m)	~Not applicable – previous data belongs to the original measure		
	<p>Achieved standard.</p> <p>~The original measure “Amount of percentage of IDC funding, which addresses climate change mitigation and adaptation – of this percent and amount spent in the Pacific; percent and amount addressing climate change adaptation” has been split into two measures, one covering "Spent in the Pacific" and the other covering "Spent on Activities" which target adaptation".</p> <p>The wording of the measure has been revised to better match Cabinet's commitment to supporting developing countries adapt to the environmental, economic and social impacts of climate change, with a focus on the Pacific. These commitments are set out in New Zealand's International Climate Finance Strategy (see link below).</p> <p>Note: Where activities do not target climate adaptation, they target climate mitigation.</p> <p>• New Zealand's International Climate Finance Strategy www.mfat.govt.nz/assets/Aid/Climate-finance/International-Climate-Finance-Strategy-At-a-glance-FINAL.pdf</p>						
	Amount and percentage of Crown IDC resources spent on Activities where gender equality and women's empowerment is a significant objective	At least 60%	45.9% (\$551.6m)	New measure	–	–	–
	<p>Not achieved, outside 20% of forecast range – Progress is continuing to be made in increasing investment in targeted activities in real terms.</p> <p>* This is a new measure which focuses on both targeted and mainstreamed gender programming.</p>						
	Amount and percentage of Crown IDC resources spent on Activities where gender equality and women's empowerment is a principal objective	At least 4%	3.7% (\$45.0m)	3.1% (\$30.4m)	2.6% (\$21.4m)	3.0% (\$24.0m)	2.7% (\$19.5m)
	<p>Not achieved, within 20% of forecast range – Trend towards target regressed on inclusion of significant new climate finance into the IDC in 2022. Progress is continuing to be made in increasing investment in targeted activities in real terms (\$15m more investment) and as a proportion of the total IDC expenditure.</p>						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Amount and percentage of Crown IDC resources spent on Aid for Trade	At least 20% of IDC	16.4% (\$196.7m)	13.5% (\$131.1m)	11.6% (\$96.2m)	12% (\$96.9m)	16.5% (\$121.3m)
		Not achieved, within 20% of forecast range – Trend towards target regressed on inclusion of significant new climate finance into the IDC in 2022. Progress is continuing to be made in increasing investment in targeted activities in real terms (\$65.5m more investment) and as a proportion of the total IDC expenditure.					
	Amount and percentage of Crown IDC resources spent on scholarships	No more than 10% of core baseline annual spend	7.28% (\$66.2m)	4.83% (\$39.8m)	4.3% (\$35.8m)	6.5% (\$52.1m)	11.6% (\$85.1m)
	Achieved standard.						
	Amount and percentage of Crown IDC resources spent on strengthening Pacific statistics	Increasing trend*	0.5% (\$6.3m)	0.3% (\$2.8m)	0.7% (\$6.1m)	0.9% (\$7.1m)	0.6% (\$4.5m)
	<p>Not achieved – Trend towards target regressed on inclusion of significant new climate finance into the IDC in 2022. Progress is continuing to be made in increasing investment in targeted activities in real terms (\$3.5m more investment) and as a proportion of the total IDC expenditure.</p> <p>*The "increasing trend" budget standard has been selected because we considered seeing an increased trend as success.</p> 						
	Percentage of Activity Monitoring Assessments (AMAs) and Activity Completion Assessments (ACAs) rated as robust (as assessed annually by the independent Annual Assessment of Results)~	Increasing trend*	AMAs: 70% ACAs: 67%	N/A	^AMAs: 71% ^ACAs: 61%	N/A	N/A
	<p>Achieved standard.</p> <p>~AMAs are annual internal assessments completed by the Ministry of Foreign Affairs and Trade to monitor the performance of Activities in implementation, while ACAs are internal Ministry of Foreign Affairs and Trade assessments of performance undertaken after the completion of the Activity.</p> <p>*The "increasing trend" budget standard has been selected because we considered seeing an increased trend as success.</p> <p>^ In 2021–22, after a break of three years, the Annual Assessment of Results has been reinstated with an updated methodology. The 2021–22 results differ from those published in the 2021–22 Annual Report. This is due to the timing of the Annual Assessment of Results, and provisional scores were provided for the 2021–22 Annual Report. These have now been replaced with final results, and are confirmed as baseline. Annual assessments will recommence from 2023–24.</p>						
	Percentage of evaluations (or summaries) that are published to MFAT website within 3 months of completion	100%	100%	100%	100%	33%	67%
	Achieved standard.						

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Percentage of Programmes rated 4 or higher on a scale of 1–5 by review against the Ministry’s quality standard for programme management	>90%	100%	100%	100%	100%	100%
	<p>Achieved standard. The scale for rating programmes and activities: 1 – Poor: None of the criteria have been met and are of an unacceptable standard. Significant improvements are required that need to be urgently addressed. 2 – Not adequate: Few criteria have been met or barely adequate. Improvements are required that need to be addressed at the earliest opportunity. 3 – Adequate: Some criteria have been met or adequately met. Improvements would be beneficial and are recommended to be addressed. 4 – Good: Most criteria have been met/well met. Minor improvements would be beneficial. 5 – Very Good: All criteria have been met/met very well. No improvements necessary.</p>						
	Percentage of Climate Finance Activities rated 4 or higher on a scale of 1–5 by review against the Ministry’s quality standard for activity management~	Establish baseline	100%	New measure	–	–	–
	<p>Achieved standard. The scale for rating programmes and activities: 1 – Poor: None of the criteria have been met and are of an unacceptable standard. Significant improvements are required that need to be urgently addressed. 2 – Not adequate: Few criteria have been met or barely adequate. Improvements are required that need to be addressed at the earliest opportunity. 3 – Adequate: Some criteria have been met or adequately met. Improvements would be beneficial and are recommended to be addressed. 4 – Good: Most criteria have been met/well met. Minor improvements would be beneficial. 5 – Very Good: All criteria have been met/met very well. No improvements necessary. ~ A measure to assesses the quality of management of climate related activities specifically, per Note 7 in Supplementary Estimates 2022–23. Note – Please refer to p.122 for more information on original measure’s prior year comparatives.</p>						
	Percentage of Activities rated 4 or higher on a scale of 1–5 by review against the Ministry’s quality standard for activity management~	Establish baseline*	74%	100%	100%	100%	100%
	<p>Achieved standard. There has been a significant change to the methodology adopted this year, which has provided a greater level of insight and more comprehensive assessment of quality compared to the original methodology. A total of 50 activities were assessed as part of the QMR. Our sample included 10 climate finance activities and 40 non-climate finance activities. 37 of 50 activities (74%) assessed achieved a rating of 4 or above. All 10 climate finance activities (100%) assessed achieved a rating of 4 or above – see measure above. The scale for rating programmes and activities: 1 – Poor: None of the criteria have been met and are of an unacceptable standard. Significant improvements are required that need to be urgently addressed. 2 – Not adequate: Few criteria have been met or barely adequate. Improvements are required that need to be addressed at the earliest opportunity. 3 – Adequate: Some criteria have been met or adequately met. Improvements would be beneficial and are recommended to be addressed. 4 – Good: Most criteria have been met/well met. Minor improvements would be beneficial. 5 – Very Good: All criteria have been met/met very well. No improvements necessary. * A change of measurement methodology for the annual Quality Management Review, to focus on a subset of the activity life cycle and a significant increased number of activities, necessitates a reset of the performance standard.</p>						
	New Zealand score in Aid Transparency Index	Maintain or improve trend	60.4%	Biennial Index	Biennial Index	Biennial Index	
	<p>Not achieve – While this is a slight decrease from the 2022 rating, New Zealand retains its place in the Index’s ‘good’ category and is reflective of a maintained trend since the 2022 Index. The decrease is primarily due to the biennial assessment coinciding with the final year of our funding triennium, meaning that we did not have access to forward-looking budget information to publish. We expect fluctuation in the ‘finance and budgets’ element of our score for this reason. New Zealand’s ‘accessibility’ score increased in 2024, due to the launch of our aid data portal – DevData.mfat.govt.nz.</p>						

Financial performance (figures are GST exclusive)

30/06/23 Actual \$000		30/06/24 Actual \$000	30/06/24 Appropriation \$000	30/06/24 Variance \$000
120,683	Management of New Zealand's International Development Cooperation	124,767	136,314	11,547



Explanation of significant budget variance

Underspend part of Ministry wide savings, from vacancy freeze and spending constraints.

What we intend to achieve

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.

Assessment of performance

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	New Zealand Government Superannuation Scheme for locally recruited staff in the United States of America continues to be funded to the required level by the Crown	Met	Met	Met	Met	Met	Met
 Achieved standard.							

Financial performance (figures are GST exclusive)

30/06/23 Actual \$000		30/06/24 Actual \$000	30/06/24 Appropriation \$000	30/06/24 Variance \$000
-	Policy advice and representation – other countries PLA	378	380	2









Explanation of significant budget variance

No significant variance.

What we intend to achieve

This appropriation is intended to achieve the provision of modern, secure and effective premises for accommodating NZ Inc's requirements offshore and modernising the Ministry's IT systems.

Assessment of performance

		Standard	Results				
		2024	2024	2023	2022	2021	2020
	Percentage of chanceries with a Fit-for-Purpose performance gap of <=2~	80%	84%	83%	82%	80%	80%
	Achieved standard. ~The Ministry uses a Fit-for-Purpose framework that rates every chancery (office) and official residence property against five asset management criteria of location, building and infrastructure quality, brand, functionality, and flexibility. Weighted sub-criteria are used to reflect the criticality of each asset management criteria relative to specific locations. The current performance of each property asset in the above-mentioned class is scored against pre-determined business defined target scores. The target scores reflect the relative importance of each of the five asset criteria as an enabler supporting the specific objectives and business model in each location.						
	Percentage of official residences with a Fit-for-Purpose performance gap of <=2~	90%	90%	95%	95%	90%	90%
	Achieved standard. ~The Ministry uses a Fit-for-Purpose framework that rates every chancery (office) and official residence property against five asset management criteria of location, building and infrastructure quality, brand, functionality, and flexibility. Weighted sub-criteria are used to reflect the criticality of each asset management criteria relative to specific locations. The current performance of each property asset in the above-mentioned class is scored against pre-determined business defined target scores. The target scores reflect the relative importance of each of the five asset criteria as an enabler supporting the specific objectives and business model in each location.						
	Percentage of time our networks are available	99.7%	99.83%	99.71%	99.6%	99.7%	99.4%
	Achieved standard.						
	Percentage of time our critical services are available	99.7%	99.98%	99.93%	100%	100%	100%
	Achieved standard.						

Financial performance (figures are GST exclusive)

30/06/23 Actual \$000		30/06/24 Actual \$000	30/06/24 Appropriation \$000	30/06/24 Variance \$000
-	Land	-	-	-
26,020	Property, plant and equipment	30,654	40,255	9,601
694	Intangibles	334	1,500	1,166
26,714	Total	30,988	41,755	10,767

Explanation of significant budget variance

The Capital Expenditure variance mostly relates to Intangibles (78%) due to delays in commencing various software upgrade projects because of staffing resources availability. The Property, Plant and Equipment (Pacific Property projects) variance (24%) due to over forecasted payments schedule provided by the main construction contractor for budgeting purposes.

Financial statements departmental



Financial statements

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	Revenue				
523,673	Revenue Crown	2	555,383	536,384	551,574
10,834	Other Revenue	2	13,109	10,446	10,446
534,507	Total revenue		568,492	546,830	562,020
	Expenses				
231,440	Personnel	3	239,809	254,520	257,609
211,806	Operating	4	208,367	212,451	228,503
34,420	Depreciation	8	31,650	33,141	31,893
7,836	Amortisation on intangible assets	9	9,264	7,890	5,586
37,956	Capital charge	5	38,338	38,808	38,409
523,458	Total expenses		527,428	546,810	562,000
11,049	Surplus/(deficit) before re-measurement		41,064	20	20
	Re-measurement				
4,924	Loss / (gain) on derivative financial instruments	17	4,885	-	-
(314)	Movement in discount rate for long service leave and Retirement leave	13	(194)	-	-
4,610	Total re-measurement		4,691	-	-
528,068	Total expenses		532,119	546,810	562,000
6,439	Net surplus/(deficit)		36,373	20	20
	Other comprehensive revenue and expense				
-	Gain on property revaluations		85,391	-	-
6,439	Total comprehensive revenue and expense		121,764	20	20

The accompanying accounting policies and notes form part of these financial statements. For information on major variances against budget refer to Note 19.

Statement of Changes in Equity

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
767,056	Balance at 1 July		777,847	782,770	777,398
6,439	Total comprehensive revenue and expense		121,764	20	20
(11,363)	Return of operating surplus to the Crown	11	(41,258)	(20)	(20)
31,600	Capital injections		18,175	16,225	1,350
(15,885)	Capital withdrawals		(18,623)	(13,223)	(16,483)
777,847	Balance at 30 June	14	857,905	785,772	762,265

The accompanying accounting policies and notes form part of these financial statements. For information on major variances against budget refer to Note 19.

Statement of Financial Position

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	ASSETS				
	Current assets				
32,042	Cash and cash equivalents		62,748	27,809	23,688
174,697	Debtor Crown		179,626	140,737	118,106
3,125	Debtors and other receivables	6	2,533	3,689	3,125
12,559	Prepayments	7	10,493	8,497	12,559
2,686	Derivative financial instruments	17	125	6,340	2,686
225,109	Total current assets		255,525	187,072	160,164
	Non-current assets				
5,262	Debtors and receivables	6	5,150	5,175	5,262
2,960	Prepayments - leased land	7	2,885	3,033	2,959
604,877	Property, plant, and equipment	8	690,169	651,195	648,287
19,454	Intangible assets	9	9,564	16,996	9,307
632,553	Total non-current assets		707,768	676,399	665,815
857,661	Total assets		963,293	863,471	825,979
	LIABILITIES				
	Current liabilities				
16,845	Creditors and other payables	10	10,245	29,754	12,087
11,363	Return of operating surplus	11	41,258	20	20
2,276	Provisions	12	4,996	1,871	2,276
29,828	Employee entitlements	13	29,405	28,459	30,795
1,940	Derivative financial instruments	17	4,264	669	1,940
62,252	Total current liabilities		90,168	60,773	47,118
	Non-current liabilities				
9,085	Employee entitlements	13	7,802	8,043	8,118
8,478	Provisions	12	7,418	8,883	8,478
17,563	Total non-current liabilities		15,220	16,926	16,596
79,814	Total liabilities		105,388	77,699	63,714
777,847	Net assets		857,905	785,772	762,265
	EQUITY				
514,196	General funds	14	508,863	522,121	498,614
263,651	Property revaluation reserve	14	349,042	263,651	263,651
777,847	Total equity		857,905	785,772	762,265

The accompanying accounting policies and notes form part of these financial statements. For information on major variances against budget refer to Note 19.

Statement of Cash Flows

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	Cash flows from operating activities				
520,949	Receipts from Revenue Crown		550,456	562,975	596,816
11,072	Receipts from other revenue		13,432	10,446	10,446
5	Interest		24	-	-
(1,279)	Goods and services tax (net)		589	-	-
(223,662)	Payments to employees		(236,738)	(254,098)	(257,311)
(232,475)	Payments to suppliers		(216,330)	(212,873)	(228,801)
(37,956)	Payments for capital charge		(38,338)	(38,808)	(38,409)
36,654	Net cash flow from operating activities	18	73,095	67,642	82,741
	Cash flows from investing activities				
250	Sale of property, plant, equipment		410	300	300
(26,020)	Purchase of property, plant, equipment		(30,655)	(66,647)	(71,699)
(694)	Purchase of intangible assets		(334)	(3,200)	(1,000)
(26,464)	Net cash flow from investing activities		(30,579)	(69,547)	(72,399)
	Cash flows from financing activities				
31,600	Capital injections		18,175	16,225	1,350
(15,885)	Capital withdrawal		(18,623)	(13,223)	(16,483)
(25,440)	Return of operating surplus		(11,362)	(20)	(20)
(9,725)	Net cash flow from financing activities	21	(11,810)	2,982	(15,153)
465	Net increase/(decrease) in cash		30,706	1,077	(4,811)
31,577	Add cash at the beginning of the year		32,042	26,732	28,499
32,042	Closing cash at the end of the year		62,748	27,809	23,688

The GST (net) component of operating activities reflects the net GST paid and received to/from the Inland Revenue Department. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes. The accompanying accounting policies and notes form part of these financial statements.

Statement of Commitments

As at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	CAPITAL COMMITMENTS	
11,641	Land and buildings	29,002
11,641	Total capital commitments	29,002
	Non-cancellable operating leases	
	Accommodation	
44,386	Less than one year	40,394
67,866	One to five years	45,312
32,044	More than five years	33,822
144,296	Total non-cancellable operating lease commitments	119,528
155,937	Total commitments	148,530

Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been recognised as a liability as at 30 June 2024.

Non-cancellable operating leases

MFAT leases for property, plant and equipment in the normal course of its business. The majority of these leases are for premises which have a non-cancellable leasing period.

Our non-cancellable operating leases have varying terms, escalation clauses and renewal rights. There are no restrictions placed on us by any of these leasing arrangements.

Statement of Contingent Liabilities and Contingent Assets

As at 30 June 2024

MFAT has a contingent liability in the form of an indemnity as at 30 June 2024 to HSBC for \$1.026 million as part of the Chancery lease conditions in New York (30 June 2023: \$1.022 million).

MFAT also has one contingent liability in the form of an indemnity authorised in November 2021 for \$8.000 million to cover staff in certain posts where no insurance is available for personal accident, personal effect and car self-insurance.

We have other contingent liabilities relating to employment and property disputes as at 30 June 2024 for \$4.573 million (30 June 2023: \$4.484 million). Disclosure of the individual disputes may prejudice the Ministry's position.

MFAT has no contingent assets as at 30 June 2024. (30 June 2023: Nil).

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2024

Note 1: Statement of accounting policies

REPORTING ENTITY

The financial statements presented are those of the Ministry of Foreign Affairs and Trade (“MFAT”). MFAT has also reported on Crown activities and trust monies that it administers.

MFAT manages the Government’s business with foreign countries and their governments, and with international organisations. The primary objective of MFAT is to provide services to the Government rather than making a financial return.

MFAT has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes.

STATUTORY BASE

MFAT is a government department as defined by section 5 of the Public Service Act 2020 and is domiciled in New Zealand, operating globally. The relevant legislation governing MFAT’s operations includes the Public Finance Act 1989, Public Service Act 2020 and the Foreign Affairs Act 1988. MFAT’s ultimate parent is the New Zealand Crown.

BASIS OF PREPARATION

MFAT’s financial statements have been prepared in accordance with the requirements of the Public Finance Act 1989, which include the requirement to comply with New Zealand generally accepted accounting practice (“NZ GAAP”) and Treasury Instructions. NZ GAAP includes Public Benefit Entity (“PBE”) accounting standards. These financial statements have been prepared in accordance with these Standards – Tier 1. These standards are based on International Public Sector Accounting Standards (IPSAS).

The financial statements for MFAT are for the year ended 30 June 2024 and were approved for issue by the Chief Executive on 18 October 2024.

The audit of the financial statements was not complete at the statutory deadline due to the complexity of land and building revaluations,

Basis of measurement

The financial statements have been prepared on a going concern basis and are presented in New Zealand Dollars which is MFAT’s functional currency. All values are rounded to the nearest thousand dollars (\$000).

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of

future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are:

- Estimating the fair value of land and buildings and the useful lives – see note 8
- Estimating the retirement and long service leave obligations – see note 13

Standards issued and not yet effective

PBE IFRS 17 Insurance Contracts

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026. The Ministry is not an insurer and does not issue insurance contracts. The standard does not apply to the Ministry.

PBE IPSAS 1 Amendment – Disclosure of Audit Firm’s Services

This amendment requires the disclosure of services received from our audit firm to be in five specific categories. The amendment covering periods beginning on or after 1 January 2024, with the Ministry adopting for the 2024/25 reporting. The Ministry engages Audit New Zealand periodically for assurance services as well as the audit of the financial report, this is currently disclosed as part of the Operating Cost Note.

Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented.

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions (including those for which forward exchange contracts are held) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive revenue and expense.

Goods and services tax (GST)

All items in the financial statements, including appropriation statements, are stated exclusive of GST except for Creditors and Payables and Debtors and Receivables, which are stated on a GST inclusive basis.

Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The amount of GST owing to, or owed by Inland Revenue at balance date, being the difference between Output GST and Input GST, is included in Creditors and Payables or Debtors and Receivables (as appropriate).

Commitments and contingencies are disclosed exclusive of GST.

Income tax

As a Government department, MFAT is exempt from the payment of income tax (Income Tax Act 2007) and no charge for income tax has been provided for.

Statement of cost accounting policies

MFAT has determined the cost of outputs using the cost allocation system outlined below:

Our policy is to directly charge costs to outputs wherever possible. Other costs are allocated to categories within the Multi-Category Output appropriation. This is done using the following activity based principles: i) total corporate costs are allocated to operational cost centres based on head count, and ii) operating costs are accumulated in operational cost centres and attributed to categories on the basis of pre-established ratios. Output allocation factors are based on estimates of the time that staff intend to spend on producing various outputs. They are reviewed annually as part of an operational planning and evaluation exercise to ensure they provide an accurate measure of resource consumption.

The only change is the allocation to appropriation category within the Multi-Category Output appropriation in the cost accounting policies, since the date of the last audited financial statements.

Basis of the budget and forecast figures (unaudited)
The 2024 budget figures are For the year ended 30 June 2024 and were published in the 2022-23 annual report. They are consistent with MFAT's best estimate financial forecast information submitted to Treasury for the year ending 2023-24 in the Budget Economic and Fiscal Update (BEFU) for Budget 2023.

The 2024 forecast figures for the year ending 30 June 2025 are consistent with MFAT's best estimate financial forecast information submitted to Treasury as part of the Budget Economic and Fiscal Update (BEFU) for Budget 2024.

The purpose of the forecast financial statements is to facilitate Parliament's consideration of the appropriations, and planned performance of the Ministry.

Use of this information for other purposes may not be appropriate.

The forecast financial figures have been prepared in accordance with the PBE FRS 42 Prospective Financial Statements and comply with PBE FRS 42.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

While MFAT regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2024 will not be published.

Significant assumptions used in preparing the unaudited forecast financial figures

The forecast figures contained in these financial statements reflect MFAT's purpose and activities and are based on a number of assumptions on what may occur during the 2024-25 year.

The forecast figures have been compiled on the basis of existing government policies and Ministerial expectations at the time the Main Estimates were finalised. The main assumptions are:

- MFAT's activities and output expectations will remain substantially the same as for the previous year focusing on the Government's priorities;
- input costs for personnel and other operating costs will be consistent with MFAT's current cost structure;
- Estimated year-end information for 2023-24 was used as the opening position for the 2024-25 forecasts.

The actual financial results for 30 June 2025 are likely to vary from the forecast information presented, and the variations may be material.

There are no significant events or changes that would have a material impact on the BEFU forecast. Factors that could lead to material differences between the forecast financial statements and the 2024-25 actual financial statements include changes to the baseline budget through new initiatives, or technical adjustments.

Authorisation statement

The forecast figures reported are those for the year ending 30 June 2025 included in BEFU 2024. These were authorised for issue on 18 April 2024 by the Chief Executive who is responsible for the forecast financial statements as presented.

It is not intended that the prospective financial statements will be updated subsequent to presentation.

Accounting Policy

Revenue Crown

Revenue from the Crown is measured based on MFAT's funding for the reporting period. The funding is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, MFAT can only incur expenses within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding authorised by Parliament.

Revenue department –

MFAT derives revenue through the provision of services to other New Zealand agencies. This revenue is recognised at the fair value of the consideration received or receivable when earned. Rental revenue, from sub-let and residential accommodation provided to support other New Zealand agencies offshore is also included. Rental revenue is recognised on a straight-line basis over the lease term.

Revenue other –

Includes revenue earned from Consular services and the provision of other miscellaneous services to third parties. Revenue in advance is recognised in the balance sheet as unearned revenue until the period the service is provided.

Actual 2023 \$000		Actual 2024 \$000
523,673	Revenue Crown	555,383
	Revenue Other	
9,352	Revenue Department - Services for other New Zealand agencies	10,232
471	Revenue Other - Consular Services	459
772	Revenue - Miscellaneous	2,037
5	Interest	25
234	Gain on sale of assets	356
10,834	Total Revenue Other	13,109
534,507	Total Crown and other revenue	568,492

Note 3: Personnel costs

Accounting Policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

The Ministry only supports defined contribution schemes. Employee contributions to the State Sector Retirement Savings Scheme, Kiwi Saver, Individual Retirement Plan and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Actual 2023 \$000		Actual 2024 \$000
203,070	Salaries and wages	213,576
5,053	Vacancy backfill	3,194
10,253	Employer contributions to defined contribution plans	11,391
165	Accident Compensation Corporation levy	175
3,145	Increase/(decrease) in employee entitlements	1,955
9,754	Fringe Benefit Tax	9,518
231,440	Total personnel costs	239,809

Note 4: Operating costs

Accounting Policy

Grant expenditure

Grants may be provided as either conditional or unconditional. Where grants are conditional, the expense is recognised when the conditions has been met. Where the grants are unconditional the expense is recognised once the Grants contract has been signed.

Where grants are paid in advance of the conditions being met these will be recorded as prepayments and expensed when the conditions are met. The departmental grants are generally unconditional.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives for accommodation are recognised evenly over the term of the lease as a reduction in rental expense.

Actual 2023 \$000		Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	Fees to auditors:			
383	- fees to Audit NZ for audit financial statements	619	377	400
60	- fees to Audit NZ for other assurance services	-	-	-
55,914	Rentals and operating leases	58,508	58,771	60,096
21,819	Travel	20,948	24,866	23,957
20,934	Contractors	22,208	20,711	13,395
20,417	Dedicated and special funding	9,293	19,305	14,851
(6,951)	Net foreign exchange loss/(gain), excluding derivatives	(2,278)	-	-
9,709	Maintenance	10,230	9,865	11,981
12,794	Contracted services	13,280	23,226	26,944
8,119	Wide area network costs	6,940	7,513	6,986
7,881	Consultants fees	3,533	6,302	2,587
9,908	Software maintenance	11,581	11,385	11,138
5,070	Rates, taxes and communal charges	5,596	5,337	5,948
5,468	Utilities	5,676	5,993	6,391
3,088	Representation	3,320	3,613	3,490
5,383	Freight	4,277	4,405	4,527
3,956	Staff training	3,597	5,579	5,218
1,670	Telecommunication charges	1,568	1,746	1,105
26,184	Other operating	29,471	3,457	29,489
211,806	Total operating costs	208,367	212,451	228,503

Note 5: Capital charge

Accounting Policy

The capital charge is expensed in the financial year to which the charge relates. MFAT pays a capital charge to the Crown on its taxpayers' funds balance as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2024 was 5.0 percent (2023: 5.0 percent).

Note 6: Debtors and receivables

Accounting Policy

Trade and other receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

Actual 2023 \$000		Actual 2024 \$000
	Current	
1,636	Trade debtors	2,303
1,489	Other receivables	230
3,125	Total current	2,533
	Non-Current	
283	Deposit bonds	275
4,979	Lease deposits	4,875
5,262	Total non-current	5,150
8,387	Total debtors and receivables	7,683
	Total receivables comprise:	
8,387	Receivables from the sale of goods and services (exchange transactions)	7,683
-	Receivables from non-exchange transactions	-

As at 30 June 2024 and 2023, all receivables have been assessed for impairment and no provision was required as majority are due from other Government entities.

Actual 2023 \$000		Actual 2024 \$000
638	Not past due	-
577	Past due 1-30 days	1,915
94	Past due 31-60 days	20
74	Past due 61-90 days	108
253	Past due >91 days	260
1,636	Total	2,303

Note 7: Prepayments

Current prepayments include expenditure paid in advance for property leases. Non-current prepayments include our Beijing Embassy land lease which is amortised over the remaining life of the lease.

Note 8: Property, plant, equipment

Accounting Policy

Property, plant and equipment

Property, plant and equipment (PPE) consists of the following asset classes:

- Land
- Buildings
- Furniture and fittings
- Plant and equipment
- Motor vehicles
- Computer equipment

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

Individual assets, or group of assets, are capitalised if their cost is greater than \$5,000.

Additions

The cost of an item of PPE is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to MFAT and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

Realised gains and losses arising from disposal of PPE are generally recognised in the statement of comprehensive revenue and expense when the significant risks and rewards of ownership of the asset have transferred to the acquirer. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to taxpayers' funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to MFAT and the cost of the item can be measured reliably. The cost of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive revenue and expense as they are incurred.

Depreciation

Depreciation is calculated to write down the cost of assets on a straight line basis to an estimated residual value over their economic lives as follows:

Buildings

• Structure	35 to 60 years	1.6% - 3%
• Fit out/ services	3 to 20 years	5.0% - 33%
• Leasehold improvements	5 to 15 years	7%-20%
• Furniture & Fittings	7 to 10 years	10%-15%

Plant & Equipment

• Plant	10 to 15 years	7%-10%
• Equipment	5 to 20 years	5% - 20%
• Motor Vehicles	8 years	12.5%
• Computer Equipment (excluding computer software)	3 to 8 years	12.5% - 33%

*The economic life may be altered from the policy standard if deemed to be more appropriate

Impairment of property, plant and equipment (PPE) and intangible assets

Property, plant and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in extinguishing the balance in the revaluation reserve, the residual loss balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

Revaluations – Overseas Properties

Land and buildings are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from their fair value and at least every three years by an independent valuer.

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Buildings are valued at fair value using market-based evidence. The Optimised Depreciated Replacement Cost approach has been used when the fair value of an asset cannot be determined by reference to the price in an active market for the same asset or a similar asset. Under these circumstances, depreciated replacement cost is considered to be the most appropriate basis for determination of the fair value.

When an item of PPE is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Unrealised gains and losses arising from changes in the value of PPE are recognised as at balance date. Gains are added to the asset revaluation reserve for that class of asset. To the extent that there is a balance in the asset revaluation reserve for the asset class, any loss is deducted from that reserve.

Critical accounting estimates and assumptions

Estimating the fair value of land and buildings

Land and Buildings were revalued at fair value as at 30 June 2024. This valuation was conducted by an independent registered valuer, Kane Sweetman, National Director – Valuation and Advisory Services, Colliers International New Zealand Limited, FNZIV, AREINZ and FPINZ, on MFAT's behalf. In performing the valuation, 95% of the value of the entire portfolio was individually inspected. A market indexation approach has been adopted for the remaining uninspected portfolio. The next valuation will be performed in 2026-27.

	Freehold Land \$000	Freehold Buildings \$000	Furniture & Fittings \$000	Plant & Equipment \$000	Motor Vehicles \$000	Computer Equipment \$000	Total \$000
Cost or valuation							
Balance at 1 July 2022	330,136	204,296	153,609	37,503	10,477	56,769	792,790
Additions	-	11,899	6,656	4,375	1,166	1,924	26,020
Asset class adjustment - reclassification	-	-	(57)	57	-	-	-
Revaluation	-	-	-	-	-	-	-
Disposals	-	-	(4,241)	(636)	(598)	(317)	(5,792)
Balance at 30 June 2023	330,136	216,195	155,967	41,299	11,045	58,376	813,018
Balance at 1 July 2023	330,136	216,195	155,967	41,299	11,045	58,376	813,018
Additions	-	10,843	12,054	4,079	1,428	2,250	30,654
Asset class adjustment - reclassification	-	(1)	-	-	-	959	958
Revaluation	50,299	(6,048)	-	-	-	-	44,251
Transfer to held for sale	-	-	-	-	-	-	-
Disposals	-	-	(49)	(83)	(1,043)	-	(1,175)
Balance at 30 June 2024	380,435	220,989	167,972	45,295	11,430	61,585	887,706
Accumulated depreciation and impairment losses							
Balance at 1 July 2022	-	18,511	87,677	25,680	6,385	41,244	179,497
Depreciation expense	-	11,538	11,191	3,457	1,122	7,112	34,420
Eliminate on disposal	-	-	(4,237)	(636)	(586)	(317)	(5,776)
Asset class adjustment - reclassification	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Balance at 30 June 2023	-	30,049	94,631	28,501	6,921	48,039	208,141
Balance at 1 July 2023	-	30,049	94,631	28,501	6,921	48,039	208,141
Depreciation expense	-	11,091	11,374	3,360	1,150	4,675	31,650
Eliminate on disposal	-	-	(36)	(83)	(994)	-	(1,113)
Asset class adjustment - reclassification	-	-	-	-	(1)	-	(1)
Revaluation	-	(41,140)	-	-	-	-	(41,140)
Balance at 30 June 2024	-	-	105,969	31,778	7,076	52,714	197,537
Carrying amounts							
At 1 July 2022	330,136	185,785	65,932	11,823	4,092	15,525	613,293
At 30 June and 1 July 2023	330,136	186,146	61,336	12,798	4,124	10,337	604,877
At 30 June 2024	380,435	220,989	62,003	13,517	4,354	8,871	690,169

Work in progress

The total amount of property, plant and equipment in the course of construction is \$31.706 million (2023: \$27.879 million).

Actual 2023 \$000		Actual 2024 \$000
	Property, plant and equipment under construction	
5,213	Freehold buildings	13,242
21,701	Furniture and fittings	14,688
150	Plant and equipment	2,807
815	Computer equipment	969
27,879	Balance at 30 June 2024	31,706

Restrictions on sale of land and buildings

MFAT owns property in 13 locations globally that have restrictions on their sale, mostly in relation to their use, or requiring that country's Government's approval to sell. The carrying amount of the property is \$331.205 million (2023: \$246.624 million).

There are conditions that apply to the land leased by MFAT in New Delhi. The following restrictions in relation to the sale and treatment of sale proceeds apply:

- If the sale is to another diplomatic mission MFAT retain 100 percent of the proceeds, and the purchaser inherits the same terms of ownership;
- If the sale is to other than a diplomatic mission, then the Indian Government has the first right of refusal and if accepted MFAT retain 20 percent of the land value increase since the original purchase and 100 percent of the buildings proceeds; and
- If the Indian Government does not purchase it, then it can be offered to a non-diplomatic third party with MFAT retaining 20 percent of the increased value of the land proceeds and 100 percent of the buildings proceeds, with the Indian Government receiving 80 percent of the land value. The purchaser inherits the same terms of ownership.

Based on the above restrictions our valuer has valued the New Delhi land at 20 percent of the fair value, which is \$68.524 million as at 30 June 2024.

Note 9: Intangible assets

Accounting Policy

Intangible assets

Costs that are directly associated with the development of software for internal use by MFAT are recognised as an intangible asset. Direct costs include the costs of materials and services, employee costs and any directly attributable overheads.

Expenditure incurred on research of internally generated software is expensed when it is incurred. Costs of software updates or upgrades to intangible assets are only capitalised when they increase the usefulness or value of the software.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Software as a Service (SaaS) solutions where the Ministry does not control the software, the configuration and customisation costs related to the SaaS solution will be expensed as costs are incurred.

Website development costs are only recognised as an intangible asset if they will provide future services potential.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of comprehensive revenue and expense. The useful lives have been estimated as follows:

Computer software	3 to 8 years	12.5% - 33%
--------------------------	---------------------	--------------------

Impairment of intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details, refer to the policy for impairment of property, plant and equipment in Note 8.

Cost	Computer software \$'000
Balance at 1 July 2022	68,784
Additions	694
Reclassification	-
Disposals	-
Balance at 30 June 2023	69,478
Balance at 1 July 2023	69,478
Additions	334
Reclassification	(958)
Disposals	(1,277)
Balance at 30 June 2024	67,577
Accumulated amortisation and impairment losses	
Balance at 1 July 2022	42,188
Amortisation expense	7,836
Eliminate on disposals	-
Balance at 30 June 2023	50,024
Balance at 1 July 2023	50,024
Amortisation expense	9,264
Disposals	(1,275)
Balance at 30 June 2024	58,013
Carrying amounts	
At 1 July 2022	26,596
At 30 June and 1 July 2023	19,454
At 30 June 2024	9,564

The total amount of intangible assets in the course of development is \$0.584 million (2023: \$1.250 million).

There are no restrictions over the title of MFAT's intangible assets, nor are any intangible assets pledged as security for liabilities.

Note 10: Creditors and payables

Accounting Policy

Short-term creditors and other payables are generally settled within 30 days so are recorded at their face value.

Actual 2023 \$000		Actual 2024 \$000
	Payables under exchange transactions	
9,242	Trade creditors	-
2,948	Accrued expenses	5,495
12,190	Total payables under exchange transactions	5,495
	Payables under non-exchange transactions	
3,202	FBT payable	2,708
1,453	GST payable	2,042
4,655	Total payables under non-exchange transactions	4,750
16,845	Total payables	10,245

Note 11: Return of operating surplus

Actual 2023 \$000		Actual 2024 \$000
6,439	Net surplus/ (deficit) Plus/(Minus)	36,373
4,924	Net loss /(gain) on derivative financial instruments	4,885
-	Retention of operating surplus	-
11,363	Total return of operating surplus payable to Crown	41,258

Note 12: Provisions

Accounting Policy

Provisions

A provision is recognised when MFAT has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the provision can be reliably measured.

Actual 2023 \$000		Actual 2024 \$000
	Current	
-	Holidays Act 2003 Unclaimed	27
-	Onerous Lease	357
-	Redundancy	1,336
2,276	Lease make-good	3,276
2,276	Total current	4,996
	Non-current	
8,478	Lease make -good	7,418
8,478	Total non-current	7,418
10,754	Total provisions	12,414

	Holidays Act Unclaimed 2003 \$000	Onerous Lease	Redundancy	Make good \$000	Total \$000
Balance as 1 July 2022				10,754	10,754
Amounts used	-	-	-	-	-
Unused amounts reversed	-	-	-	-	-
Balance as at 30 June 2023	-	-	-	10,754	10,754
Balance as 1 July 2023	-	-	-	10,754	10,754
Additional provision made	27	357	1,336	1,000	2,720
Amounts used	-	-	-	(1,060)	(1,060)
Balance as at 30 June 2024	27	357	1,336	10,694	12,414

Holidays Act 2003 Unclaimed

The Ministry has a provision of \$27,000 as part of unclaimed Holiday Act 2023 remediation.

Onerous Lease

The provision for onerous lease is for the Willeston Street premises non-cancellable lease. This premises was vacated in June 2024 and the lease expires in March 2025.

Redundancy

The provision for redundancy is to facilitate the voluntary early exit of staff arising from MFAT's organisational change decision in 2023/24 to be completed by 2024/25.

Make-good

MFAT is required, at the expiry of its leases, to make-good any damage caused and remove any fixtures and fittings installed by us. In many cases, we have the option to renew these leases, which may change the timing of the expected cash outflows to make-good the premises.

Note 13: Employee entitlements

Accounting Policy

Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides that related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date, and sick leave.

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlement information; and
- the present value of the estimated future cash flows.

Sick leave, annual leave and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

Critical accounting estimates and assumptions

Estimating retirement and long service leave obligations

An independent actuarial valuation was undertaken by AON Consulting New Zealand Limited as at 30 June 2024 to estimate the present value of retirement leave and long service leave. The key assumptions used in determining the present values were:

- a weighted average discount rate of 5.14% (2023: 4.53%)
- a salary inflation rate of 3.08% (2023: 3.01%)

The discount rates and salary inflation factor used are those advised by Treasury.

If the discount rate were to increase/decrease by 1 percent more than the actuarial estimates, with all other factors held constant, the carrying amount of the liability would be \$0.313 million higher (2023:\$0.372 million) or \$0.286 million lower (2023: \$0.340 million) respectively.

If the salary inflation factor were to increase/decrease by 1 percent more than the actuarial estimates, with all other factors held constant, the carrying amount of the liability would be \$0.293 million lower (2023:\$0.381 million) or \$0.316 million higher (2023:\$0.372 million) respectively.

Actual 2023 \$000		Actual 2024 \$000
	Current Liabilities	
19,386	Annual leave	18,177
674	Long service leave	1,133
1,546	Retirement leave	1,953
2,370	Retirement gratuities	2,362
358	End of posting leave	246
4,877	Salaries and allowances	5,070
352	Sick leave liability	284
265	ACC levy	180
29,828	Total current	29,405
	Non-current liabilities	
2,513	Long service leave	1,934
4,611	Retirement leave	3,989
1,245	Retirement gratuities	1,387
716	End of posting leave	492
9,085	Total non-current	7,802
38,913	Total Provision for employee entitlements	37,207

Note 14: Equity

Accounting Policy

Equity

Equity is the Crown's investment in MFAT and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds and property revaluation reserves.

Property revaluation reserves

These reserves relate to the revaluation of land and buildings to fair value.

Actual 2023 \$000		Actual 2024 \$000
	Taxpayers' funds	
503,405	Balance at 1 July	514,196
6,439	Surplus/(deficit)	36,373
31,600	Capital injections	18,175
(15,885)	Capital withdrawal	(18,623)
-	Transfer from revaluation reserve on disposal of property	-
(11,363)	Return of operating surplus to the Crown	(41,258)
514,196	Balance at 30 June	508,863
	Property revaluation reserve	
263,651	Balance at 1 July	263,651
-	Property revaluation	85,391
263,651	Balance at 30 June	349,042
777,847	Total Equity	857,905
	Property revaluation reserve consists of:	
192,162	Land revaluation reserve	242,461
71,489	Buildings revaluation reserve	106,581
263,651	Total property revaluation reserve	349,042

Note 15: Capital (Equity) management

MFAT'S capital is its equity, which comprises taxpayers' funds and property revaluation reserves. In 2023-24 equity is represented by net assets.

MFAT manages its revenue, expenses, assets, liabilities and general financial dealings prudently. MFAT's equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities and compliance with the Government budget processes, Treasury Instructions and the Public Finance Act 1989.

The objective of managing MFAT's equity is to ensure we effectively achieve goals and objectives for which MFAT has been established, whilst remaining a going concern.

Note 16: Related party transactions

MFAT is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect MFAT would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

Actual 2023 \$000		Actual 2024 \$000
	Leadership Team, including the Chief Executive	
3,818	Total Remuneration, including long-term benefits	3,812
9.5	Total full time equivalent personnel	9.0

The above key management personnel disclosure excludes the Minister of Foreign Affairs who is the responsible Minister for the Ministry. The Minister's remuneration and other benefits are set by the Remuneration Authority under the Civil List Act 1979 and are paid under Permanent Legislative Authority, and not paid or funded by the Ministry.

Note 17: Financial Instruments

Accounting Policy

Cash and cash equivalents

Cash and cash equivalents includes balances denominated in foreign currencies translated to New Zealand dollars at the foreign exchange rate at balance date.

MFAT is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

Derivative financial instruments

MFAT uses forward foreign exchange contracts to manage exposure to foreign exchange movements. MFAT does not hold these contracts for trading purposes. MFAT has not adopted hedge accounting.

Forward foreign exchange contracts are initially recognised at fair value on the date a contract is entered into and are subsequently re-measured at their fair value at each balance date. Movements in the fair value are recognised in surplus or deficit.

Foreign exchange derivatives are classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the full fair value of foreign exchange contracts are classified as non-current.

17A Financial Instrument categories

The carrying amounts of financial assets and financial liabilities in each of the financial instrument categories are as follows:

Actual 2023 \$000		Notes	Actual 2024 \$000
	Financial assets at amortised cost		
32,042	Cash and cash equivalents		62,748
8,387	Debtors and other receivables (excluding taxes receivable)	6	7,683
174,697	Debtor Crown	2	179,626
215,126	Total Financial assets measured at amortised cost		250,057
	Fair value through surplus and deficit		
2,686	Derivative financial instrument assets		125
(1,940)	Derivative financial instrument liabilities		(4,264)
746	Total fair value through surplus and deficit		(4,139)
	Financial liabilities measured at amortised cost		
12,190	Creditors and other payables (excluding unearned income and taxes payable)	10	5,495

17B Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy.

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

There were no transfers between the different levels of the fair value hierarchy.

Actual 2023 \$000		Actual 2024 \$000
	Financial assets	
-	Quoted market prices	-
2,686	Observable market inputs	125
-	Significant non-observable inputs	-
2686	Total financial assets at fair value	125
	Financial liabilities	
-	Quoted market prices	-
1,940	Observable market inputs	4,264
-	Significant non-observable inputs	-
1,940	Total financial liabilities at fair value	4,264

17C Financial Instrument Risks

MFAT is exposed to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. We have a series of policies to manage the risks associated with financial instruments and seek to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Currency risk

Currency risk is the risk that debtors and creditors, due in foreign currency, will fluctuate because of changes in foreign exchange rates. The Ministry is permitted to deposit funds in New Zealand only with Westpac (Standard & Poor's credit rating of AA-), a registered bank, and hold for operational purposes, funds in overseas locations primarily through the Citibank NA (Standard & Poor's credit rating of A+) and ANZ Banking Group (Standard & Poor's credit rating of AA-) networks. The Ministry is also permitted to enter into foreign exchange forward contracts with the New Zealand Debt Management Office (Standard & Poor's credit rating of AA) and Citibank NA.

The notional principal amounts of outstanding forward exchange contracts in New Zealand dollar equivalent at 30 June 2024 was:

2023 \$000	Foreign Exchange Contracts	2024 \$000
19,168	United States Dollar	20,842
3,076	Japanese Yen	3,933
20,623	European union Euro	24,133
57,615	Other	64,278
100,482	Total	113,186

Sensitivity analysis

Forward foreign exchange contracts

The following table summarises the impact of a 10 percent movement in foreign exchange rates on the valuation of MFAT's foreign exchange contracts.

2023 \$000	Impact on surplus / deficit	2024 \$000
8,456	Increase in foreign exchange rates of 10%	14,053
11,165	Decrease in foreign exchange rates of 10%	7,977

Creditors denominated in foreign currencies

The following table summarises the movement in the surplus/deficit for the year, attributable to foreign exchange gains/losses if, at 30 June 2025, the NZD had weakened / strengthened by 5 percent, with all other variables held constant.

2023 \$000	Impact on surplus / deficit (5% movement in NZD on creditors)	2024 \$000
-	United States Dollar	-
-	Japanese Yen	-
572	European union Euro	846

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. This could impact on the return on investments or the cost of borrowing. MFAT has no significant exposure to interest rate risk on its financial instruments.

The Public Finance Act 1989 stipulates that MFAT cannot raise a loan without ministerial approval and no such loans have been raised. Accordingly, there is no interest rate exposure as no funds were borrowed.

Credit risk

Credit risk is the risk that a third party will default on its obligations to MFAT, causing us to incur a loss. In the normal course of its business, MFAT incurs credit risk from trade debtors, and transactions with financial institutions.

Our maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, net debtors, and derivative financial instrument assets. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

MFAT does not require any collateral or security to support financial instruments with financial institutions that we deal with as these entities have high credit ratings. For its other financial instruments, we do not have significant concentrations of risk.

Liquidity risk

The liquidity risk is the risk that MFAT will encounter difficulty raising liquid funds to meet commitments as they fall due. In meeting our liquidity requirements we closely monitor our forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. MFAT maintains a target level of available cash to meet its liquidity requirements. The table below analyses the Ministry's financial liabilities (excluding derivatives) into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount \$000	Contractual cash flows amount \$000	Cash flows less than 6 months \$000	Cash flows 6 months to 1 year \$000	Cash flows 1 year to 5 years \$000	Cash flows over 5 years \$000
2023						
Creditors and other payables (excl. unearned income and taxes)	12,190	12,190	11,836	-	354	-
2024						
Creditors and other payables (excl. unearned income and taxes)	5,495	5,495	5,271	-	224	-

The table below analyses MFAT's forward exchange contract derivatives into the relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Liability carrying amount \$000	Asset carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	6-12 months \$000	Greater than 12 months \$000
2023						
Gross settled foreign exchange contracts:						
- outflow	1,940	2,686	100,482	51,325	49,157	-
- inflow			101,228	51,759	49,469	-
2024						
Gross settled foreign exchange contracts:						
- outflow	4,264	125	113,186	56,836	56,350	-
- inflow			109,047	54,844	54,203	-

Note 18: Reconciliation of net surplus to net cash flow from operating activities

Actual 2023 \$000		Actual 2024 \$000
6,439	Net Surplus/ (deficit)	36,373
	Add/ (less) non-cash items	
42,256	Depreciation and amortisation expense	40,914
4,924	Net (gains)/ loss on derivative financial instruments	4,885
-	Other non-cash movement	-
(314)	Movement in discount rate for long service leave and retirement leave	(194)
46,866	Total non-cash items	45,605
	Add/(less) items classified as investing or financing activities	
(234)	(Gains) / losses on disposal of property, plant and equipment	(355)
	Add/(less) movements in statement of financial position items	
(2,247)	(Increase) /decrease in receivables	(4,225)
(3,989)	(Increase) /decrease in prepayments	2,141
(12,593)	Increase / (decrease) in payables	(6,398)
(22)	Increase / (decrease) in provisions	1,660
2,434	Increase / (decrease) in employee entitlements	(1,706)
(16,417)	Total net movement in working capital items	(8,528)
36,654	Net cash flow from operating activities	73,095

Note 19: Major budget variations

Explanations for major variances from MFAT's original 2023-24 budget are as follows:

Statement of comprehensive revenue and expense

The total 2023/24 Budget Estimate Appropriation Funding was \$556.578 million with total revenue Crown of \$546.152 and other revenue of \$10.426 million.

The total 2023/24 Supplementary Estimate Appropriation Funding was \$566.088 million with total revenue Crown of \$555.383 million and other revenue of \$10.705 million.

The Revenue Crown budget of \$546.152 million increased to \$555.383 million.

The net budget increase in Revenue Crown of \$9.231 million mainly relates to:

- an increase of \$9.132 million for expense transfers from 2022/23,
- an increase of 4.875 million to the capital operating swap for software-as-a-service solutions (2023/24 \$18.623 million),
- an increase of \$2.354 million resulting from movements in foreign exchange rates and overseas inflation rates,

These increases are partially offset by:

- a decrease of \$5 million transferred to Non- Departmental Other Expense Support for Ukraine for the provision of support to the Ukraine, and
- a decrease of \$2.130 million for an expense transfer to 2024/25 and 2025/26 due to delays resulting from non-availability of resources impacting the Wellington Head Office Accommodation project.

The actual expenditure is under the appropriation of \$566.068 million by \$38.660 million. The under-spend includes funding of \$19.013 million for in-principle expense transfers to 2024-25 to enable the completion of projects/activities started in 2023-24.

Statement of financial position

Debtor Crown recognises funding due to the Ministry that has not being drawn down as cash. The debtor crown balance of \$179.6 million is similar to the 30 June 2023 balance and is \$39 million higher than the original budget. The \$39 million increase over budget is reflection of a slow capital programme spend.

Statement of cash flows

- The net surplus for 2023-24 financial year is \$36.3 million with non-cash items of depreciation and amortisation expenses (\$40.9 million) resulting in the net cash flows from operating activities of \$73 million.
- Net cash flow from investing activities are mainly derived from purchase of property, plant and equipment. (\$30.6 million).
- Net cash flow from financing activities includes capital injections of \$18.175 million, capital withdrawals of \$18.623 million and 2022/23 return of operating surplus \$11.3 million. The 2023/24 return of operating surplus of \$41.258 million will be paid in October 2024.

Note 20: Events after the balance date

The Ministry will be moving to a new head office in 2025/26. After balance date, the Ministry entered into a non-cancellable contract for \$33.6 million in August 2024 for the new head office fit out work. This contract commitment is not included in the statement of commitments because it was entered into after balance date. A development arrangement is in place, a lease agreement will be signed at practical completion of the fit-out. There have been no other significant events after the balance date of 30 June 2024 (2023: Nil).

Note 21: Changes in Liabilities Arising from Financing Activity

The Ministry's only financing activities are from the Crown, Capital Injections (2024: \$18.175 million, 2023: \$31.600 million), Capital withdrawals (2024: \$18.623 million, 2023: \$15.885 million) which is reported as part of Note: 14 Equity.

Non-departmental Financial Statements and Schedules

For the year ended 30 June 2024

The Minister of Foreign Affairs purchased from various New Zealand Government agencies provision of the following output expenses in Vote Foreign Affairs.

Output expense	Supplier
Antarctic Research and Support	New Zealand Antarctic Institute
Promotion of Asian skills and relationships	Asia New Zealand Foundation
Pacific Cooperation Foundation	Pacific Cooperation Foundation

The performance information for the output expenses will be reported by the supplier in its Annual Report to be tabled in the New Zealand House of Representatives.

The Minister of Foreign Affairs also requires us to administer the following non-departmental other expenses in Vote Foreign Affairs.

- Subscriptions to International Organisations
- Disbursements made and exemptions from taxation
- Consular loan expenses
- International Development Cooperation

The following statement of performance records results and services delivered for each of the above other expenses as agreed between the Minister of Foreign Affairs and the Secretary of Foreign Affairs and Trade in the *Strategic Intentions 2021-2025* and the 2023-24 Estimates of Appropriations as required by section 19C of the Public Finance Act 1989.

Non-departmental statements and schedules

For the year ended 30 June 2024

The following non-departmental statements and schedules record the revenue expenses, assets, liabilities, commitments, contingent liabilities, contingent assets and trust accounts that we manage on behalf of the Crown.

Schedule of non-departmental revenue

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Non-departmental revenue	
1,262	Other operational revenue	80
1,262	Total revenue	80

Other operational revenue is primarily the repayment of unspent grant funding, on completion of development activities by Partners. These grants were provided for the delivery or implementation of development activities under the New Zealand Development Cooperation Programme in prior years.

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Schedule of non-departmental expenditure

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Output funding	
26,820	New Zealand Antarctic Institute	35,466
5,500	Asia New Zealand Foundation	5,500
1,400	Pacific Cooperation Foundation	1,400
2,718	Expo 2020 Dubai	-
36,438	Total output funding	42,366
	Other expenses	
58,619	Subscriptions to International Organisations	64,603
2,260	Diplomatic exemptions	3,219
-	Support for Ukraine	6,500
971,455	International Development Cooperation	1,201,799
49	Consular loan expenses	49
585	Net loss on foreign exchange	180
1,032,968	Total other expenses	1,276,350
1,069,406	Total operating expenses	1,318,716

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Schedule of non-departmental assets As at 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000
	CURRENT ASSETS		
14,756	Cash		139,660
883	Debtors and receivables		1,484
12,564	Prepayments	2	14,254
28,203	Total current assets		155,398
	NON-CURRENT ASSETS		
-	Total non-current assets		-
28,203	Total assets		155,398

CURRENT ASSETS

Debtors and receivables includes Consular Loans (\$0.418 million) being the temporary financial assistance to New Zealanders in distress overseas. Consular Loans are generally required to be repaid within 30 days.

In addition, MFAT monitors the New Zealand Antarctic Institute – a Crown entity. MFAT also monitor two other entities as defined by Schedule 4 of the Public Finance Act 1989: the Pacific Cooperation Foundation, and the Asia New Zealand Foundation. The investment in these entities is recorded within the Crown Financial Statements on a line-by-line basis. No disclosure is made in this schedule.

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Schedule of non-departmental liabilities

As at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	CURRENT LIABILITIES	
68,855	Creditors and payables	62,059
68,855	Total current liabilities	62,059
	NON-CURRENT LIABILITIES	
15,556	Creditors and payables	8,117
15,556	Total non-current liabilities	8,117
84,411	Total liabilities	70,176

Current Liabilities

Creditors and payables, includes \$54.619 million of accruals and accounts payable for contracts providing for the delivery or implementation of development activities under the New Zealand International Development Programme. The balance of \$7.440 million is for promissory notes issued to the Asian Development Bank, World Bank and Global Environment Fund by New Zealand that will be due for encashment during the year ended 30 June 2025.

Non-Current Liabilities

Creditors and payables of \$8.117 million is for promissory notes issued to the Asian Development Bank, the World Bank and Global Environment Fund by New Zealand, that will be due for encashment during 2025–26 and out-years.

Creditors and other payables are non-interest bearing and are normally settled no later than 20 business days from receipt of an accurate and valid invoice, therefore the carrying value of creditors and other payables approximate their fair value.

Schedule of non-departmental commitments

As at 30 June 2024

MFAT on behalf of the Crown has no non-cancellable capital or lease commitments (2023: Nil).

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023–24.

Statement of non-departmental contingent liabilities and contingent assets As at 30 June 2024

	Foreign Currency 2023 `000	NZD 2023 \$000		Currency type	Foreign Currency 2024 `000	NZD 2024 \$000
			Guarantees – Asian Development			
			Bank for loans to the Cook Islands Government			
SDR	1,147	2,511	Telecommunications Loan	SDR	994	2,150
SDR	360	789	Multi-Project Loan	SDR	280	606
SDR	308	674	Development Bank Loan	SDR	272	588
SDR	108	237	Telecommunications Loan	SDR	96	207
SDR	1,923	4,211		SDR	1,642	3,551
			OECD			
EUR	11,746	20,976	Pensions & Healthcare	EUR	15,231	26,852
		25,187	Total non-departmental contingent liabilities			30,403

*The Uncalled shares in the European Bank for Reconstruction and Development (EBRD) has been transferred in December 2025 to the Treasury, which currently has responsibility for the relationship with EBRD.

* IMF Special drawing rights

Unquantified contingent liabilities

The Crown has an unquantifiable Contingent Liability for site restoration costs at Scott Base Antarctica should New Zealand withdraw from the Antarctic programme (2023: unquantifiable).

In addition to this the Crown has an unquantifiable Contingent Liability for the cost of replacement of Scott Base, the base fit-out and any other Antarctica New Zealand assets in Antarctica in the event of any material loss or damage totalling more than \$100,000 (2023: unquantifiable).

The Crown also has an unquantifiable Contingent Liability to indemnify vaccine manufactures to allow New Zealand to provide vaccines to Polynesia and the Realm countries.

Contingent assets

The Crown has no contingent assets (30 June 2023: Nil).

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Statement of Trust Monies For the year ended 30 June 2024

As at 2023 \$000	Trust Account	Contribution \$000	Distribution \$000	Revenue \$000	Expense \$000	As at 2024 \$000
6,613	Enga Electrification Project, PNG Trust	-	-	378	-	6,991
36	Pacific SME Finance Facility Trust Fund	-	-	3	-	39
1,893	Pacific Community CFA Trust	-	(433)	108	-	1,568
3,043	Solomon Islands Provincial Airfields Trust	-	-	174	-	3,217
14,744	SI Provincial Airfields DFAT Trust Account	-	(10,000)	657	-	5,401
1,399	Tonga Parliament Buildings Project Trust	14,052	(406)	146	-	15,191
27,728	Total	14,052	(10,839)	1,466	-	32,407

Purpose of Trust Accounts

Enga Electrification Project, Papua New Guinea Trust

The Enga Electrification Project, Papua New Guinea Trust account was set up to enter into a Delegated Cooperation Arrangement with the Australian Government to deliver power line construction and connections in the Enga Province of Papua New Guinea.

Pacific SME Finance Facility Trust Fund

The Pacific SME Trust account was opened to receive funds from the Australian Government to manage the delivery of this pilot programme to enhance financial capability in Pacific SME's. This was established via a Delegated Cooperation Arrangement with the Department of Foreign Affairs and Trade. (DFAT)

Pacific Community CFA Trust

The purpose of this Trust to enter into a delegated cooperation arrangement with the Australian Department of Foreign Affairs and Trade for the management and delivery of the Pacific Community Coastal Fisheries and Aquaculture Activity project.

Solomon Islands Provincial Airfields Trust

The purpose of this Trust account is to receive funds from the Solomon Islands government towards the delivery of the New Zealand Aid Programme's Solomon Islands provincial airfields upgrade project.

SI Provincial Airfields DFAT Trust

The purpose of this Trust to enter into a delegated cooperation arrangement with the Australian Department of Foreign Affairs and Trade to make financial contributions to the management and delivery of the New Zealand Aid Programme's Solomon Islands provincial airfield upgrade project.

Tonga Parliament Buildings Project Trust

The purpose of this Trust account is to receive funds for the management and delivery of the Tonga Parliament Buildings project in cooperation with the Australian Department of Foreign Affairs.

The accompanying accounting policies and notes form part of these financial statements.

Notes to the non-departmental statements and schedules

For the year ended 30 June 2024

Note 1: Non-departmental statement of accounting policies

REPORTING ENTITY

These non-departmental schedules and statements present financial information on public funds managed by MFAT on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for year ended 30 June 2024. For a full understanding of the Crown's financial position, results of operations and cash flows for the year, reference should also be made to the Financial Statements of the Government.

BASIS OF PREPARATION

The non-departmental schedules and statements have been prepared in accordance with the accounting policies of the Financial Statements of the Government, Treasury Instructions and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental schedules and statements are consistent with New Zealand generally accepted accounting practice (Tier 1 Public Sector Public Benefit Entity Accounting Standards) as appropriate for public benefit entities.

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Grants

Grants maybe provided as either conditional or unconditional. Where conditional the expense is recognised when the conditions has been met. Where the grants are unconditional the expense is recognised once the Grants contract has been signed.

Where grants are paid in advance of the conditions being met these will be recorded as prepayments and expensed when the conditions are met. The majority of International Development Cooperation (IDC) expenditure is accounted for as discretionary grant funding with conditions and milestones.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the schedule of non-departmental revenue or expenses.

Contingent liabilities

Contingent liabilities and contingent assets are recorded in the Statement of Contingent Liabilities and Contingent Assets at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Other liabilities and provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Goods and Services Tax (GST)

All items in the financial statements, including appropriation statements, are stated exclusive of GST. Receivables and payables are stated on a GST inclusive basis. In accordance with Treasury instructions, GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the financial statements of the government.

Critical accounting estimates and assumptions

There are no critical estimates or assumptions that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Budget figures

The final budget figures are the appropriation amounts included in the Vote Foreign Affairs 2023-24 Supplementary Estimates for the year ended 30 June 2024.

Note 2: Prepayments

Prepayments relate to the International Development Cooperation (IDC) programme for advances made under contracts for service and New Zealand's membership to Regional Agencies recognised over a calendar year.

Note 3: Financial Instruments – Non Departmental

Accounting Policy

Cash and cash equivalents

Cash and cash equivalents includes balances denominated in foreign currencies translated to New Zealand dollars at the foreign exchange rate at balance date.

MFAT is only permitted to expend non-departmental cash and cash equivalents within the scope and limits of the appropriations.

4A Financial Instrument categories

The carrying amounts of financial assets and financial liabilities in each of the financial instrument categories are as follows:

Actual 2023 \$000		Actual 2024 \$000
	Financial assets measured at amortised cost	
14,756	Cash and cash equivalents	139,660
883	Debtors and other receivables (excluding taxes receivable)	1,484
15,639	Total financial assets measured at amortised cost	141,144
	Financial liabilities measured at amortised cost	
84,411	Creditors and other payables (excluding unearned income and taxes payable)	70,176

Liquidity risk

The liquidity risk is the risk that MFAT will encounter difficulty raising liquid funds to meet commitments as they fall due. In meeting our liquidity requirements we closely monitor our forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. MFAT maintains a target level of available cash to meet its liquidity requirements. The table below analyses the Ministry's financial liabilities (excluding derivatives) into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount \$000	Contractual cash flows amount \$000	Cash flows less than 6 months \$000	Cash flows 6 months to 1 year \$000	Cash flows 1 year to 5 years \$000	Cash flows over 5 years \$000
2023						
Creditors and other payables (excl. unearned income and taxes)	84,411	84,411	68,855	7,439	8,117	-
2024						
Creditors and other payables (excl. unearned income and taxes)	70,176	70,176	62,059	-	8,117	-

Appropriation statements

Statement of Departmental Expenditure and Capital Expenditure against appropriations

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Appropriation Voted* 2024 \$000	Location of end-of-year performance information **
	VOTE: FOREIGN AFFAIRS			
	Annual			
	Policy Advice and Representation: Other Countries (Permanent Legislative Authority)	377	380	1
	Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA			
78,826	Analysis & advise to inform NZ's Foreign Policy	77,386	85,287	1
265,208	Delivery of NZ's Foreign Policy	266,119	282,482	1
58,741	Delivery of Services	58,779	61,625	1
120,683	Management of NZ's International Development Cooperation	124,767	136,314	1
523,458	Departmental Output expenses Annual	527,428	566,088	
523,458	Departmental Output expenses	527,428	566,088	
523,458	Total departments expenditure/ Appropriation	527,428	566,088	
	Re-measurements			
4,924	Unrealised (gain) / loss on the re-measurement of foreign exchange contracts	4,885	-	
(314)	Movement in discount rate for Long Service Leave and Retirement Leave	(194)	-	
4,610	Total re-measurements	4,691	-	
528,068	Total departmental expenditure including re-measurements	532,119	566,088	
	Appropriations for Departmental Capital Expenditure			
26,714	Ministry of Foreign Affairs and Trade - Capital expenditure (Permanent Legislative Authority)	30,988	41,755	1
26,714	Total Capital Expenditure	30,988	41,755	

* This includes adjustments made in the supplementary estimates.

** The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by MFAT, as detailed below:
1 MFAT's annual report

Statement of Departmental Expenses and Capital Expenditure incurred without, or in excess of, appropriation or other authority For the year ended 30 June 2024

The Ministry has not had any departmental expenses and capital expenditure during the year without, or in excess of, authority. (30 June 2023: Nil)

Statement of Departmental Capital Injections and Capital Withdrawals

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Approved appropriation 2024 \$000
	VOTE: FOREIGN AFFAIRS		
31,600	Ministry of Foreign Affairs and Trade - capital injection	18,175	18,175
(15,885)	Ministry of Foreign Affairs and Trade - capital withdrawal	(18,623)	(18,623)

Statement of Departmental Capital Injections, Capital Withdrawals without, or in excess of, authority

For the year ended 30 June 2024

MFAT has not received any capital injections or paid any capital withdrawals during the year without, or in excess of, authority. (30 June 2023: Nil)

The accompanying accounting policies and notes form part of these financial statements.

Statement of Non-departmental Expenditure and Capital Expenditure against appropriations

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Appropriation Voted* 2024 \$000	Location of end-of-year performance information**
	VOTE FOREIGN AFFAIRS			
	Non-Departmental output expenses			
	Annual			
26,820	Antarctic Research and Support	35,466	35,466	2
5,500	Promotion of Asian Skills and Relationships	5,500	5,500	3
1,400	Pacific Cooperation Foundation	1,400	1,400	4
	Non-Annual			
2,718	Expo 2020 Dubai* (MYA)	-	-	6
36,438	Total non-departmental output expenses	42,366	42,366	
	Non-departmental other expenses			
	Annual			
58,619	Subscriptions to International Organisations	64,603	65,976	5
-	Support for Ukraine	6,500	6,500	
49	Consular Loans Expense	49	50	5
	Non-Annual			
971,455	International Development Cooperation *(MYA)	1,201,799	1,214,108	1
2,260	Disbursements made, and exemptions from taxation - permanent legislative authority	3,219	3,300	5
1,032,383	Total non-departmental other expenses	1,276,170	1,289,934	
1,068,821	Total non-departmental expenditure	1,318,536	1,332,300	
	Non-departmental capital expenditure			
61,000	New Zealand Antarctic Institute	151,000	151,000	2
125	Consular Loans	209	500	5
61,125	Total capital expenditure	151,209	151,500	

* Multi-Year Appropriation

** The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by MFAT, as detailed below:

1 To be reported in the Minister of Foreign Affairs report appended to this annual report.

2 To be reported by Antarctica NZ in their Annual Report to be tabled in Parliament.

3 To be reported by the Asia New Zealand Foundation in their Statement of Service Performance to be tabled in Parliament.

4 To be reported by the Pacific Cooperation Foundation in their Statement of Service Performance to be tabled in Parliament.

5 MFAT's annual report.

6 NZTE's annual report.

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Statement of Non-departmental Expenditure and Capital Expenditure against appropriations (continued)

For the year ended 30 June 2024

Multi – year appropriation for Vote Foreign Affairs: International Development Cooperation
For the year ended 30 June 2024

During the year ended 30 June 2024, MFAT had one non departmental multi-year appropriations in Vote Foreign Affairs: International Development Cooperation.

This appropriation funded non-departmental expenses to be incurred by the Crown for the provision of assistance for development activities for Pacific Island and non-Pacific countries (including Asian, African, Latin American, Caribbean, and Middle Eastern countries).

This assistance, which included some humanitarian assistance, was provided to development organisations, partner countries and through other delivery mechanisms, to implement a range of development activities including the design, management, implementation and evaluation of those partner-led activities. This assistance is also provided to multilateral agencies and international voluntary agencies to assist them to provide development.

This appropriation commenced on 1 July 2021 and expires on 30 June 2024.

International Development Cooperation	\$000
Original appropriation	2,538,709
Adjustments 2021-22	471,905
Adjustments 2022-23	1,850
Adjusted appropriation	3,012,464
Actual to 2021-22 year end	(826,901)
Actual to 2022-23 year end	(971,455)
Actual to 2023-24 year end	(1,201,799)
Appropriation remaining	12,309

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Statement of Non-Departmental Expenses and Capital Expenditure incurred without, or in excess of, appropriations or other authority

For the year ended 30 June 2024

The Ministry had no unappropriated capital expenditure at as 30 June 2024 (30 June 2023: \$Nil).

The accompanying accounting policies and notes are an integral part of these statements and schedules. These non-departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2023-24.

Our legal responsibilities

For the year ended 30 June 2024

Crown entities

The Ministry of Foreign Affairs and Trade's relationship with Crown entities and other organisations that provide non-departmental output classes funded under Vote Foreign Affairs is as follows.

New Zealand Antarctic Institute (Antarctica New Zealand)

The New Zealand Antarctic Institute is a Crown entity established under the New Zealand Antarctic Institute Act 1996. Its purpose is to develop, manage, and execute New Zealand's activities in Antarctica and the Southern Ocean, in particular the Ross Dependency, and maintain and enhance the quality of New Zealand Antarctic scientific research while cooperating with other institutions and organisations that have similar objectives.

Our main responsibility is to monitor on behalf of the Minister the Institute's effectiveness, efficiency, and management of risks. We do this by providing advice on strategic direction and capability, assessing the appropriateness of output and performance measures for the Statement of Intent, providing advice to the Minister on board appointments and inductions, and monitoring performance against expected outputs and outcomes.

Pacific Cooperation Foundation

The Pacific Cooperation Foundation was established as a charitable trust in June 2002 with accountability to the Crown under the Public Finance Act 1989. By undertaking targeted activities the Foundation acts as a catalyst for strengthening New Zealand-Pacific relationships, providing information, facilitating outcomes, and developing networks within the Pacific region.

The Foundation has been funded since 2004 through Vote Foreign Affairs. The Foundation's Board of Trustees includes one MFAT representative. We act on behalf of the Minister as purchase and ownership adviser in respect of the Foundation. We assist with the preparation

of the annual Statement of Performance Expectations between the Foundation and the Minister, coordinate the appropriation process, provide financial and performance monitoring, advise on the Foundation's strategic direction and capability, and report to the Minister.

Asia New Zealand Foundation – Te Whītau Tūhono

The Asia New Zealand Foundation – Te Whītau Tūhono was established in 1994 as an incorporated trust with accountability to the Crown under the Public Finance Act 1989. The Government provides funding to the Foundation through MFAT on the basis of an annual statement of performance expectations agreed at the beginning of each financial year by the Foundation and the Responsible Minister.

The Foundation works to deepen New Zealanders' knowledge and understanding of Asia through its activities in education, business, media, Track II informal diplomacy dialogues, research, arts, entrepreneurship, leadership and sports. We act on behalf of the Minister as purchase adviser and contract manager in respect of the Foundation. We oversee the preparation of the annual statement of performance expectations and coordinate the appropriation process as part of the Foundation's performance and financial monitoring.

New Zealand Trade and Enterprise – Te Taurapa Tūhono

New Zealand Trade and Enterprise (NZTE) is a Crown entity. MFAT, in conjunction with the Ministry of Business, Innovation and Employment (MBIE), has a joint role in monitoring the performance of NZTE on behalf of the Ministers for Trade and Export Growth and the Minister for Economic Development, although NZTE is not funded from Vote Foreign Affairs. We work with MBIE to provide briefing and comment to Ministers on NZTE's performance. Our Chief Executive acts as a special adviser to the NZTE Board. This dialogue ensures high-level policy coordination and close alignment of goals between the two organisations.

PRIMARY LEGISLATION WE ADMINISTER

Foreign affairs

- Commonwealth Countries Act 1977
- Consular Privileges and Immunities Act 1971
- Diplomatic Privileges and Immunities Act 1968
- Foreign Affairs Act 1988

Peace, rights and security

- Anti-Personnel Mines Prohibition Act 1998
- Brokering (Weapons and Related Items) Controls Act 2018
- Chemical Weapons (Prohibition) Act 1996
- Cluster Munitions Prohibition Act 2009
- Geneva Conventions Act 1958
- International Crimes and International Criminal Court Act 2000 (jointly administered with the Ministry of Justice)
- Maritime Powers Act 2022
- Mercenary Activities (Prohibition) Act 2004
- New Zealand Nuclear Free Zone, Disarmament and Arms Control Act 1987
- Nuclear Test Ban Act 1999
- Russia Sanctions Act 2022
- Terrorism Suppression Act 2002 (jointly administered with the Ministry of Justice)
- United Nations Act 1946

Antarctica

- Antarctica Act 1960
- Antarctica (Environmental Protection) Act 1994
- Antarctic Marine Living Resources Act 1981
- New Zealand Antarctic Institute Act 1996

Law of the sea

- Continental Shelf Act 1964
- Territorial Sea, Contiguous Zone, and Exclusive Economic Zone Act 1977
- United Nations Convention on the Law of the Sea Act 1996

The Pacific

- Cook Islands Act 1915
- Cook Islands Constitution Act 1964
- Niue Act 1966
- Niue Constitution Act 1974
- Pitcairn Trials Act 2002
- Tokelau Act 1948
- Tokelau (Territorial Sea and Exclusive Economic Zone) Act 1977
- Western Samoa Act 1961

2023–24 TREATIES

1. Agreement between the European Union, of the one part, and New Zealand, of the other part, on the exchange of personal data between the European Union Agency for Law Enforcement Cooperation (Europol) and the authorities of New Zealand competent for fighting serious crime and terrorism

Signed 30/6/2022, entered into force 4/7/2023

2. Agreement between the Government of the Federal Republic of Germany and the Government of New Zealand on the Mutual Protection of Classified Information

Signed 2/8/2023, entered into force 14/9/2023

3. Agreement between New Zealand and the Kingdom of the Netherlands on Mutual Administrative Assistance in Customs Matters

Signed 10/3/2022, entered into force 1/10/2023

4. Protocol to Amend the Air Services Agreement between New Zealand and the Kingdom of Sweden signed at Wellington on 7 February 2001

Signed 10/7/2023, entered into force 17/10/2023

5. Air Services Agreement between the Government of New Zealand and the Government of the Republic of Peru

Signed 16/11/2018, entered into force 18/12/2023

6. Exchange of Notes to Renew the Air Transportation Agreement between the Government of the United Mexican States and the Government of New Zealand

Signed 9/2/2024, entered into force 3/3/2024

7. European Union-New Zealand Free Trade Agreement

Signed 9/7/2023, entered into force 1/5/2024

8. Protocol to the Digital Economy Partnership Agreement

Signed 15/7/2024, entered into force 19/3/2024

9. Agreement Between the Government of the Republic of Fiji and the Government of New Zealand on Cooperation in the Field of Defence and the Status of Visiting Forces

Signed 14/6/2023, entered into force 10/5/2024

Independent Auditor's Report

To the readers of the Ministry of Foreign Affairs and Trade's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of the Ministry of Foreign Affairs and Trade (the Ministry). The Auditor-General has appointed me, Karen Young, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Ministry on pages 146 to 170, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information for the appropriations administered by the Ministry for the year ended 30 June 2024 on pages 110 to 144;
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2024 on pages 179 to 182;
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 171 to 178 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2024;
 - the schedules of expenses; and revenue for the year ended 30 June 2024;
 - the statement of trust monies for the year ended 30 June 2024; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Ministry on pages 146 to 170:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the performance information for the appropriations administered by the Ministry for the year ended 30 June 2024:
 - presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Ministry on 179 to 182 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 171 to 178 present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2024;
 - expenses; and revenue for the year ended 30 June 2024; and
 - statement of trust monies for the year ended 30 June 2024.

Our audit was completed on 18 October 2024. This is the date at which our opinion is expressed. The basis for our opinion is explained below. In addition, we outline the responsibilities of the Secretary of Foreign Affairs and Trade and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Secretary of Foreign Affairs and Trade for the information to be audited

The Secretary of Foreign Affairs and Trade is responsible on behalf of the Ministry for preparing:

- financial statements that present fairly the Ministry’s financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand;
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand;
- statements of expenses and capital expenditure of the Ministry, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989; and
- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Secretary of Foreign Affairs and Trade is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Secretary of Foreign Affairs and Trade is responsible on behalf of the Ministry for assessing the Ministry’s ability to continue as a going concern. The Secretary of Foreign Affairs and Trade is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Ministry, or there is no realistic alternative but to do so.

The Secretary of Foreign Affairs and Trade’s responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error.

Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's Strategic Intentions 2021-2025, the Estimates and Supplementary Estimates of Appropriation 2023/24 and the 2023/24 forecast financial figures included in the Ministry's 2022/23 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited. As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary of Foreign Affairs and Trade.
- We evaluate the appropriateness of the reported performance information for the appropriations administered by the Ministry.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Secretary of Foreign Affairs and Trade and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Secretary of Foreign Affairs and Trade regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Secretary of Foreign Affairs and Trade is responsible for the other information. The other information comprises the information included on pages 2 to 195, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

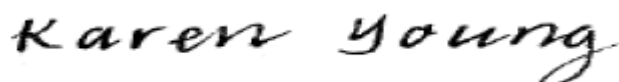
The Report by the Minister of Foreign Affairs on non-departmental appropriations in Annexes 1 & 2 in the Ministry's annual report is not part of the Ministry's annual report. The Public Finance Act 1989 does not require the information in the Minister's report to be audited and we have performed no procedures over the information in the Minister's report.

Independence

We are independent of the Ministry in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

For the year ended 30 June 2024 and subsequently, the independent Chair of the Ministry's Audit and Risk Committee is also the independent Chair of the Auditor-General's Audit and Risk Committee. The Auditor-General's Audit and Risk Committee is regulated by a Charter that specifies that it provides independent advice to the Auditor-General and does not assume any management functions. There are appropriate safeguards to reduce any threat to auditor independence, as a member of the Auditor-General's Audit and Risk Committee (when acting in this capacity) has no involvement in, or influence over, the audit of the Ministry.

Other than the audit and the relationship with the Auditor-General's Audit and Risk Committee, we have no relationship with, or interests, in the Ministry.



Karen Young

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Additional information



Diplomatic immunity cases

For the year ended 30 June 2024

In the interests of transparency, the Ministry of Foreign Affairs and Trade publishes an aggregate list of alleged serious criminal offences committed by foreign representatives and accredited family members, along with requests for waivers of foreign diplomatic immunity.

The dates of the incidents and the names of the countries involved are not published. Given the small number of cases and the small size of the **Diplomatic Corps** resident in New Zealand (refer to p.132 for more information), releasing the yearly statistics on immunity cases could lead to the identification of the individual(s) concerned (including the alleged victims). We therefore use a rolling five-year reporting period. Not all requests for waivers of immunity relate to offending; in many cases waivers are requested to enable New Zealand Police to interview members of the Diplomatic Corps when they are witnesses to or victims of crime in New Zealand.

The table below outlines the number of alleged serious offences involving foreign representatives (and members of their families) who held immunity, whether the offences were considered to warrant prosecution by Police, whether a waiver of immunity was sought by the Ministry, and whether a waiver of immunity was granted by the sending Government.

Offence reporting period: July 2019–June 2024	
Number of alleged serious offences	3
Number of alleged serious offences considered to warrant prosecution	2
Waivers of immunity sought	15
Waivers of immunity granted	8
Percentage of cases warranting prosecution where waiver sought	100%
Percentage of waivers granted to waivers sought	53%

Notes:

1. A serious offence is defined as one which carries a penalty of imprisonment for 12 months or more.
2. Police do not prosecute in every serious case for a variety of reasons, for example, strength of evidence, alleged offender no longer in New Zealand.
3. A waiver can be requested for any matter that involves the New Zealand judicial or administrative system.

Our structure and governance

Meet the people leading MFAT today

Our senior leadership team includes the Chief Executive, two Deputy Chief Executives and five Deputy Secretaries.



Bede Corry
Chief Executive



Tahamoana (Taha) Macpherson
Deputy Chief Executive Policy

- Executive Services
- Audit and Risk
- Communications
- International Security and Disarmament
- Strategy and Performance
- Strategic Investment
- Māori Policy
- Export Controls Review Programme



Vangelis Vitalis
Deputy Secretary Trade and Economic Group

- Trade Policy Engagement and Implementation
- Economic
- APEC Policy
- Trade Policy and Negotiation



Deborah Geels
Deputy Secretary Americas and Asia Group

- Americas
- Asia Regional
- North Asia
- South and South East Asia



Paula Wilson
Deputy Secretary Europe, Middle East, Africa & Australia Group

- Australia
- Middle East and Africa
- Europe



Bernadette Cavanagh
Deputy Secretary Pacific and Development Group

- Partnerships, Humanitarian & Multilateral
- Pacific and Development
- Pacific Bilateral – Polynesia & French Pacific
- Pacific Bilateral – Melanesia & Micronesia
- Global Development & Scholarships
- Pacific Regional
- Development People and Planet
- Development Economy & Prosperity
- Capability & Insights



Victoria Hallum
Deputy Secretary Multilateral and Legal Affairs Group

- Legal
- United Nations and Commonwealth
- Corporate Legal
- Climate, Antarctica, Environment
- Protocol
- Consular



Rob Taylor
Deputy Chief Executive People and Operations

- Information Management
- Commercial
- People
- Finance
- Asset Management
- Security and Organisational Resilience
- Enterprise Connections Division

Our Ministers

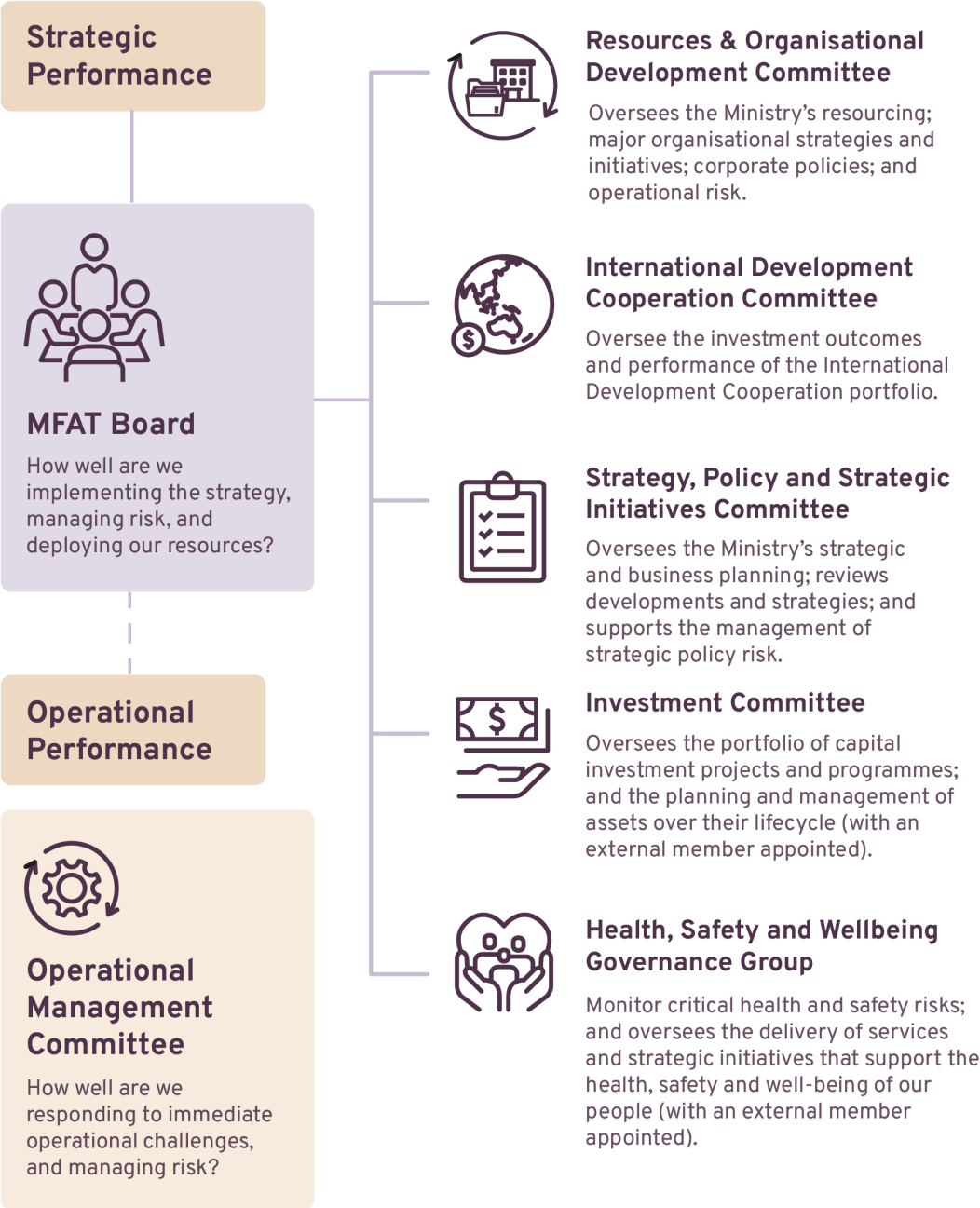
Together, MFAT’s senior leadership team support the following Ministers in their portfolio:

<h3>Ministers of Foreign Affairs</h3> <p>We are accountable to the Ministers of Foreign Affairs for the delivery of our services and day-to-day operations.</p>	 <p>Rt Hon Winston Peters Minister of Foreign Affairs</p>	 <p>Hon Todd McClay Associate Minister of Foreign Affairs</p>
<h3>Ministers for Trade</h3> <p>We are accountable to the Ministers for Trade for international trade negotiations and addressing market access issues facing New Zealand exporters.</p>	 <p>Hon Todd McClay Minister for Trade</p>	 <p>Hon Nicola Grigg Minister of State</p>
<h3>Ministers of Climate Change</h3> <p>We are accountable to the Ministers of Climate Change for representing New Zealand in negotiations with the rest of the world to reach smart solutions to global environmental challenges.</p>	 <p>Hon Simon Watts Minister of Climate Change</p>	 <p>Hon Nicola Willis Associate Minister of Climate Change</p>
<h3>Prime Minister</h3> <p>We service the Prime Minister with advice and supporting his off-shore travel and Guest of Government inwards visits.</p>	 <p>Rt Hon Christopher Luxon Prime Minister</p>	

Our governance framework

The Ministry’s governance framework is made up of the MFAT Board and committees (with a membership reflective of a public service governance approach) which convene to exercise strategic governance of the Ministry and to oversee its organisational performance. The framework provides a platform to exercise leadership and strategic direction for the Ministry, make key decisions, and monitor its performance and risks in order to achieve what the Ministry sets out to do.

The Ministry also has an Audit and Risk Committee with three external members appointed.



Glossary

APEC	Asia Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
BBNJ	Biodiversity of Areas beyond National Jurisdiction
Bilateralism	Refers to dialogue, cooperation or agreements between two countries.
Chancery	Refers to the principal office that houses a diplomatic missions, such as embassies, high commissions and consulates.
Christchurch Call	The Christchurch Call is a community of over 120 governments, online service providers, and civil society organisations acting together to eliminate terrorist and violent extremist content online.
COP 28	2023 United Nations Climate Change Conference of the Parties
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
Deepfakes	Synthetic media, including images, videos and audio, generated by artificial intelligence technology that portray something that does not exist in reality or events that have never occurred.
Disinformation	False information which is deliberately intended to mislead
FOMA	Federation of Māori Authorities
FTAs	Free Trade Agreements
GBF	Kunming-Montreal Global Biodiversity Framework
GDP	Gross domestic product represents the country's income earned from production in that same country.
HOP / HOM	Head of Post / Head of Mission - is the head of a diplomatic representation, such as an ambassador, high commissioner, chargé d'affaires, permanent representative, and sometimes to a consul-general.
ICJ	International Court of Justice - The Court is the principal judicial organ of the United Nations, established in 1945 by the Charter and based in The Hague. It settles legal disputes and gives advisory opinions on international law, with 15 judges elected by the United Nations General Assembly and Security Council.
IDC	International Development Cooperation
IPEF	Indo-Pacific Economic Framework for Prosperity
IUU	Illegal, unreported and unregulated fishing
MBIE	Ministry of Business, Innovation and Employment
MFAT	Ministry of Foreign Affairs and Trade
MOU	Memorandum of Understanding
Multilateralism	Technically refers to dialogue, cooperation or agreements between three or more countries. However, in practice it is usually used to refer to dialogue, cooperation or agreements involving (or open to) participation by all countries, often through organisations that claim or aspire to universal membership (UN, WTO, etc.).
New Agenda Coalition	Composed on Brazil, Egypt, Ireland, New Zealand, South Africa, and Mexico. The New Agenda Coalition called for its members to make an unequivocal commitment to nuclear disarmament and to begin multilateral negotiations that would lead to the elimination of nuclear weapons through a Nuclear Weapons Conventions.
NGOs	Non-Governmental Organisations
NZ Inc.	A group of government agencies work together that design simple and aligned experiences for businesses and investors. These agencies include: New Zealand Trade & Enterprise (NZTE), Ministry of Foreign Affairs and Trade (MFAT), Callaghan Innovation, Ministry of Business, Innovation and Employment (MBIE), Education New Zealand, ExportNZ, Immigration New Zealand, Kea, The Ministry for Primary Industries, New Zealand Customs Service, New Zealand Export Credit, New Zealand Story, Regional Business Partner Network, Scale-Up NZ, Te Puni Kōkiri, Tourism New Zealand.
NZMATES	New Zealand-Indonesia Maluku Access to Energy Support
OECD	Organisation for Economic Cooperation and Development
OIA	The Official Information Act 1982 helps New Zealand Citizens, permanent residents and anyone in New Zealand access information held by Government organisations and Ministers.

	This promotes openness and transparency and enables greater public participation in government.
Page impressions	A digital metric that captures the number of views an element within a web page has potentially received.
PIF	Pacific Islands Forum
Plurilateralism	This is a particular type of multilateralism, which involves dialogue, cooperation or agreements with a limited number of countries with a particular interest in an issue (e.g. the Antarctic Treaty).
RSE	Recognised Seasonal Employer
Rule-based international system	The framework of rules, norms and institutions that has governed relations between states since the end of World War II. It is underpinned by principles such as the peaceful settlement of disputes, respect for sovereignty and territorial integrity, and the promotion of sustainable development and respect for fundamental human rights.
UN	United Nations
UNCLOS	United Nations Convention on the Law of the Sea
UNFCCC	United Nations Framework Convention on Climate Change
WHO	World Health Organisation
WTO	World Trade Organisation
Kaimahi	Worker, employee, staff
Kaitiakitanga	Guardianship, stewardship, trusteeship.
Kaupapa	Initiative, topic, agenda
Kotahitanga	Unity, togetherness, solidarity, collective action.
Manaakitanga	Process of showing respect, generosity and care for others.
Manatū Aorere	Ministry of Foreign Affairs and Trade
Mātauranga Māori	Māori knowledge'. Within this body of knowledge originating from Māori ancestors are Māori world views, values and perspectives, Māori creativity, and cultural practices and recognition of the inter-related connectedness between all life forces, both those seen and unseen with the human eye.
Papa Pounamu	It was established in 2017 to bring together diversity and inclusion practices and initiatives across the public service. Papa Pounamu sets the Diversity and Inclusion work programme for the wider public service. It covers five priority areas that are focused on making the most positive impact across all diversity dimensions.
Te Ao Māori	emphasises the importance of relationships between nature and people. It is a holistic worldview that focuses on interconnections and is grounded in tikanga customary values, lore and mātauranga knowledge.
Te Tiriti o Waitangi	The Treaty of Waitangi

ANNEX 1: Minister of Foreign Affairs' report on the Non-departmental Statement of Performance

Consular loans (capital)

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.

Assessment of performance

	Standard	Results				
	2024	2024	2023	2022	2021	2020
Number of New Zealanders assisted in emergency situations overseas through the provision of new consular loans (approved in accordance with policy*)	36-40 [^]	64	39	25	46	New Measure

*In terms of "approved in accordance with policy", the Ministry can provide short term financial assistance through a consular loan to New Zealanders and permanent residents in financial difficult overseas to ensure their immediate safety and well-being or return to New Zealand. The loan must be necessary and in the public interest, no more generous than is necessary, and the New Zealander must have no other financial options available to them, and a plan and commitment to repay the loan.

[^]The budget standard has been revised from 30 to 36-40 to reflect the expected rate of activity in 2023-24.

Note: 21 of 64 loans were provided to assist New Zealanders to depart Israel in October/November 2023.

Financial performance (figures are GST exclusive)

30/06/23		30/06/24	30/06/24	30/06/24
Actual		Actual	Appropriation	Variance
\$000		\$000	\$000	\$000
125	Consular loans (Capital Expenditure)	209	500	291

30/06/23		30/06/24	30/06/24	30/06/24	30/06/24
Actual		Loans	Repayments	Impairment	Balance
\$000		\$000	\$000	\$000	\$000
404	Consular loans (Asset Balance)	209	(146)	(49)	418

Explanation of significant budget variance

Variance due to lower than expected demand for financial assistance.

Consular loan expenses

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.

Assessment of performance

	Standard		Results			
	2024	2024	2023	2022	2021	2020
Under 10% of opening loans balance is expensed in the year	Met	Met	Met	Met	Met	Met

Financial performance (figures are GST exclusive)

30/06/23		30/06/24	30/06/24	30/06/24
Actual		Actual	Appropriation	Variance
\$000		\$000	\$000	\$000
49	Consular loans expenses	49	50	1

Explanation of significant budget variance

No significant budget variance. Loan impairment increased by NZD\$0.049 million to a total of NZD\$0.332 million.

Subscriptions to international organisations

This appropriation is limited to non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as signatory to international treaties and conventions.

An exemption from reporting performance measures for this appropriation has been granted under section 15D (2) (b) (ii) of the Public Finance Act 1989.

Financial performance (figures are GST exclusive)

30/06/23		30/06/24	30/06/24	30/06/24
Actual		Actual	Appropriation	Variance
\$000		\$000	\$000	\$000
58,619	Subscription to international organisations	64,603	65,976	1,373

Explanation of significant budget variance

No significant budget variance.

Disbursements made and exemptions from taxation PLA

Refund of New Zealand local body rates for offices and residential premises of overseas diplomatic missions and consular posts pursuant to section 21 of the Diplomatic Privileges and Immunities Act 1968.

Assessment of performance

	Standard		Results			
	2024	2024	2023	2022	2021	2020
Number of rate reimbursements processed	65-80	59	58	67	65	94

Financial performance (figures are GST exclusive)

30/06/23		30/06/24	30/06/24	30/06/24
Actual		Actual	Appropriation	Variance
\$000		\$000	\$000	\$000
2,260	Disbursements made and exemptions from taxation PLA	3,219	3,300	81

Explanation of significant budget variance

The timing of these refunds is dependent on claims being submitted by the New Zealand based overseas diplomatic missions and the appropriation includes an allowance for prior year claims.

Support for Ukraine

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

An exemption from reporting performance measures for this appropriation has been granted under section 15D (2) (b) (ii) of the Public Finance Act 1989.

Financial performance (figures are GST exclusive)

30/06/23		30/06/24	30/06/24	30/06/24
Actual		Actual	Appropriation	Variance
\$000		\$000	\$000	\$000
–	Support for Ukraine	6,500	6,500	–

Explanation of significant budget variance

No budget variance.





NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

**Minister of Foreign Affairs’
report on the International
Development Cooperation
non-departmental appropriation
within Vote Foreign Affairs 2023–24**



This report is prepared under s19B of the Public Finance Act 1989: Provision of end of year performance information by Ministers.

Cover photo: Women in Kavula, Fiji, propagating vetiver grass to mitigate erosion of river banks. Climate Resilient Islands Programme, implemented by Live and Learn Environmental Education. Credit: Dioscuri 2024

New Zealand's International Development Cooperation (IDC) Programme is funded by a non-departmental appropriation within Vote Foreign Affairs. The Pacific and Development Group of the Ministry of Foreign Affairs and Trade (hereafter 'the Ministry') manages the IDC Programme, disbursing the funding provided under this appropriation to a range of delivery partners (including New Zealand government agencies, partner governments, non-government organisations, companies, and regional and multilateral organisations).

The non-departmental IDC appropriation for the triennium July 2021–June 2024 was **\$3,012.46 million**. Three-year appropriations allow expenditure to be managed across years, which enables the Ministry to focus on longer term quality and impact. Expenditure for the triennium was **\$3,000.16 million**. A separate departmental appropriation is provided under Vote Foreign Affairs to fund the Ministry's management of the IDC Programme.

This report provides an overview of IDC Programme performance for the 2023–24 financial year. The first section features key achievements for the year, including evaluating delivery against the new climate finance commitment; the Ministry's work with other development partners; strengthening transparency across the IDC Programme; and a summary of findings from IDC Programme evaluations undertaken from 2020–23.

The second section sets out results against each of four major allocations groups within the IDC appropriation:

- Humanitarian
- Multilateral Agencies and Partnerships
- Pacific Development Cooperation
- Global Development Cooperation



Aerial view of a solar panel installation at Pulau Tiga, Maluku Province, Indonesia. The Access to Renewable Energy in Maluku (NZMATES) programme is in its final year and has seen 1,364 people benefit from improvements to renewable energy infrastructure, and 194 people benefit from training and capability building. Credit: TVRI Ambon Station, Maluku

New Zealand's International Development Cooperation Programme

The Ministry has primary responsibility for administering New Zealand's international development cooperation, which it does through New Zealand's International Development Cooperation (IDC) Programme – Ngā Hoe Tuputupu-mai-tawhiti¹⁹.

New Zealand delivers international development cooperation funding²⁰, knowledge and skills to help improve sustainable development and reduce poverty in developing countries, with a strong focus on the Pacific. Our humanitarian action saves lives and relieves suffering in natural disasters and protracted crises. We seek coherence across development, diplomatic, security, trade and economic, climate change, and environment objectives to ensure we deliver sustainable progress in developing countries, and advance New Zealand's interests and values. New Zealand's international development cooperation (both policy and financial) is an integral pillar of our foreign policy. It reflects our network of international relationships and commitments, and is an expression of our values.

¹⁹ Ngā Hoe Tuputupu-mai-tawhiti can be translated as 'The paddles that bring growth from afar'

²⁰ The OECD Development Assistance Committee (OECD DAC) determines at a high level what can be counted and reported internationally as official development assistance (ODA) – i.e. only support which has as its primary purpose the economic development and welfare of developing countries and which is provided on concessional terms can be counted. New Zealand's support under the International Development Cooperation appropriation is more expansive than ODA as some high income Pacific countries are also eligible for support under New Zealand's IDC.

New Zealand's Policy Statement on International Cooperation for Effective Sustainable Development²¹ (ICESD), the Pacific Reset and subsequent Resilience Approach, and the Ministry's strategic framework articulate the overarching strategic direction for our IDC. They provide the principles for how we allocate and deliver our funding, how we work with partners, and the outcomes that we intend to achieve. We seek effective, inclusive, resilient, and sustained outcomes²², and work in line with international development effectiveness principles.

New Zealand's IDC priorities in 2023–24 were:

- strengthening resilience to wide-ranging security²³ threats
- fostering country ownership and inclusive, locally-led development
- delivering climate action
- supporting regional and multilateral solutions to shared challenges.

²¹ See: <https://www.mfat.govt.nz/assets/Aid-Proq-docs/Policy/Policy-Statement-New-Zealands-International-Cooperation-for-Effective-Sustainable-Development-ICESD.pdf>

²² See: <https://www.mfat.govt.nz/assets/Aid-Proq-docs/Policy/New-Zealands-International-Development-Principles.pdf>

²³ We use an expanded concept of security inclusive of human security, health security, humanitarian assistance, environmental security, cyber security, and disaster and climate resilience.

Overview of 2023-24

During the past year, New Zealand's IDC efforts, especially in the Pacific, shifted from COVID-19 response to recovery and growth. We continued to provide flexible support, while maintaining our long-term funding commitments where possible. Foreign and domestic policy levers and approaches, as well as strong and trusted relationships, augmented our financial contributions.

Global challenges and responses

Over recent years the context for development cooperation has changed significantly. Poverty reduction was dealt a severe blow by the COVID-19 pandemic and a series of additional shocks during 2020–22, causing years of lost progress towards the Sustainable Development Goals²⁴ (SDGs). Globally around half the SDG targets are moderately or severely off track; and over 30 percent have seen no movement or regressed below the 2015 baseline – including key targets on poverty, hunger and climate. Natural disasters, more frequent extreme weather events, intensifying conflict, greater need for humanitarian responses, and sharpening strategic competition have increased pressures on developing and developed countries. By mid-2023, the consequences of war, conflict and human rights violations had displaced 110 million people, of which 35 million were refugees – the highest figures ever recorded. The UN estimates that over 303 million people require humanitarian assistance in 2024. These challenges have significant implications for peace and security, and prosperity. They have resulted in unprecedented demand for official development assistance (ODA), greater use of ODA for crisis response, and reduced focus on traditional development activities.

The global economy continues to face a number of challenges, particularly with regards to rising inflation, tightening financial conditions, and elevated uncertainty due to war in Ukraine and the Israel/Gaza conflict. These pressures come on top of longer term issues, such as efforts to decarbonise economies.

New Zealand's IDC Programme beyond the Pacific has provided targeted contributions to global responses to these challenges, delivering a range of development and humanitarian interventions, and focusing on the broader Indo-Pacific region. Our response to humanitarian crises and disasters covered 25 countries, and

totalled more than \$83 million – marking two years of significant growth of the humanitarian programme. Core funding to multilateral organisations supported global development and humanitarian outcomes; and we provided targeted support in economic and climate resilience; governance; peace and security; and capability development – particularly to South East Asian Least Developed Countries.

A Pacific focus

Pacific economies are slowly recovering from the economic impacts of the COVID-19 pandemic through the return of tourism and resumption of public infrastructure projects. However, they emerge more economically vulnerable, and it will be some years before all Pacific countries return to their pre-COVID levels of output. Labour constraints, higher interest rates, supply chain disruptions, and inflation driven by increased freight costs are all constraining economic recovery of the region.

New Zealand supports a range of programmes aimed at boosting the economic resilience and diversification of Pacific economies, ranging from support for macro-economic and fiscal stability, to direct support for Pacific businesses and for improving the competitiveness of key industries, such as agriculture and tourism. Human development programmes address backlogs in specialist medical care and disruptions to formal education caused by the pandemic, while also focusing on strengthening social resilience and inclusion for the future.

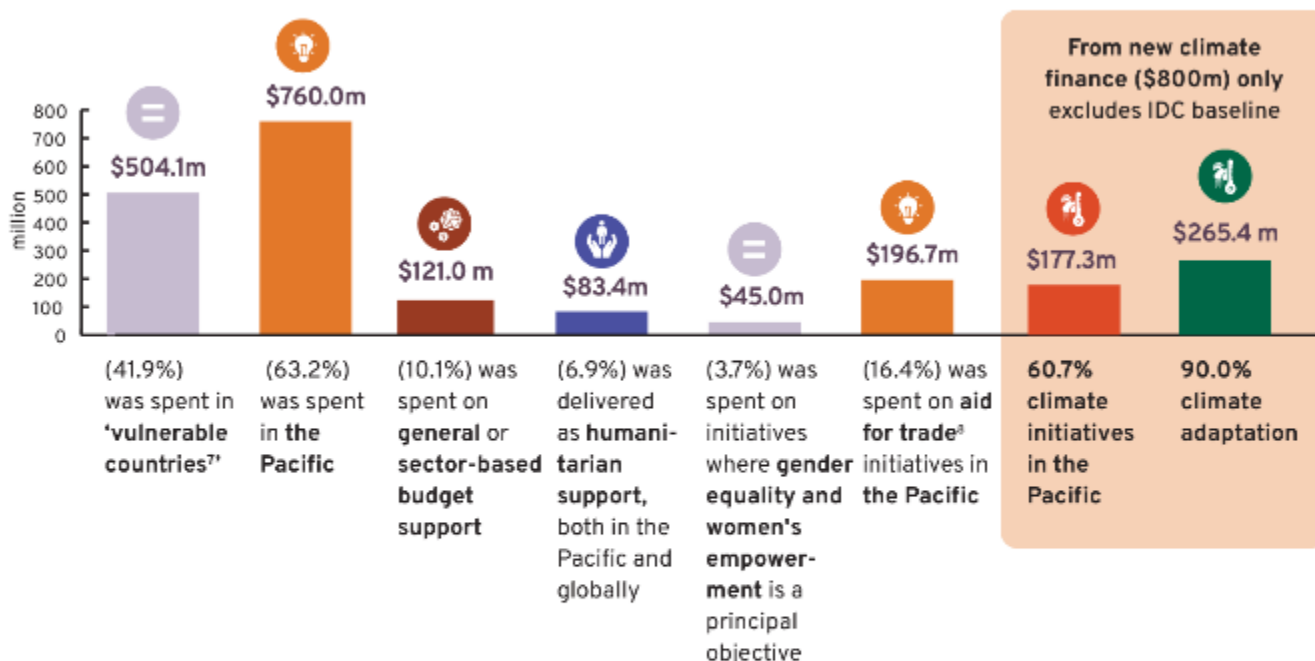
²⁴ The SDGs are a collection of 17 interlinked objectives, adopted by the UN in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. Countries have committed to prioritise progress for those who are furthest behind.

New Zealand continues to stand alongside our Pacific whānau, facing these challenges together. We have worked to provide responsive support to help lessen the impact of crises, and continue to honour our commitment to working alongside partners to deliver tangible long-term impact and strengthened resilience with an emphasis on climate change adaptation, peace and stability; economic resilience; and good governance.

Expenditure

Total IDC appropriation expenditure in 2023–24 was \$1.202 billion – a 24 percent increase on 2022–23 expenditure. We delivered 63 percent of our total IDC to the Pacific (\$760 million).

FIGURE 1: PROPORTION OF IDC FUNDING SPENT ON KEY PRIORITIES 2023–24*

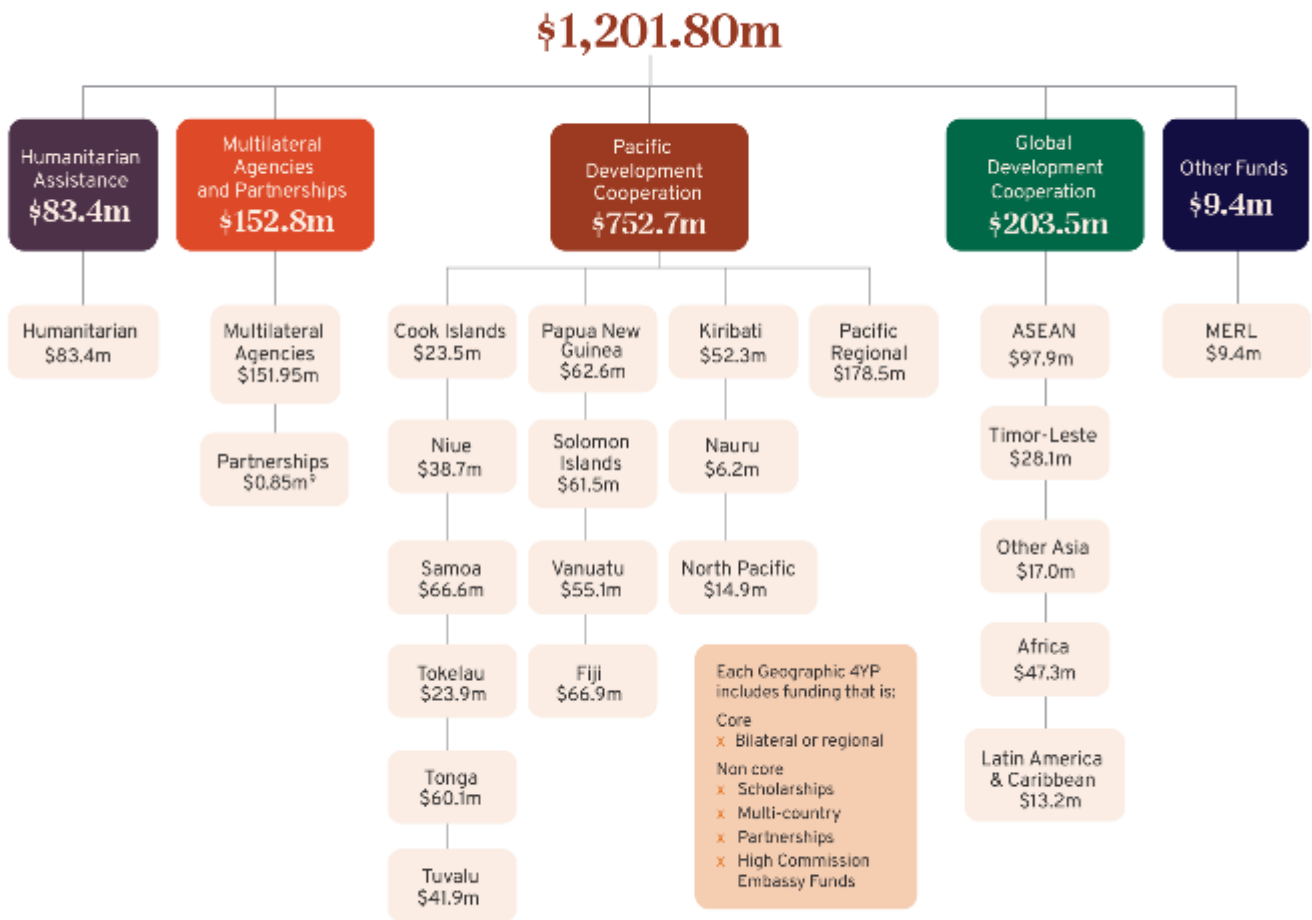


*Note, categories are not mutually exclusive.

⁷Vulnerable countries are defined as those above the median Multidimensional Vulnerability Index score (currently 52.8). The MVI is a new international quantitative benchmark to measure structural vulnerability and the lack of structural resilience across multiple dimensions of sustainable development at the national level. See: <https://www.un.org/ohrlls/mvi>. The MVI does not include data on non-UN Member states i.e. territories. In absence of this data, we have deemed Realm countries (Cook Islands, Niue, and Tokelau) as 'vulnerable' using the previous definition (i.e. population <100,000)

⁸Aid for Trade is an initiative developed by the World Trade Organisation to promote development assistance to developing countries to improve their ability to reap the benefits of trade liberalisation. New Zealand is a participating donor, with a focus on enabling better outcomes for the Pacific.

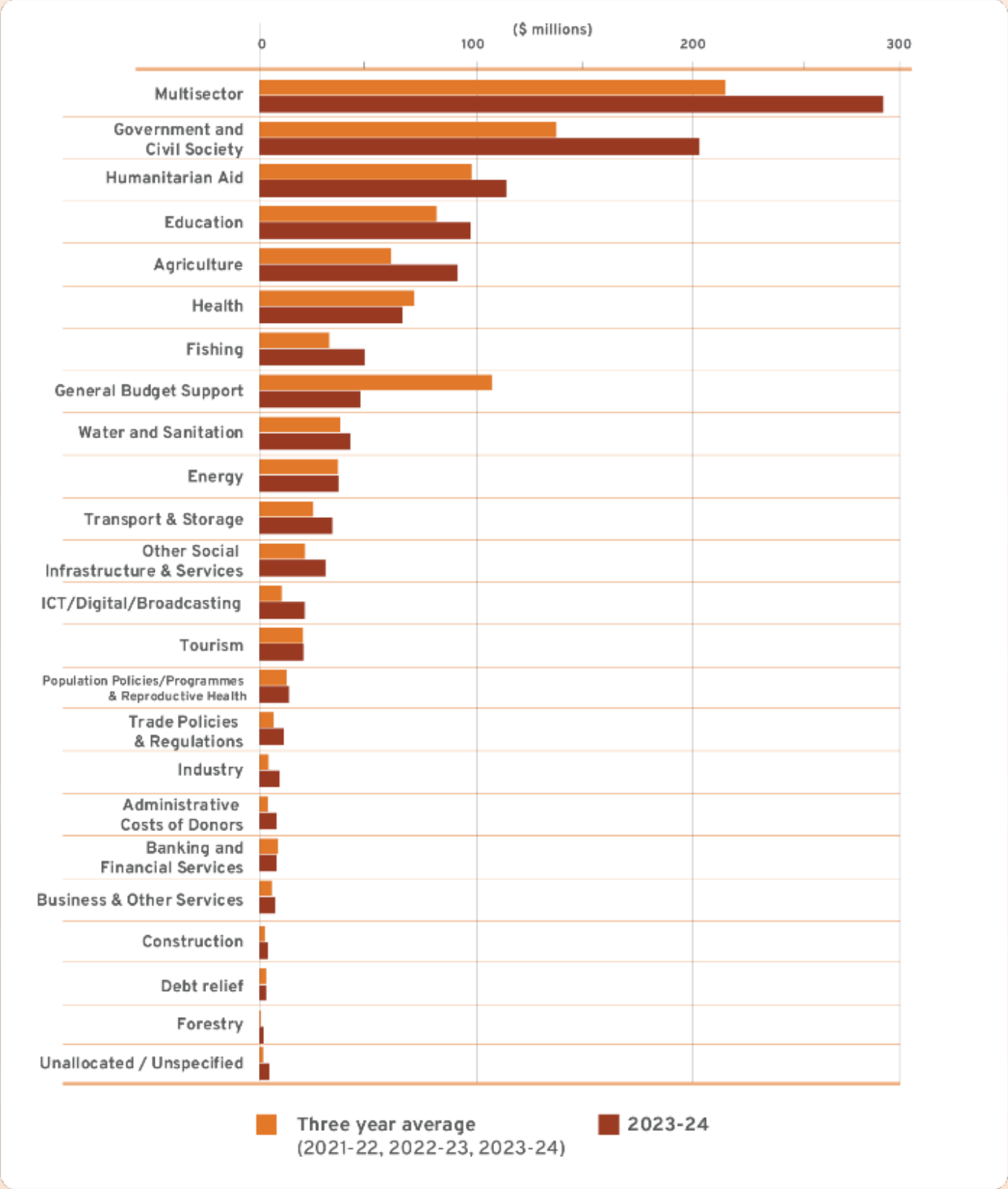
FIGURE 2 : IDC 2023-24 EXPENDITURE BY ALLOCATION GROUP AND FOUR-YEAR PLAN (4YP).



²Note that the total spend for the Partnerships programme was \$61.8 million, most of which is allocated to geographic four-year plans.

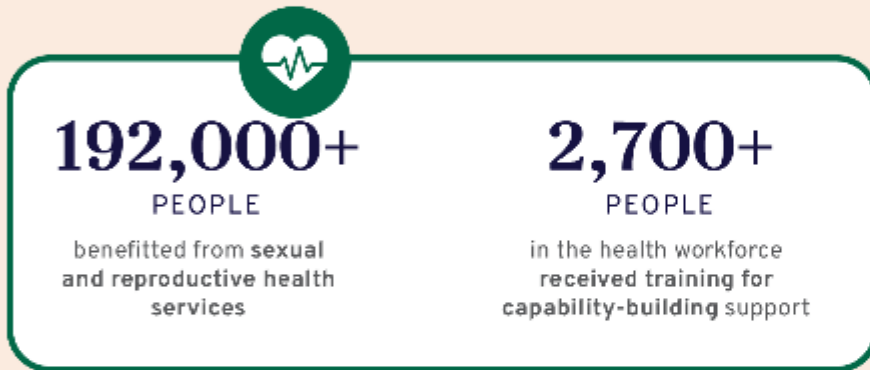
FIGURE 3: IDC 2023-24 EXPENDITURE BY SECTOR (COMPARED WITH THREE YEAR AVERAGE OVER 2021-22, 2022-23, 2023-24)

New Zealand’s total IDC spend for 2023-24 was \$1,201.8 million. Of this, the top three areas of expenditure (by OECD CRS codes) were multi-sector activities (core support to multilateral and regional agencies), government and civil society, and humanitarian aid – together totalling \$287.5 million.



Results at a glance

In the 2023–24 financial year as a direct result of New Zealand's international development cooperation funding:





Genetic resources at SPC's Centre for Pacific Crops and Trees (CePaCT) Lab. Credit: Neil Palmer (Crop Trust)

Delivering New Zealand's International Climate Finance Commitment 2022–2025

Climate change is the most significant security and development issue facing the Pacific. New Zealand, as a developed country party to the United Nations Framework Convention on Climate Change and the Paris Agreement, is obliged to mobilise financial resources to assist developing countries' mitigation and adaptation efforts. Building resilience is at the heart of New Zealand's engagement with the Pacific, and access to adequate climate finance is key.

New Zealand's \$1.3 billion funding for climate finance over 2022–25 is four times the size of the previous funding commitment (\$300 million between 2019–22), and includes a target to invest at least 50 percent in adaptation activities, and at least 50 percent within the Pacific. At 30 June 2024, two and a half years into the four year programme, all of the \$1.3 billion commitment has been approved for delivery and \$862.69 million (66.3 percent) has been spent. New Zealand's international climate finance is delivered through the IDC appropriation as grant-based development assistance. This funding is delivered through the Pacific, Global and Multilateral Agencies and Partnerships allocations groups set out in Figure 2.

The Ministry is committed to good practice in managing the climate finance portfolio, including alignment to an overarching climate finance strategy, performance reporting mechanisms, clear management responsibilities, independent quality assurance, and scrutiny across the entire climate finance investment. To date, we have initial information showing our activities are making a difference. However, because of the long-term nature of climate change responses, we wouldn't expect to see full achievement of outcomes until long after the December 2025 commitment end date. In the interim, the Ministry uses various approaches to ensure that New Zealand's climate finance is effectively delivering progress towards the outcomes stated in the International Climate Finance Strategy²⁵ (ICFS).

²⁵ See: <https://www.mfat.govt.nz/assets/Aid/Climate-finance/International-Climate-Finance-Strategy-FINAL-16Aug22-low-res.pdf>

Climate finance decisions are carefully considered based on intended impact

The Ministry's internal governance framework, including robust business casing, helps ensure funding is spent in line with the goals, outcomes and targets set out in the ICFS, as well as ensuring it is aligned to the broader objectives of the IDC Programme. Careful consideration is given to allocating funding according to the ICFS delivery preferences. For example:

- **Partner-led:** 62 percent of approved mitigation activities support partner countries to deliver on priorities outlined in their Nationally Determined Contributions (NDCs) or other mitigation plans; and 83 percent of approved adaptation activities support partner countries to deliver on priorities outlined in their National Adaptation Plans (NAPs) or equivalent adaptation plans.
- **Pacific-focus, global impact:** 65.2 percent of approved funding has been allocated to delivery in the Pacific.

Detailed design of initiatives ensures that funding has the intended impact and is a critical element of our partner-led approach. We proactively seek to partner with likeminded donor countries, regional and international institutions, and private sector parties to maximise the effectiveness and impact of climate finance investments. This way of working has helped to build stronger relationships with countries and institutions, particularly in the Pacific, where addressing climate change is a top priority for our partners.

Monitoring and evaluation provides assurance

With the \$1.3 billion commitment now approved for delivery, the Ministry is focused on ensuring climate finance activities are achieving intended results for our partners and communities. The Ministry has a suite of 12 headline indicators to summarise and consider performance of the climate finance portfolio. These indicators show, for example, that in 2023–24 more than 79,900 people directly benefitted from New Zealand's work to increase resilience to climate change and environmental degradation. A Monitoring, Evaluation, Research and Learning (MERL) framework for the entire climate finance portfolio also includes MERL frameworks for individual initiatives.

An independent assurance programme is under way that will review all aspects of climate finance portfolio planning and delivery. Initial reviews have been completed on the governance framework; the portfolio monitoring and evaluation framework; portfolio reporting functions; modality selection; data quality and information management; and provider selection and partner management. The Ministry will publish recommendations from the 23 reviews and their management responses on its website.

The below case studies provide insights from New Zealand's climate finance portfolio.

Building on proven success

A key consideration in the allocation of climate finance funding is evidence about improving climate outcomes. For example, New Zealand has recently contributed \$6.15 million towards the second phase of the Tuvalu Coastal Adaptation Project (TCAP), which seeks to reduce Tuvalu's vulnerability to coastal hazards associated with climate change and sea level rise. The Ministry's decision to fund this project was informed by the success of TCAP Phase 1, which was funded by Australia and the Green Climate Fund and was successful in reclaiming approximately 7.3 hectares of land in Funafuti, Tuvalu's capital.

Based on this demonstrated impact, along with other key considerations, the Ministry decided to co-fund, with Australia, the United Nations Development Programme to implement Phase 2, that will increase the area of reclaimed land by another 8 hectares and continue efforts to build the capacity of Government departments and civil society organisations in Tuvalu to undertake resilient coastal management.

The Ministry took a similar approach when deciding to contribute to the second replenishment of the Green Climate Fund. This is the world's largest climate fund, mandated to support low-emission, climate-resilient development in developing countries. In 2019, New Zealand pledged \$15 million for 2020–2023. During this period, the Green Climate Fund was found to be one of the most cost-effective ways to disburse climate finance. The successes of the Fund's first phase provided the evidence and incentive to pledge another \$24 million for the Fund's second replenishment.

Improving water security across eight Pacific countries

Climate change is worsening the risk of water scarcity for Pacific communities. The Ministry funded the Pacific Community (SPC) to deliver a water scarcity programme for 2019–2024 in five atoll countries (Cook Islands, Kiribati, Republic of Marshall Islands, Tokelau, and Tuvalu) and the three raised limestone island countries (Nauru, Niue, and Tonga), with a focus, where relevant, on outer island communities. The programme objectives include building communities' resilience to the risk of water scarcity as a result of increased:

- access to, and storage of, drinking water
- knowledge and awareness to manage current and future water security risks
- capacity to protect and maintain water resources and infrastructure
- ability to prepare for, and respond to, drought events.



Left: Rairok School water storage, RMI. Credit: SPC

Right: Construction of the school drinking water stations, RMI. Credit: SPC

Each country was supported to develop plans for communities at risk of water scarcity, which were also adapted to respond to the impacts of the COVID-19 pandemic and the La Nina-associated droughts. The implementation of these plans has benefitted over 20,000 people through repair and installation of new rainwater harvesting solutions, groundwater supply, desalination units, water storage and water quality monitoring.

The improved freshwater access, storage and quality are enabling more people to remain in their communities. For example, six schools in Majuro, the capital of the Republic of the Marshall Islands (RMI), now have new drinking water stations. Led by the RMI Environmental Protection Authority, this project involves water capture, storage, filtration, and treatment to provide safe drinking water to 2,000 students. The wider community is also benefitting from improved disaster resilience, as the new water infrastructure is integrated into disaster response plans.

Guardians of the region's unique plant resources

The Centre for Pacific Crops and Trees (CePaCT) in Fiji is the Pacific's main plant gene bank, safeguarding over 2,400 key crop and tree species in the face of climate change and the proliferation of pests and diseases. The Centre acts like a bank, with SPC member countries making deposits (for propagation) and withdrawals. Countries can request plants for research and training but also for direct use, to send out to farmers, or to increase plant diversity at a national level. In 2022, New Zealand allocated \$10 million through climate finance to help the Centre scale up its vital work.

Sustainability is key for the Centre, so they also work to enrich the gene pool by combining varieties to create plants that are climate resilient. "We have a lot of requests for varieties that are salt or drought tolerant, as well as those that are tolerant to heat," says Logotonu Meleisea Waqainabete, SPC Program Leader for Genetic Resources.

In recent years, the Centre has collaborated with New Zealand's Manaaki Whenua Landcare Research under the New Zealand-funded Pacific Seeds for Life Programme, testing taro samples for viruses at its Christchurch laboratories. The Centre also carries out genotyping to enable more efficient plant conservation. Molecular technicians from Fiji spent a month at Manaaki Whenua laboratories, working collaboratively to extend their molecular analysis skills. This professional development and collaboration delivers on a key goal of New Zealand's International Climate Finance Strategy – to grow the number and capability of future climate change researchers. The Centre is female-led and has a majority women team, which aligns with another goal of New Zealand climate financing: the promotion of women's leadership in climate change adaptation and governance.

New Zealand's support helps to equip CePaCT with resources to work faster and to a higher standard – for example providing an automatic washer to support the technicians' sterilisation work. It is also supporting the establishment of a cryopreservation laboratory. "Cryopreservation is a method to conserve hard-to-serve crops like coconuts, but we are also looking at it as our long-term strategy for all collections," says Waqainabete. "It came from a lesson we learned in the COVID lockdowns. With tissue culture you need people monitoring the collections constantly. But, for almost one and a half years, only four or five of us were allowed to come into the Centre, so it was a huge risk to the collections. I thank our partners, like New Zealand, for recognising these strategies that will help us now, but which are also a long-term investment."

"The essence of the New Zealand funding is to make sure we are making an impact in the lives of the people that we send these materials to. Investing in the capacities of the Centre itself will ensure the materials are put to good use."



Construction of Betio Hospital, Kiribati. Credit: Reeves International

Working with other development partners

New Zealand collaborates with other development partners across all of our international development cooperation. With our primary focus on the Pacific, New Zealand works closely with Australia to support Pacific development outcomes. We also coordinate and collaborate with other governments to deliver development cooperation in line with Pacific priorities and development effectiveness principles, and in support of a Pacific-led approach and the regional priorities set out in the Pacific Islands Forum (PIF) 2050 *Strategy for the Blue Pacific Continent*²⁶.

Development partners bring valuable development resources to the Pacific. New Zealand advocates for development resources to be directed towards the region's priorities in a way that complements, rather than competes with, or duplicates, other development support.

The Ministry aims to coordinate with Australia and other development partners, both in Wellington and through our diplomatic networks. In 2023–24 the Ministry held dedicated Pacific consultations with Australia, the European Union, Indonesia, Japan, and the United States of America. In addition, we held Pacific development talks and exchanges with France, Canada, and the United Kingdom.

New Zealand's strategic goal in the Pacific is *to promote a peaceful, prosperous and resilient region in which our interests and influence are safeguarded*. We work particularly closely with development partner countries to co-finance and deliver development initiatives across the region. Recent examples of successful partnerships include:

- working alongside Australia, France, Germany, Japan, United Kingdom, and United States to support Pacific-led initiatives to bolster Pacific resilience to humanitarian emergencies
- co-financing, with the governments of Australia and Solomon Islands, the design and build of provincial airfields across Solomon Islands
- supporting biodiversity in the Pacific with France and the EU through the Kiwa Initiative
- supporting the Pacific Climate Change Centre in Samoa with Japan and Australia.

²⁶ See: <https://www.forumsec.org/wp-content/uploads/2022/08/PIFS-2050-Strategy-Blue-Pacific-Continent-WEB-5Aug2022.pdf>

Working with Japan to support Betio Hospital in Kiribati

New Zealand is partnering with Japan on construction of the new Betio Hospital in Kiribati, alongside the Asian Development Bank. The partnership, which aligns with the 2050 Strategy *People-Centred Development* thematic area, is an outcome of the Japan–New Zealand Joint Declaration on Pacific Cooperation and will advance positive health outcomes for i-Kiribati.

New Zealand has designed, and is building, the maternity and child healthcare unit at a cost of \$22 million. Japan’s NZ\$1.8 million in funding will provide the fixtures, fittings and equipment needed for the unit to be operational. The Asian Development Bank intends to finance a further phase of development on the site.

When operational, the new Betio Hospital will provide a large range of much needed medical facilities to the Betio Township and nearby localities, and relieve dependency on –and be more climate resilient and energy efficient than – the Tungaru Central Hospital. Construction of the Betio Hospital rebuild is on track for completion by the end of 2024.

Supporting ocean and climate research in the Pacific

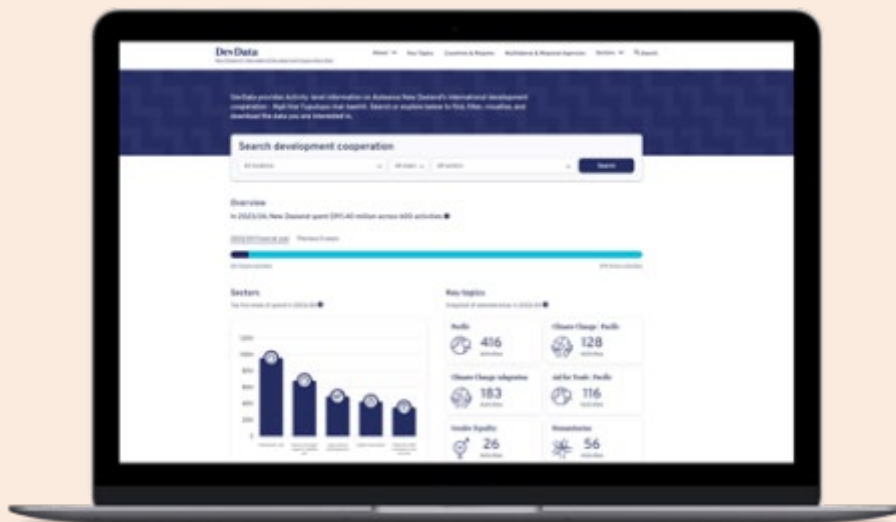
During his visit to Washington DC in April 2024, the Minister of Foreign Affairs announced that New Zealand would join Australia and the United States of America in funding the construction of an oceans and fisheries research vessel for the Pacific Community (SPC). Once completed, the SPC vessel will deliver vital scientific information to Pacific countries to help them better and more sustainably manage their valuable fisheries resources in the face of climate change.

Ocean warming is forecast to push Pacific tuna populations to the east and south, leading to a potential US\$90 million per annum drop in revenue across the region by 2050. By collaborating with partners on the research vessel, New Zealand can help ensure the region has the scientific knowledge to design, implement and monitor adaptation solutions.

Nature-based solutions for climate resilience

The Pacific has exceptional terrestrial and marine biodiversity. Yet, as a region most vulnerable to the effects of climate change, Pacific countries and territories have limited capacity to address this challenge.

The Kiwa Initiative is a French-led multi-donor programme that aims to strengthen the resilience of ecosystems, economies, and communities in Pacific countries by increasing access to funding for climate change adaptation and nature-based solutions and by providing technical support. New Zealand contributes funding to the Kiwa Initiative, alongside France, the European Union, Canada, and Australia.



Strengthening transparency of the IDC Programme

Ensuring stakeholders can easily find information about New Zealand’s IDC Programme is an important focus for the Ministry and a platform for improving development effectiveness and driving accountability. Ongoing efforts are being made to ensure the Ministry is releasing high quality information in a timely and proactive manner.

In March 2024, the Ministry launched a new website – *DevData* (devdata.mfat.govt.nz) – aimed at improving the transparency of New Zealand’s international development cooperation activities. The website is interactive, making it easy for users to find and download detailed, up-to-date²⁷ initiative-level information.

The website has information on over 2,400 activities, helping to raise public awareness of the IDC Programme. Between March and June 2024, over 800 users accessed the website, with over 4,000 individual page views. Most users were from New Zealand, followed by the United States and Australia.

The launch of *DevData* is a key milestone in the Ministry’s efforts to improve transparency of the IDC Programme, in line with international standards and OECD Development Assistance Committee (DAC)²⁸ recommendations. *DevData* supplements information provided in the Ministry’s annual report and New Zealand’s Development Co-operation Profile²⁹.

Other transparency measures include the monthly release of data according to the International Aid Transparency Initiative (IATI) standard; a database modernisation project; updates to the Ministry website; and the publication of strategic four-year plans.

²⁷ Data is updated on a monthly basis.

²⁸ See: OECD Development Co-operation Peer Reviews: New Zealand 2023, OECD Development Co-operation Peer Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/10883ac5-en>. A DAC recommendation to New Zealand was ‘To strengthen accountability to its citizens and those in partner countries, MFAT should dedicate resources and leadership to further improve transparency’.

²⁹ See: [Development Co-operation Profiles – New Zealand \(oecd-ilibrary.org\)](https://www.oecd-ilibrary.org/) The New Zealand OECD country profile provides a high level view of allocations across our development cooperation and how we compare against other OECD member countries.


Evaluating the effectiveness of the IDC Programme

33
PUBLISHED
EVALUATIONS


26
ACTIVITY



7
STRATEGIC

2 THEMATIC EVALUATIONS COVER:


ENERGY
84 DIFFERENT ACTIVITIES
OVER 25 COUNTRIES

- Pacific (15 countries)
- Africa
- Central America
- the East Caribbean States


AGRICULTURE
93 DIFFERENT ACTIVITIES
26 COUNTRIES

Asia 43%  Pacific 39% 

Africa, Asia, Latin America, and the Pacific.

WHAT WE DID WELL



Using our strong relationships and collaboration to design and deliver activities that meet partner country priorities and align with Ministry values.



Supporting partner country access to high quality technical expertise.



Making progress towards intended outcomes through activities.



Using a wide range of approaches to deliver projects that were fit-for-purpose and appropriate for the country context, partner capability, existing relationships and available resources.



In February 2024, the Ministry commissioned an *independent synthesis of key findings from published activity and strategic evaluations* undertaken across the IDC Programme from 2020–2023.



AREAS FOR IMPROVEMENT



Strengthen incorporation of gender equality, disability and social inclusion across programmes and activities.



Increased attention partner country constraints and capacity when designing programmes and activities.



Ensure programmes reach rural areas and outer islands.



Improve alignment of programmes and activities to the Ministry's strategic framework and country four-year plans.



Better consider language and cultural differences when delivering programmes and activities across countries.



Strengthen monitoring, evaluation, research, and learning, and incorporate better reporting against outcomes.

EVALUATIONS PROVIDE EVIDENCE that the IDC PROGRAMME HAS DELIVERED RESULTS ACROSS ALL of the MINISTRY'S STRATEGIC GOALS¹:

¹MFAT Statement of Intent 2024-28

A safe, secure and just future



PACIFIC DATA INFRASTRUCTURE

Increased Pacific datasets.

Increased indicators, infographics, dashboards, knowledge products and published reports available.

Improved data sharing and collaboration.



A prosperous and resilient future



SPORTS FOR HEALTH

Increased number of young people in the Pacific playing organised sports.

Changed behaviour of sports organisers and young people towards healthier nutrition.

Enhanced gender empowerment and social cohesion.



A sustainable future



ENERGY EFFICIENCY

Increased renewable energy capacity and overall electricity supply.

Improved network efficiency.

Reduced reliance on imported fossil fuels.

Increased investment from other donors.



WATER SECURITY

Country and community water infrastructure plans.

Institutional strengthening.

Data collection and sharing mechanisms.

Regional coordination mechanisms to support Pacific leaders.

Benefits to local trades and manufacturers.

Increased resilience to drought in Tuvalu.



ACCESS TO JUSTICE



Strengthened institutions.

Improved case management.

Reduced backlogs in courts.



Improved legislation resulting in fairer justice in Cook Islands and Niue

Improved human rights for detainees through new correctional facility in Vanuatu.

PUBLIC SECTOR GOVERNANCE



Enhanced capacity and capability to carry out high-quality audits across the Pacific.

Improved capability to regulate financial institutions.

Improved capability to investigate and prosecute financial crime.

Increased compliance with anti-laundering requirements.

CONNECTIVITY



Strengthened maritime and aviation safety in the Pacific.

Improved shipping reliability.

Improved maritime safety awareness and more people wearing lifejackets.

Improved air safety in Solomon Islands leading to growth in passengers and improved access for humanitarian flights.

Improved public and social amenities through redeveloped Apia waterfront.

QUALITY MEDIA



Improved access and quality of Pasifika TV through move to high-definition feed.

Increased reach of Pasifika TV to more countries.

Increased capability of broadcasters.

Greater production of local and live content.



RESILIENT BUSINESSES AND LIVELIHOODS



Pacific small-medium size businesses working with business advisors reported increased employment and creation of 134 new jobs.

1,000 farmers in Zambia adopted new dairy farming practices, resulting in lower costs of production and improved quality of milk.



OCEAN SCIENCE



Improved regional coordination.

Global visibility for Pacific Ocean acidification science.

Increased evidence-base on ocean acidification.

Grounding science in community knowledge and locally owned responses.

RESTORING ECOSYSTEMS



Increased nutrient exchange between deep sea and terrestrial ecosystems.

Improved soil health.

Raised community awareness and accountability.



FISHERIES MANAGEMENT



Improved quality, scope and compliance of fishery monitoring data.

Improved fishery management decisions.

Increased national capacity to support conservation and management of tuna fisheries.





Manaaki scholars attend the opening mihi whakatau of the inaugural Manaaki Scholar Conference. Credit: Smoke Photography Ltd

Scholarships

The Manaaki New Zealand Scholarship Programme (MNZSP) – *from mana to Manaaki* – supports individuals to develop new knowledge and skills that contribute to development outcomes for their communities and countries. In 2023–24, 876 scholars completed their study across all MNZSP programmes. Of those, 174 studied at a tertiary institution (105 female, 69 male); 563 studied on thematic or vocational short-term training scholarships (255 female, 304 male, 4 other); and 139 undertook English Language Training for Officials (75 female, 64 male). Regionally, the largest number of completing scholars came from the Pacific, followed by ASEAN³⁰.

A key achievement during the year was the inaugural MNZSP Scholar Conference, delivered with Education New Zealand. Over 520 tertiary scholars from 54 different countries, studying at institutions across New Zealand, came together under the theme ‘Enduring Connections: Global Partnerships and Sustainable Development.’ The conference helped to develop participants’ leadership skills and strengthen relationships between New Zealand and partner countries. 84 percent of participants reported that the conference increased their skills and knowledge in a way that will help them contribute to their country’s development.

Highlights across the programme include:

- The pilot Pacific Diplomatic Training Programme, which aims to enhance capability of foreign service diplomats and officials to navigate complex foreign policy environments and strengthen collaboration and connections between foreign service organisations and related agencies in the region. Two cohorts, each of around thirty officials from nine Pacific countries, participated in sessions delivered in Wellington, Port Moresby, and Suva.
- A symposium in Thailand for alumni of New Zealand’s English Language Training for Officials programme. This brought 57 officials from ASEAN countries together for professional development and English language practice, representing a key contribution to building strong communities of practice within the region.
- Impact stories from across the MNZSP. For example, in Niue, infrastructure delivery has been reliant on the availability of a single licensed crane operator. Vocational Short-Term Training Scholarships were awarded to two scholars to complete crane operator training. There are now three crane operators licensed to work on construction sites in Niue, which is expected to lead to improvements in the efficiency of infrastructure delivery.

³⁰ Association of Southeast Asian Nations

New Zealand's development and humanitarian programmes in 2023–24

The following pages provide an overview of impact achieved through New Zealand's IDC Programme in 2023–24 from the four major funding allocation groups within the IDC appropriation: Humanitarian, Multilateral Agencies and Partnerships, Pacific Development Cooperation, and Global Development Cooperation.



Graduation ceremony for a provincial Community Safety Team (CST) as part of the Vanuatu Policing Programme. The voluntary CST positions enhance communities' access to justice and provide an opportunity to support women's leadership in Vanuatu. Credit: Alec Hutchinson, New Zealand Police



A World Food Programme-supported hot meals kitchen in Khan Younis, Gaza. Credit: WFP/Ali Jadallah ©

Humanitarian \$83.38 million

Global humanitarian need continued to grow in 2023–24. Conflict, violence, extreme weather impacts and other natural hazards drove significant humanitarian need, including further displacement and suffering, and increased levels of food insecurity. Attacks against aid and medical workers, as well as significant barriers to access, at times impeded humanitarian workers' ability to reach people in need, although our partners continue to deliver vital humanitarian assistance.

During the year, New Zealand disbursed a total of \$67.5 million³¹ in humanitarian assistance in response to humanitarian crises and disasters. We provided support to 25 countries, with \$2.5 million (3 percent) going to responses in the Pacific, \$12.2 million (15 percent) to responses in Southeast Asia, and \$52.8 million (63 percent) to global responses.

Overall, in 2023–24, as a direct result of New Zealand support, **over 159,000³² people were provided with essential humanitarian assistance** following a natural or human-induced disaster in the Pacific. Additionally, New Zealand's contributions to international humanitarian agencies helped them support millions of people in need globally. The maps below show our primary humanitarian responses in the Pacific, Southeast Asia, and in the rest of the world.

New Zealand responded to significant spikes in need in many of the world's largest and most severe conflict-related humanitarian crises. Notable was New Zealand's response to the humanitarian crisis in Gaza and the West Bank resulting from the Israel–Hamas conflict. Supporting the humanitarian response was a central pillar of New Zealand's response to the conflict and occurred alongside clear and consistent advocacy for protection of civilians; upholding international humanitarian law; safe, rapid and unimpeded humanitarian access; and an immediate ceasefire in Gaza leading to a lasting, sustainable peace.

New Zealand's humanitarian assistance was not only focused on responding to crises. In the Pacific, New Zealand also contributed \$15.9 million to Pacific preparedness initiatives. This included investing in our Pacific partners' relief and deployment capabilities, for example, through contributions to the Pacific Humanitarian Warehousing Programme and Pacific Islands Emergency Management Alliance. The funding supported New Zealand's operational readiness to respond to requests for assistance from our Pacific partners, including New Zealand deployable capabilities held by New Zealand National Emergency

³¹ Per Figure 4, this excludes funding for humanitarian preparedness.

³² Reported figures are an estimate of affected people provided with relief. Calculations are partly based on an estimated average number of people per household (e.g. number of family hygiene kits distributed x 5 people per household). As this figure relates to direct support, we have not included people supported from New Zealand contributions to appeals/response plans from global humanitarian partners.

Management Agency (NEMA), Fire and Emergency New Zealand (FENZ), the New Zealand Medical Assistance Team, New Zealand relief supplies held in Auckland, and early warning information provided by the Meteorological Service of New Zealand. Additionally, \$1.5 million went to the World Health Organisation’s (WHO) Contingency Fund for Emergencies to help them quickly mobilise emergency medical support in response to global health crises.

FIGURE 4: NEW ZEALAND'S HUMANITARIAN ASSISTANCE IN 2023-24 BY RESPONSE TYPE

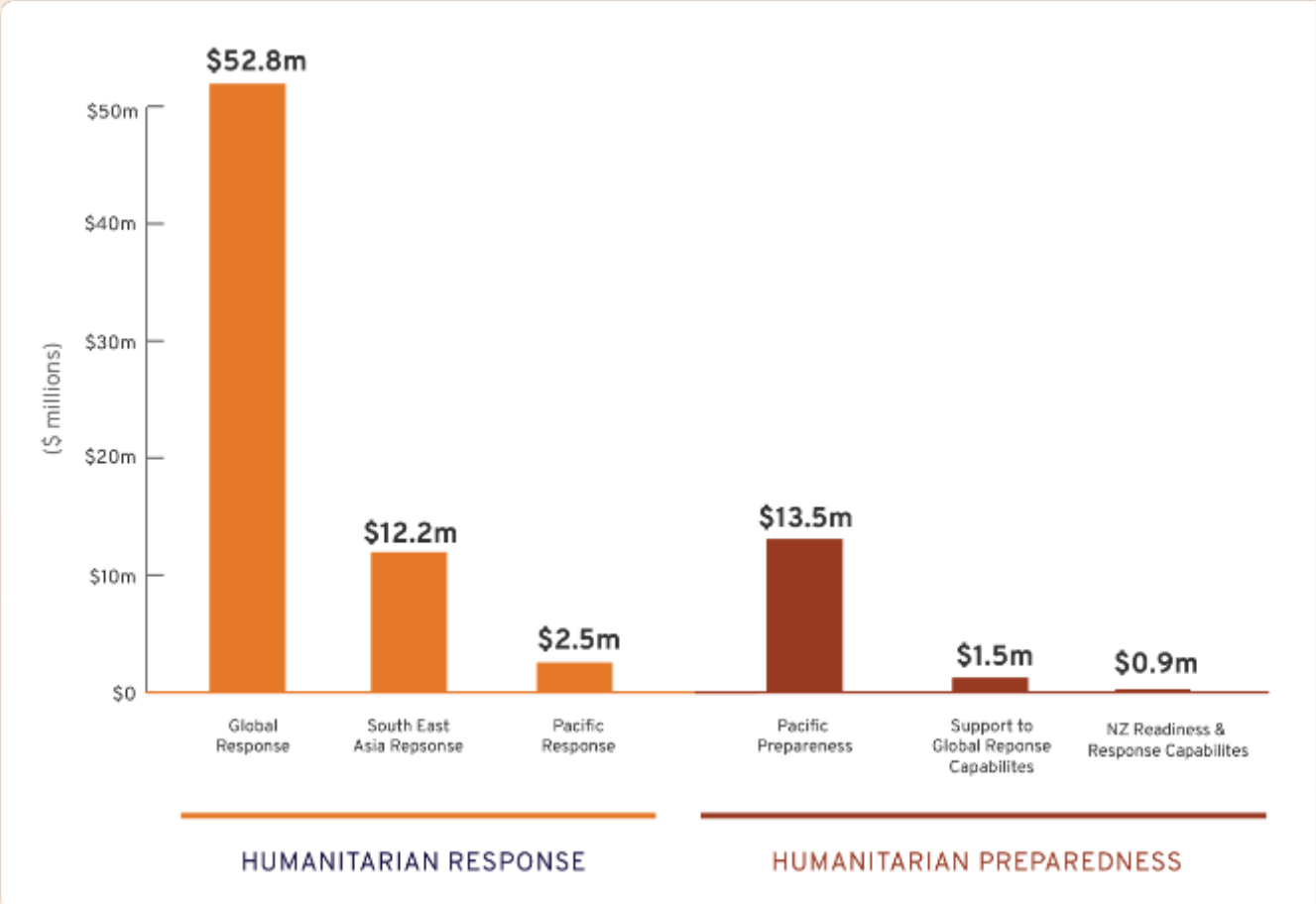


FIGURE 5: HUMANITARIAN ASSISTANCE – PACIFIC & SOUTH EAST ASIA

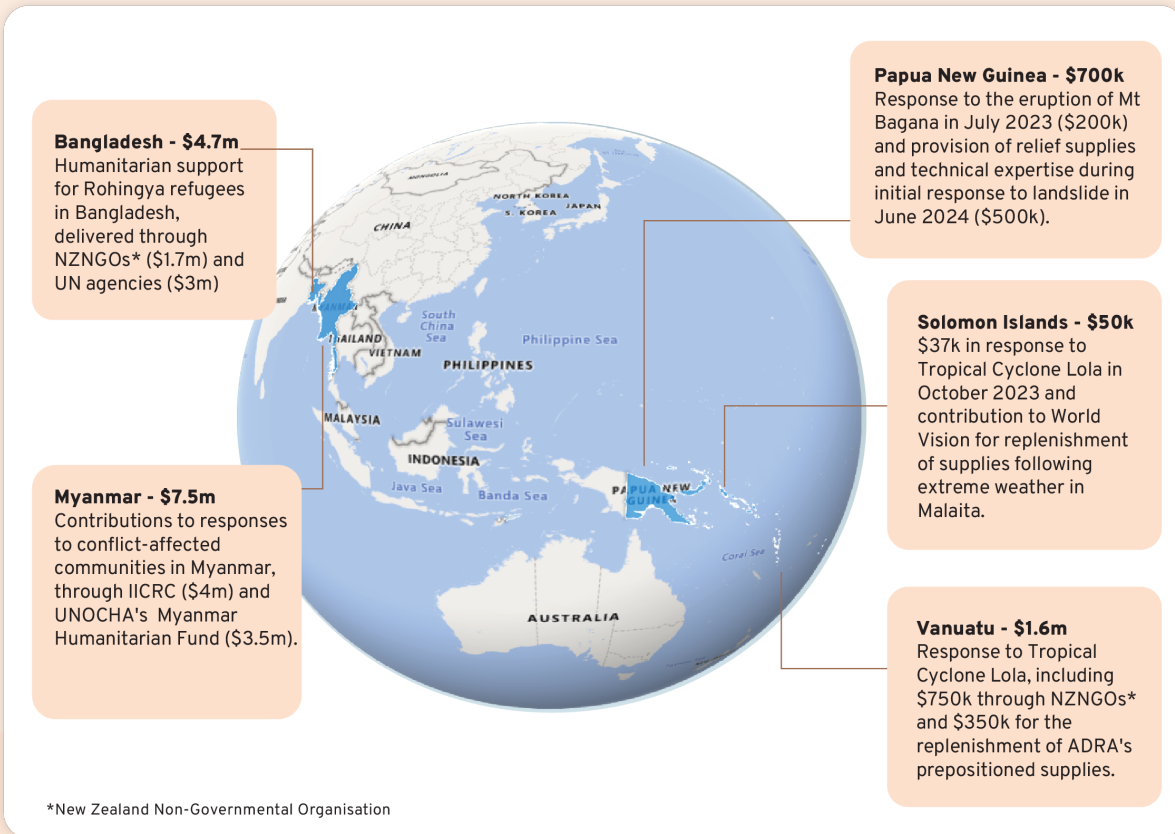
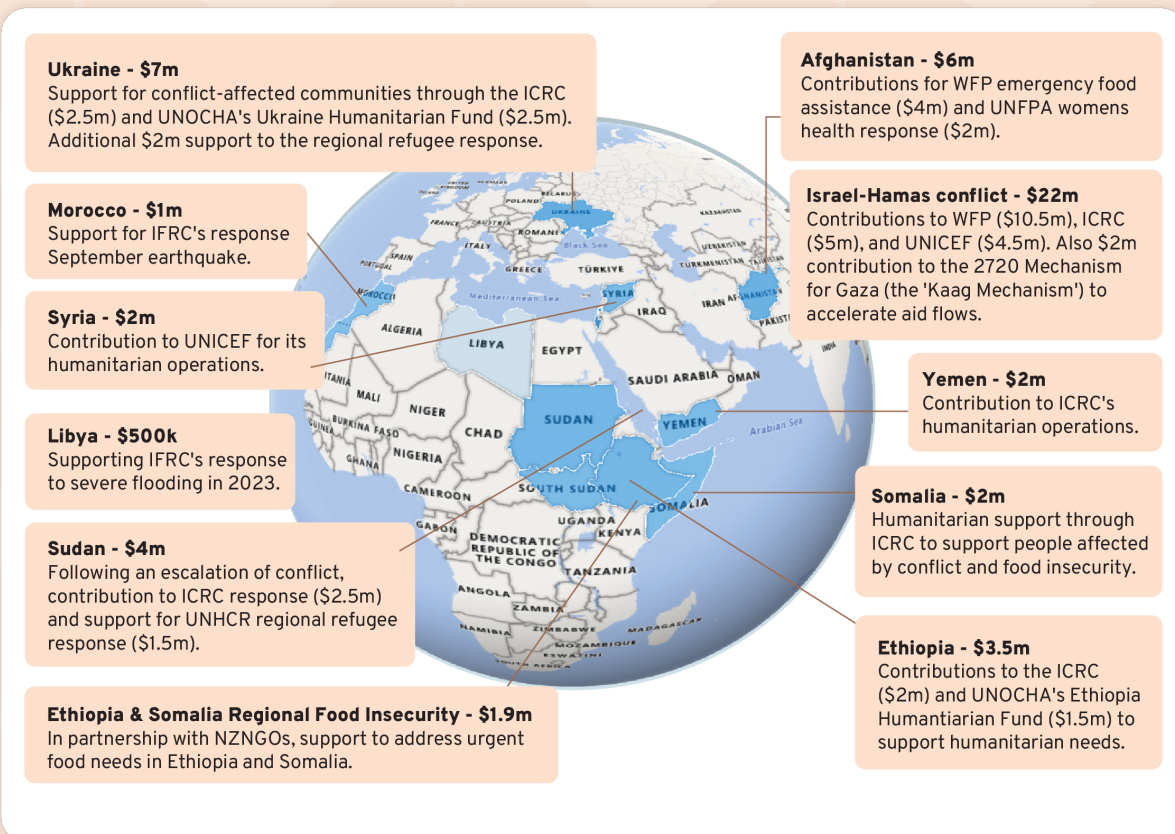


FIGURE 6: HUMANITARIAN ASSISTANCE – REST OF THE WORLD





Enga Province landslide, Papua New Guinea. Credit: New Zealand Forward Planning Team

Highlights from our humanitarian support

Support to the Enga Province landslide response

New Zealand provided humanitarian assistance to Papua New Guinea after a significant landslide struck in Enga Province on 24 May 2024. While the number of estimated fatalities varied, hundreds are thought to have died. Approximately 7,850 individuals were significantly impacted and over 150 structures were destroyed, while up to 90,000 people living in the Porgera area were isolated as a result of the main roadway being cut off.

Following a request for assistance from the Government of Papua New Guinea, the Ministry led a coordinated New Zealand response. A New Zealand Defence Force (NZDF) C-130 transported much needed humanitarian supplies, including mother and infant kits, shelter tool kits, tarpaulins, and family hygiene kits. NZDF also provided logistical support, transporting relief supplies from Port Moresby to the impacted area to help meet the needs of the most adversely impacted people. A team of experts from FENZ deployed to Papua New Guinea and, supported remotely by a team from GNS Science, provided information to the Government of Papua New Guinea to help inform their decisions around the safe management of the landslide site.

The New Zealand response was coordinated with other humanitarian response partners, including Australia, and targeted specific requests to help meet humanitarian needs.

Humanitarian response to the Israel–Hamas Conflict

Following Hamas' terrorist attack on Israel in October 2023, the subsequent Israel–Hamas conflict has led to a severe humanitarian situation in Gaza and the West Bank. Limited access for aid workers, ongoing hostilities and a complex operating environment have constrained the response, and significant threats remain for civilians and responders. As of 30 June 2024, an estimated 38,000 people had died in the conflict (including at least 274 aid workers and around 500 healthcare workers), and around 1.7 million people in Gaza had been displaced (75 percent of its population).

In response to the scale and severity of humanitarian need, New Zealand mobilised \$22 million in assistance during 2023–24. We promptly disbursed an initial \$5 million in mid-October 2023 with further funding tranches announced in November 2023, February, April, and June 2024. Assistance has addressed food insecurity, health, the needs of vulnerable children and protection (including through the promotion of international humanitarian law).

New Zealand's contributions went to the World Food Programme (\$10.5 million), International Committee of the Red Cross (\$5 million), and the United Nations Children's Fund (\$4.5 million). New Zealand also made a \$2 million contribution to the 2720 Mechanism for Gaza, administered by the United Nations Office for Project Services (UNOPs). This was a targeted contribution to help prioritise, accelerate and maximise aid flows into Gaza to help meet urgent needs. The Mechanism is led by the Senior Humanitarian and Reconstruction Coordinator for Gaza pursuant to Security Council Resolution 2720 (2023).

Assisting Vanuatu's response to Tropical Cyclone Lola

In late October 2023, before the official start of the 2023–24 tropical cyclone season, Tropical Cyclone Lola made landfall in Vanuatu.

Following a request for assistance from the Government of Vanuatu, a NZDF P-8 Poseidon conducted an aerial surveillance flight to assess damage and provided images to the Government of Vanuatu to help their response planning. A New Zealand C-130 flight delivered crucial humanitarian supplies including shelter kits, mother and infant kits, water containers, sanitation and hygiene kits, chainsaw kits, and generators. Two personnel from NEMA deployed to assist the Vanuatu National Disaster Management Office with their response plan. Pre-positioned humanitarian relief supplies through New Zealand NGO partner Adventist Development and Relief Agency (ADRA) were released, and the Emergency High Commission Fund enabled a swift response by Vanmel Community Association to food security concerns in the Eastern Province. Three New Zealand non-governmental organisations were provided funding under the New Zealand Disaster Response Partnership to help meet the ongoing relief and early recovery needs of those most impacted.



The Save the Children Health Post supported by the New Zealand Disaster Response Partnership while on a monitoring visit to Rohingya refugee camps in Cox's Bazar, Bangladesh. Credit: Save the Children Bangladesh

Supporting the humanitarian response in Myanmar and Rohingya refugees in Bangladesh

Communities in Myanmar and Rohingya refugees in Bangladesh continued to face significant need in 2023–24. Southeast Asia is the second geographic priority for New Zealand's humanitarian action, following the Pacific. New Zealand has been a regular contributor to humanitarian responses to the protracted Rohingya refugee crises since the serious wave of violence in 2017 that saw hundreds of thousands of Rohingya people driven across the border from Myanmar to Bangladesh.

After six years, almost one million refugees (nearly 80 percent of whom are women and children) live in temporary camps and remain entirely dependent upon humanitarian assistance. New Zealand contributed \$4.7 million to the Rohingya refugee response in 2024, in partnership with the World Food Programme and UN Population Fund, with a particular focus on food security and the needs of women and girls, and to New Zealand NGOs, under the New Zealand Disaster Response Partnership to meet a range of humanitarian needs. Ministry officials engaged with United Nations and NGO partners during a monitoring visit to the refugee camps in 2024 and noted the well-coordinated and effective nature of their responses, despite significant challenges with increasing need and falling total available funding for the response.

Myanmar is experiencing an alarming spike in humanitarian need following surges in conflict since October 2023. Approximately one third of the population (18 million people) now require humanitarian assistance, and more than three million have been internally displaced (up by 50 percent since late 2023). In response to dramatically increasing need, New Zealand contributed \$7.5 million to the Myanmar humanitarian response in 2024. We partnered with the International Committee of the Red Cross which advocates for compliance of international humanitarian law, supports food security, living conditions and the provision of medical assistance, and the Myanmar Humanitarian Fund (managed by the UN Office for the Coordination of Humanitarian Affairs) which is supporting delivery of a range of essential humanitarian assistance provided by multilateral actors and non-government organisations.



Child Clubs in Fiji provide a safe space for children to learn, have fun and develop new skills. Credit: Save the Children New Zealand

Multilateral agencies and partnerships

\$152.8 million

Multilateral Agencies

New Zealand invests financially and diplomatically to strengthen international rules and norms that address global problems, such as poverty, conflict, instability, and climate change, and to strengthen human rights. The Ministry engages with multilateral institutions in policy dialogue and as major implementing partners, and provides core, programme, and project funding to help them deliver global development and humanitarian outcomes. The Ministry focuses engagement where it can have the most impact and add the most value, building on New Zealand's robust and long-standing relationships. Partners include multilateral development banks, UN development and humanitarian organisations, non-government organisations and Commonwealth agencies.

The Ministry works to ensure effective, transparent, and collaborative action focused on development (including sustainable and inclusive social and economic development), peace, human rights, and humanitarian challenges, to deliver results. There is particular interest in delivery by these institutions in the Pacific, and in ensuring that they take fully into account the region's unique needs and vulnerabilities.

New Zealand delivered \$151.95 million in funding to multilateral organisations in 2023–24 and participated in the governance mechanisms of agencies funded. The multilateral development system continues to deliver global development and humanitarian outcomes while operating in the context of funding constraints, unprecedented levels of humanitarian need, negative trends on democratic norms and human rights, and reversals in progress toward SDGs. New Zealand is a valued and influential voice advocating for Pacific priorities, an effective and innovative multilateral system, and principles-driven development.

Highlights from New Zealand’s multilateral development cooperation

UNICEF helps children with disabilities navigate the climate crisis

UNICEF is working to ensure that the most marginalised and vulnerable children, including those with disabilities, can enjoy rights and have a fair chance to realise their full potential. Disability inclusion – a priority for New Zealand – is a cross-cutting priority in the UNICEF Strategic Plan 2022–2025. UNICEF is working with its partners to:

- support planning and policy on climate action, disaster risk reduction and resilience-building
- remove barriers to children and young people with disabilities in policies, services and programmes, including actions on non-discrimination and universal design
- empower individuals with disabilities to reduce their climate and disaster risk
- support actions explicitly targeting children and young people with disabilities, such as improving access to assistive technologies.

In the first two years of UNICEF’s 2022–25 Strategy, it boosted assistive technology provisioning through advocacy, capacity building, screening and identification of needs, and systems strengthening, and reached over 400,000 children with assistive products and supplies, addressing vision, mobility, hearing, incontinence, and digital assistive technology for inclusive education.

Improved coordination in the UN Development System (UNDS) benefits Pacific countries

The UN Secretary General’s report³³ presented at the annual meeting on UNDS Reform reflects increasing satisfaction with UN contribution to results that reflect developing countries’ national priorities, as well as substantial cost-savings. The UN Pacific Strategy Fund (UNPSF), funded by New Zealand, enabled more people to register and access government services, more rural women to improve their economic and political opportunities, and more babies, children, and adolescents to access health and education services. The UNPSF also enabled New Zealand to contribute valuable insights to broader UNDS Reforms.

The UN Council of Regional Organisations in the Pacific (CROP) *Principles of Dialogue and Engagement* reflects the increasing strength and frequency of UN entities’ coordination and collaboration with regional entities. It builds alignment between the United Nation Sustainable Development Cooperation Framework (UNSDCF) and the PIF *2050 Strategy for the Blue Pacific*. Common country assessments and country implementation plans that reflect each Pacific country’s priorities and baselines reflect stronger cross-UN planning and will enable more accurate measuring and reporting of UNDS impact.

Advocating for increased access to finance for Pacific countries

The International Development Association (IDA) and Asian Development Fund (ADF) are key vehicles for the World Bank and Asian Development Bank (ADB) to provide concessional support (technical assistance, policy advice, financing) to the Pacific. In 2023–24, World Bank net financial commitments in the Pacific were US\$258 million, and ADB financial commitments (including co-financing) were US\$308 million. The Pacific also benefits from the World Bank’s Papua New Guinea and Pacific Islands Umbrella Facility, and the ADB’s Pacific Partnership Facility, that provide critical support for World Bank and ADB activities in the Pacific, including project design and implementation.

The World Bank and the ADB have recently introduced policies that recognise the unique challenges facing Pacific Small Island Developing States (SIDS). In late 2023, ADB introduced softer lending terms for SIDS to support efforts to meet infrastructure needs and scale up investment in climate adaptation and disaster risk reduction. The recent Asian Development Fund (ADF14) replenishment included reforms that will increase ADF funding to the Pacific by over 34 percent (2025–28), including increasing grant funding available to address climate change and gender inequality, strengthening the role of vulnerability in funding allocation, and doubling allocation of concessional lending available for the Pacific. New Zealand, Australia and others advocated strongly for these reforms. The ADF14 initiatives build on a series of earlier reforms, including introduction of minimum levels of ADF country allocations, and reclassification of Fiji and the Cook Islands (and the classification of Niue) to be eligible for concessional assistance.

³³ Operational Activities for Development Segment (OAS) report: <https://daccess-ods.un.org/access.nsf/Get?OpenAgent&DS=a/79/72&Langq=E>



Angela, a participant in an agricultural training and savings and loan programme supported by ADRA, has successfully improved the size and productivity of her garden. Credit: ADRA New Zealand

Civil society partnerships

Civil society plays a vital role in achieving sustainable development and resilience in ways that also promote democratic processes, human rights, active citizenship, and a strong sense of community. The IDC Programme supports New Zealand non-government organisations (NGOs) to deliver a range of development outcomes. NGOs, through their local partners, bring strong relationships with local communities, civil society organisations and local authorities to their partnerships with the Ministry. These established networks enable New Zealand's international development cooperation reach to communities and vulnerable and marginalised populations, including in remote and hard to reach places in the Pacific.

In 2023-24, the IDC-funded Partnerships programme worked across 20 countries in the Pacific, South East Asia and other countries, through 29 NGOs and 57 programmes and initiatives. Over the course of the year, NGO partners reported that approximately 190,000 community members were supported in areas including economic resilience, human rights and inclusive development, governance and democracy, climate change, and human development.

Key results reported from New Zealand's partnerships with NGOs

Economic resilience

- In Fiji, over 1,000 farmers from rural communities received agricultural training, and assistance and resources were provided to develop agriculture to a commercial level and support market access. As a result, household income increased, enabling farmers to support children's health and education, invest in farming assets and open savings accounts. *Save the Children New Zealand*
- In Myanmar, support was provided to improve communities' technical capability to access and manage irrigation systems, with 120 additional households gaining access to irrigated water. *ADRA New Zealand*
- In Fiji, 15 survivors of trafficking, exploitation and/or sexual abuse, and 30 vulnerable young women, enrolled in education programmes aimed at building new skills to enable them to pursue new livelihood opportunities. 14 survivors of trafficking, exploitation and/or sexual abuse completed organic gardening training. *TearFund New Zealand*
- In Solomon Islands, Oxfam worked with local partners on women's economic empowerment through financial literacy and small business training, and supported savings and loans groups to improve economic resilience. *Oxfam Aotearoa*

Human development

- In Fiji, school gardens were established in 11 schools and students were educated on nutrition. School kitchens were refurbished, and parents were trained on safe food handling. Surplus vegetables from the school gardens were sold to supplement the lunches with protein or used to purchase school supplies. *Save the Children New Zealand*
- In Timor-Leste and Papua New Guinea, a preventative health training package delivered in targeted communities reached 21,789 people. *Leprosy Mission New Zealand*
- In Fiji, 22 women plumbers and 573 youth plumbers in 11 villages and schools were trained in the construction, operation, and maintenance of water and sanitation infrastructure – a key step to improving community access to safe drinking water, sanitation, and health outcomes. *Rotary World Service International New Zealand*
- 135 eye health outreach events took place in Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, and Vanuatu. These events included training of eye care clinicians, 14,208 patient consultations and 2,110 treatments provided to patients for diabetic retinopathy. *Fred Hollows Foundation New Zealand*

Equity and inclusion

- In Vanuatu, 210 girls in 19 schools gained access to menstrual hygiene management services through the upgrade of school facilities or the distribution of supplies in response to Tropical Cyclones Judy and Kevin. *UNICEF Aotearoa New Zealand*
- In Laos, six villages were supported to develop action plans that incorporate disability inclusion development to ensure the removal of barriers to, and increase participation of, peoples with disabilities. *CBM New Zealand*
- In Hog Harbour (Vanuatu) and Barema (Papua New Guinea) rainwater harvesting systems were completed, providing tap stands near homes. Women and girls have expressed feeling safer as they no longer have to walk long distances to cart water, shower and do washing, and communities are benefiting from better access to water for drinking and sanitation. *ADRA New Zealand*
- In the Cook Islands, a VSA volunteer developed evidence-based speech therapy programmes and resources to help teachers and parents communicate with non-verbal students. Resources were shared with other schools and families, and training delivered to communities through the Autism Association. *Volunteer Service Abroad*

Climate change, Disaster risk reduction and Environment

- In Samoa, 161 people trained in safe shelter awareness, and went on to participate in Build Back Safer training. They will become champions for resilient housing in their communities. Six climate and disaster resilient evacuation shelters were also completed for use by communities when disasters occur. *Habitat for Humanity New Zealand*
- To mitigate impacts of drought and saltwater intrusion, young people in Kiribati have been trained in backyard gardening to ensure a supply of fresh produce. *Childfund New Zealand*
- In Papua New Guinea, gravity-fed water systems were installed in five Henganofi communities to improve community resilience and access to clean water, benefiting over 4,200 people. *Oxfam Aotearoa*
- In Fiji, a comprehensive network of Caritas disaster preparedness committees has been established, with members drawn from representatives from each community. Representatives received disaster risk reduction training and access to resources, including in the areas of food and water security, risk reduction and relief, and psycho-social support. *Caritas New Zealand*

Enhanced child well-being in the Solomon Islands

The Ministry partners with World Vision in the Pacific and South East Asia to enhance child wellbeing, with a focus on safeguarding children from violence and exploitation, improving nutritional outcomes, and advancing the livelihoods and resilience of households to better meet the needs of children.

As part of this programme, World Vision works with youth groups in Solomon Islands and Papua New Guinea to build their financial management and agri-business skills, including providing support to put these skills into action. This has allowed young people to be more financially independent while also improving food security for their communities.

In the Solomon Islands, a group of young people from Diula have started a coconut oil milling enterprise, following a year of work repairing a rundown coconut crushing mill. They identified Kokonut Pacific Solomon Islands as a buyer for their virgin coconut oil products and have officially registered with this organisation to ensure ongoing market access.

The group has produced 11 barrels of virgin coconut oil and filled an additional order of 15 barrels that are ready to be shipped. They are

also selling copra cake (a waste product from processed coconut meat) as pig feed.

The young people in Diula are developing other business projects, including selling fresh produce and managing livestock.



Crissna, from Diula youth group, crushing coconut for virgin oil. Credit: World Vision Solomon Islands

Outstanding educational results in Nepal



Khumjung Secondary School in Nepal. Credit: Himalayan Trust

New Zealand has a long-standing partnership with the Himalayan Trust New Zealand to improve teaching and learning outcomes in the Solukhumbu district in Nepal.

The Quality Education in Solukhumbu programme, delivered in partnership with the Himalayan Trust Nepal, works with 108 schools

to improve literacy and wider education outcomes, support teacher training, improve school infrastructure and provide scholarships for students.

Khumjung School started as a two-room 'schoolhouse in the clouds' and was the first classroom in the Khumbu Sir Edmund Hillary built with family and friends in 1961. The Himalayan Trust has supported and equipped the Khumjung school ever since.

In Nepal's 2024 Secondary Education Examination results, Khumjung Secondary School was positioned as the top performing school in Solukhumbu district with a 100 percent examination pass rate.

The Solukhumbu district had a pass rate of 87 percent (compared to the nationwide pass rate of 48 percent), with Solukhumbu being among the top performing rural districts in Nepal.



Brewing happiness in a cup - villagers of Kapolong Village in Banz, Jiwaka Province, Papua New Guinea, savour the experience of crafting their own ground coffee for the first time. The Pacific Horticultural and Agricultural Market Access Plus (PHAMA Plus) Program, supported by Australia and New Zealand, aims to contribute to inclusive economic growth and improved livelihoods for Pacific people. Credit: PHAMA Plus Program

Pacific development cooperation \$752.73 million

New Zealand's home and heart is in the Pacific. Our engagement in the Pacific is partner-led, supporting each country's determination to chart its own development path, with a shared commitment to the Sustainable Development Goals.



North Pacific

TOTAL SPEND: \$14.9m

Under the Managing Water Scarcity programme, drinking water stations were constructed in six schools in the Marshall Islands, improving access to clean water supply for around 2,000 students, and to the wider community as part of disaster response planning.



Nauru

TOTAL SPEND: \$6.2m

Under the Nauru Accountable and Inclusive Governance programme, MPs launched Parliament's first community engagement strategy and official Facebook page, new video conferencing facilities were installed for livestreaming parliament sittings; and civic education events were held with schools and the public to increase public understanding of democracy and elections.



Papua New Guinea

TOTAL SPEND: \$62.6m

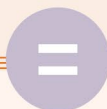
43,000 individuals were provided with healthcare or healthcare education through the Mission Aviation Fellowship, including 19,003 children who received immunisations (an increase of 525% on the predicted outcome).



Vanuatu

TOTAL SPEND: \$55.1m

Six new Community Safety Teams were established as part of the Vanuatu Policing Programme, making a total of 10 CSTs across Vanuatu's provinces and enhancing those communities' access to justice. The Southeast Tanna team, with the support of local chiefs, selected two of its female members to be its Team Leaders.



Fiji

TOTAL SPEND: \$66.9m

Empower Pacific delivered psycho-social support for people facing issues such as mental health, substance abuse, domestic violence or financial distress to 1,327 people via a toll-free counselling helpline and a further 617 individuals through hospital-based and community-based counselling.



Tonga

TOTAL SPEND: \$60.1m

Through the Tonga Justice Sector Support Programme, a Youth Diversion Scheme was developed, and Cabinet approved the associated Youth Justice Bill - to be tabled for consideration in Parliament this year. Training on youth was also provided to Magistrates, covering aspects of the Youth Justice Bill, the Youth



Niue

TOTAL SPEND: \$38.7m

Resurfacing of Hanan International Airport completed, extending the life of the runway by 25+ years and supporting increased tourism and greater connectivity for Niuean's. 12 local workers were employed and upskilled through the

Pacific impacts



Solomon Islands

TOTAL SPEND: \$61.5m

Education infrastructure projects including classrooms, student dormitories, ablution blocks, dining hall, kitchens and a science laboratory were completed, benefiting 2,419 students.



Kiribati

TOTAL SPEND: \$52.3m

A new curriculum for the Kiribati School of Nursing and Health's Advance Diploma of Nursing was launched, following three years of curriculum development supported by New Zealand. The first cohort graduated in mid-2024.

NORTH PACIFIC RMI

FSM

PALAU

NAURU

PAPUA
NEW
GUINEA

KIRIBATI

SOLOMON ISLANDS
TUVALU

▲ TOKELAU

VANUATU

FIJI

SAMOA

NEW
CALEDONIA

NIUE

TONGA COOK ISLANDS



Cook Islands

TOTAL SPEND: \$23.5m

Rat eradication completed as part of the Pacific Regional Invasive Species Management Support Service on Palmerston Atoll (Cook Islands) has led to regenerating ecosystems, increased bird populations and improved crop growth for the community.



Samoa

TOTAL SPEND: \$66.6m

The National University of Samoa (NUS) celebrated the launch of its Bachelor of Health Science programme, with an initial cohort of 17 students. The programme will be delivered with New Zealand support, to strengthen Samoa's primary care and allied health workforce.



Tuvalu

TOTAL SPEND: \$41.9m

Through the Tuvalu Fisheries Support Programme, the Tuvalu Fisheries Department trained community Fisheries Officers, constructed a mariculture hatchery and a freezer room, transitioned to an electronic data collection system, and repaired two fisheries vessels.



Tokelau

TOTAL SPEND: \$23.9m

Tokelau continued roll out of NCEA Level 1 and 2. 100% of students gained their 20 literacy and numeracy credits, and 58% of NCEA Level 1* ākongā achieved that qualification (just below the average achievement pass rate of 60.9% in New Zealand).



Landing Tokelau's first international subsea cable onto Atafu, Tokelau's northernmost atoll. The international cable went live in September 2023 across all three atolls, with services operated by Teletok, Tokelau's telecommunications provider. Tokelauan communities now have significantly improved international and inter-atoll internet connectivity at a lower cost, and with greater availability and reliability. Credit: McCann Consulting Ltd, 2022

Supporting Pacific regionalism

A strong regional architecture – owned and supported by all Pacific countries – enables the Pacific region to deliver its own solutions to priority regional challenges and take advantage of strategic opportunities. New Zealand's partnership approach with the Pacific is facilitative and consultative, so we can support our Pacific partners bilaterally, regionally and multilaterally to achieve outcomes that are regionally-owned.

Our strength and success as a region relies on Pacific countries acting together to secure the future of our Blue Pacific Continent. The PIF 2050 Strategy guides how Pacific countries will work together to secure the region's future against the challenges of today, and the coming decades, to achieve a resilient, secure, and prosperous region.

New Zealand is guided by, and will support implementation of, the 2050 Strategy. Key to this support is our role as a member and funder of Pacific regional agencies. These intergovernmental organisations apply their technical and policy capacity, established programmes and relationships, and deep knowledge of the region to support Pacific countries to strengthen their resilience, rebuild from the impacts of COVID-19, and achieve the SDGs.

New Zealand's core funding to these organisations supports them to deliver on their work programmes and strategic priorities in line with the 2050 Strategy. In **2023–24 the IDC Programme provided \$30.5 million** in core contributions to seven Pacific regional agencies. Key achievements from each agency are set out over the page.

Results from Pacific Regional Agencies

Pacific Islands Forum Secretariat (PIFS)

Coordinator for implementation of Pacific Leaders' decisions, including policy advice on regional economic growth, political governance, and security.

Key achievements in 2023–24:

- Worked with Member countries to develop the *2050 Strategy for the Blue Pacific Continent Implementation Plan Phase I* (to 2030), and the Pacific Regional Framework on Climate Mobility – both of which were endorsed at the 52nd PIF Leaders Meeting in November 2023.
- Submitted a written statement to the International Court of Justice on the question of Obligations of States in respect of Climate Change – the first time the Secretariat has participated in a proceeding of the World Court. The PIFS statement focuses on agreed regional collective positions, to date, on the issue of climate change related sea-level rise.

The Pacific Community (SPC)

Scientific and technical services to Pacific countries in agriculture, public health, geosciences, fisheries, statistics, educational assessment, disaster risk reduction, transport, energy, climate change, gender, youth, and human rights.

Key achievements in 2023–24:

- Developed foundational infrastructure for Digital Earth Pacific, including decision-ready tools covering all Pacific countries for coastline changes, mangrove ecosystems, and water resources. This will allow for identification of areas for granular exploration, targeted humanitarian assistance following disasters, and tracking the impacts of climate change and disasters.
- SPC's Pacific Community Centre for Ocean Science successfully secured the role as regional coordinating centre for the UN Decade of Ocean Science for Sustainable Development.

University of the South Pacific (USP)

Research institute and the Pacific region's primary provider of tertiary education, including distance and flexible learning.

Key achievements in 2023–24:

- Eduniversal Best Masters Ranking 2024 ranked USP's Master of Science in Climate Change programme ninth in the Energy and Natural Resources category for Oceania, and ranked the Master of Business Administration programme fourth in the Executive MBA category in Oceania.
- USP launched the Tupu/Tubu programme which focuses on building teacher capacity to create an enabling, supportive, and inclusive environment for learning that caters to the needs of children in the Cook Islands, Fiji, Niue, Tonga, and Vanuatu.

Forum Fisheries Agency (FFA)

Advice and services to enable Pacific countries to maximise economic and social benefits from the sustainable management of their tuna fisheries.

Key achievements in 2023–24:

- PIF Fisheries Committee Ministers endorsed FFA's *Climate Change Strategy*, that reflects a targeted effort to reduce climate impacts on a key shared resource through regional cooperation. Fisheries Ministers also endorsed the *Principles for FFA Engagement in Regional Tuna Fisheries Project Partnerships with Donors*. These principles for working with donors emphasise the importance of inclusivity, and that the FFA will ensure all SIDS members are treated equally and have equitable access to funds.
- The inaugural Development Partner Symposium brought members and development partners (including New Zealand, the European Union, the United States, Canada, Indonesia, and Japan) together to identify priority areas for strengthened cooperation and coordination of efforts.

Secretariat for the Pacific Regional Environment Programme (SPREP)

Technical and policy assistance on environmental issues, such as climate change, biodiversity and ecosystem management, waste management, and pollution control.

Key achievements in 2023–24:

- SPREP's Pacific Meteorological Council commenced delivery of the Weather Ready Pacific (WRP) programme that aims to improve delivery of information to communities by modernising national meteorological services and increasing coordination with national disaster management offices. WRP has developed into an initiative supported by New Zealand, Australia, Japan, the UK, and multi-donor funds, with UN agencies identifying it as the vehicle to deliver the United Nations' Early Warning for All initiative in the region.
- SPREP was chosen as the Oceania Regional Centre for Technical and Scientific Cooperation for the implementation of the Kunming-Montreal Global Biodiversity Framework based on its demonstrated ability to provide technical advice and support, and its experience and expertise in implementing the Convention on Biological Diversity and its protocols.

Pacific Aviation Safety Office (PASO)

Aviation safety and security services to the Pacific.

Key achievements in 2023–24:

- PASO and SPREP signed a Memorandum of Cooperation that signifies a standing commitment to foster greater cooperation to advance aviation development and environment protection and sustainability in line with the *2050 Strategy for the Blue Pacific Continent*.

Pacific Tourism Organisation (SPTO)

Regional tourism sector umbrella organisation focused on destination marketing and sustainable development, data, and statistics.

Key achievements in 2023–24:

- The Pacific Sustainable Tourism Standards programme launched in October 2023 in Tahiti, with 19 member countries becoming signatories to the Pacific Sustainable Tourism Leaders' Statement of Commitment.
- Under SPTO's Digital Transformation Programme, by December 2023, 10 out of 21 SPTO member countries adopted recommendations for adopting software solutions aimed at enhancing the efficiency of national tourism offices despite limited resources.

FOREIGN AFFAIRS, DEFENCE AND TRADE COMMITTEE (FADTC) INQUIRY INTO ILLEGAL, UNREPORTED AND UNREGULATED (IUU) FISHING IN THE SOUTHERN AND PACIFIC OCEANS

The Ministry supported the Foreign Affairs, Defence and Trade Committee (FADTC) Inquiry into illegal, unreported, and unregulated (IUU) fishing in the Southern and Pacific Oceans, and the Government's Response to the report. This work, which took place between 2021 and 2024, provides direction to, and strengthens, New Zealand's all-of-government efforts to combat IUU fishing in the region.

IUU fishing is a global and regional threat to fisheries sustainability, ocean ecosystems and endangered marine wildlife, coastal livelihoods, maritime security, food security and economic stability. It undermines sustainable fisheries management and disadvantages legitimate fishing operators. IUU fishing poses a range of threats to New Zealand interests in the Southern and Pacific Oceans and to the stability of economies, societies, and the marine environment in the region.

The Committee's recommendations to enhance capacity-building and regional cooperation in the Pacific, as well as dialogue with Pacific fisheries partners about regional technological needs, span the responsibilities of the Ministry, New Zealand Defence Force and Ministry of Primary Industries.

New Zealand's IDC Programme is supporting much of the Ministry's work in this space. Input into the inquiry has refocused our IDC contribution to the FFA Regional Fisheries Surveillance Centre (RFSC) and consolidated a platform for stronger collaboration with both FFA members and current and potential development partners.

See case study Targeting illegal, unreported, and unregulated fishing in the North Pacific, page 247, on New Zealand's support for the Marshall Islands Marine Resources Authority's work in ensuring their operations limit the risks of IUU fishing.



Opening ceremony for the new Tonga Pharmaceutical & Medical Facility, that provides improved access to essential medicines across Tonga and enhanced capacity to respond to health crises. The warehouse is strategically located in a flood-free zone with minimal tsunami risk. Funding for the construction of the Facility was included as part of New Zealand's support for Tonga's COVID-19 priorities and response and supported the sector through engagement of local companies for all aspects of the project, including design, construction, and finishing. Credit: Sonya Peters, MFAT

Highlights from New Zealand's development cooperation in the Pacific

Support to strengthen economic resilience helps i-Kiribati prosper

Budget support to Pacific governments has become an increasingly important instrument in the context of a partnership-based approach to development assistance. Compared to traditional modes of development cooperation delivery, it can build greater country ownership, promote better alignment with national development strategies, reduce transaction costs (for both the development partner and the recipient), and enhance development partner coordination. New Zealand has provided long standing economic reform and budget support to Kiribati to strengthen economic resilience through effective and sustainable public financial management.

New Zealand, Australia, the European Union, World Bank, and Asian Development Bank are members of the Government of Kiribati's multi-donor Economic Reform Taskforce (ERT), alongside the government's key economic ministries (Finance, Fisheries, Commerce, and Transport/Communications) and the Cabinet Office. Each year the ERT agrees on priority fiscal and structural reform aims across an agreed set of Policy Action Areas.

The Government of Kiribati achieved good progress on the ERT 2023 Policy Actions, including revising the *Fisheries Act (Amendment 2021)* so that prosecutions are consistent with *Article 73 of the United Nations Convention on the Law of the Sea*, and updating the *Fisheries (Protection of Bonefish on Kiritimati) Regulations 2008*. Based on this progress, in January 2024, New Zealand disbursed \$2.75 million in budget support to the Government of Kiribati.

Following these changes, there is evidence that fisheries are recovering. Other progress includes steps to computerise the public finance management cycle, increase revenue mobilisation through reforms to tax administration, and create efficiencies in expenditure through strengthening administration of social welfare payments.

In addition to general budget support, New Zealand also assists the Government of Kiribati achieve results in ERT Policy Action areas through targeted projects such as support for state-owned enterprise performance. New Zealand provides co-finance to the Asian Development Bank for public financial management technical assistance specifically in state-owned enterprise reform. New Zealand's technical assistance has been instrumental in supporting improved systems to drive better compliance. In 2023, all Kiribati SOEs submitted financial reports to the government.

Strengthening visibility, voice and representation in agriculture

With support from New Zealand-funded PHAMA Plus³⁴, Road King Farms on Taveuni Island in Fiji has invested in new facilities, which were finished in 2023. The new facilities include workers' accommodation for women staff who process taro for export. About 70 percent of the women working at Road King Farms are from the neighbouring island of Vanua Levu, travelling to Taveuni for work. Previously, these women did not have access to safe and secure accommodation, limiting the time they would stay in Taveuni to work. The accommodation offers convenience, safety, cost-savings, improved wellbeing, and an opportunity for communal living while in Taveuni. This is beneficial for most of the women workers who are away from their families and friends. Road King Farms benefits from the women living on-site while working, as there is less time and energy wasted in commuting, and it ensures a safe and secure workplace for their staff.

These initiatives are expected to lead to increased productivity and efficiency. It will also help Road King Farms to attract and retain skilled workers who may not be able to afford housing in expensive or remote locations in Taveuni and Vanua Levu. The accommodation can be a vital factor in retaining employees, helping them avoid the stress of finding suitable housing, and providing safe accommodation and working conditions.

In the next year PHAMA Plus will further support Road King Farms by carrying out awareness training and supporting them to develop a workplace policy, which will include a gender-based violence component.

Consolidation of the laws of the Cook Islands

In 2023–24, New Zealand completed a project to strengthen the rule of law in the Cook Islands by ensuring legislators, legal practitioners, scholars and the public have easy and free access to the consolidated legislation of the Cook Islands. Jointly delivered by the New Zealand Crown Law Office and Parliamentary Services, the project resulted in the creation of a reliable legislative database, that:

- supports fair and democratic implementation of laws
- promotes transparency and global accessibility of legal resources
- contains the most up-to-date legislation, including amendments and repeals
- is readily available, and free to access, online at <https://cookislandslaws.gov.ck/>.

An audit identified 256 Principal Acts, an estimated 12,200 pages of legislation for conversion, and 21,000 output pages for publication. A custom website was built to provide a comprehensive legal database, and looseleaf and bound volumes of the consolidated legislation were published. The Consolidation of Laws was officially launched and blessed on 24 June 2024 in a ceremony at the Cook Islands Parliament.

³⁴ The Pacific Horticultural and Agricultural Market Access Program or PHAMA Plus provides practical and targeted assistance to help Pacific countries manage regulatory aspects associated with exporting primary and value-added products.

New Zealand Medical Treatment Scheme demonstrates impact in the Pacific

The New Zealand Medical Treatment Scheme (NZMTS) is one of the Ministry's longest running health programmes, in operation for over 30 years, providing access to specialist and life-saving medical and surgical treatment overseas and in-country, health system capacity support – through workforce development – and the provision of medical equipment. The participating countries are Fiji, Kiribati, Samoa, Tonga, Tuvalu, and Vanuatu.

Our implementing partner, Pasifika Medical Association Group (PMAG), has successfully delivered the first year of the new phase of the Scheme (\$20 million, 2022–2027). Key achievements in 2023 include:

- Under the *Overseas Referral Scheme (ORS)*, 136 referrals were received and 47 patients were treated (including 14 children). 20 received treatment in New Zealand, 23 in Fiji, and 4 were managed in-country with remote support from specialists overseas.
- *Visiting Medical Specialists (VMS)* helped address a backlog of specialist treatment needs accumulated during the pandemic. 30 medical specialist visits were completed, involving 74 health professionals, across specialities including cardiology, gynaecology, urology, paediatric surgery, and orthopaedics. 976 patients were seen in-country, with 271 receiving surgeries from visiting medical teams. 194 in-country health professionals were trained during these visits.
- Under the *Strengthening Country Capacity (SCC) component*, 57 healthcare professionals attended short-term training overseas, including for endoscopy and emergency medicine. 186 attended in-country training, including Pacific Emergency Nurses training and Pacific Emergency Maternal & Neonatal training.



The Pasifika Medical Association deployed a Paediatric Surgical Team of specialists to Vaiola Hospital in Nuku'alofa, Tonga, providing specialist surgical support under the New Zealand Medical Treatment Scheme. The visiting medical team were based at the hospital for a week, with PMAG President, Dr Kiki Maoate ONZM FRACS, leading the team in

Pacific remitters empowered to choose

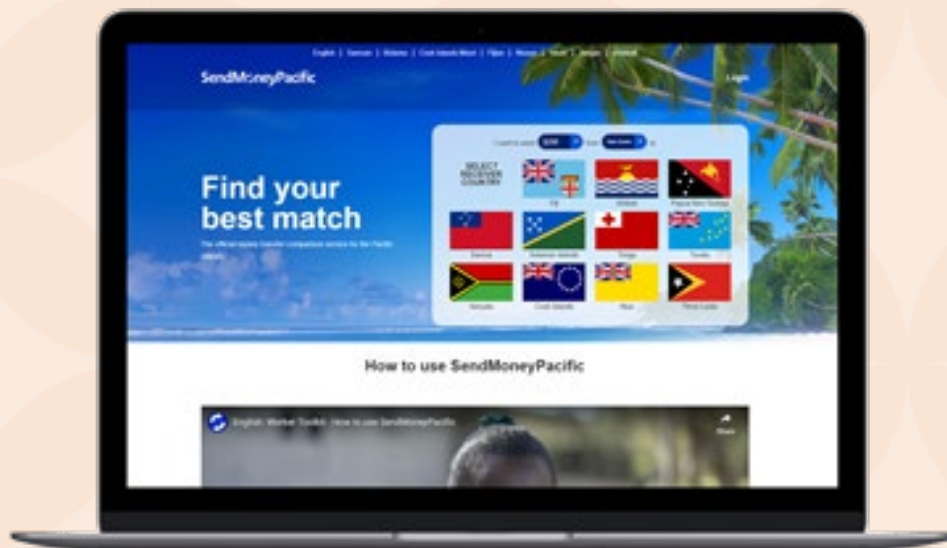
Over the past 20 years, the value of remittances sent to Pacific countries has grown to reach US\$1.16 billion (2022). These remittances make up a significant portion of the national economy in some Pacific countries, with rates as high as 46.5 percent of GDP in Tonga. At the same time, the Pacific remains one of the most expensive remittance corridors in the world. The average cost of sending money to the Pacific is 8.6 percent compared to a global average cost of 6.25 percent. The high cost of formal remittances reduces the amount of money received by Pacific countries and incentivises people to use informal, high-risk channels, such as carrying cash across the border.

In response, New Zealand has partnered with Australia to implement the Empowering Migrants through Pacific Remittances programme, that enables people in Australia and New Zealand sending money to Pacific Island countries to select providers that best suit their needs and maximise the value of remittances sent to Pacific households.

The four year programme ultimately aims to equip those remitting to compare and change providers, creating pressure for a more equitable remittance service market. Initial focus has been on:

- improving digital literacy, including how to use the **SendMoneyPacific** website and app that allows remitters to compare different options for sending money from Australia and New Zealand to 10 Pacific countries and Timor-Leste
- building remittance literacy through in-culture and in-language content and educational videos – including a worker toolkit with dedicated information for Pacific seasonal workers.

As of June 2024, users had performed 71,682 rate comparisons across the SMP app and website. Rate comparison trend data suggests that SMP users are demonstrating increasing remittance literacy and awareness of total costs associated with sending money home. Users are increasingly opting for newer, cost-effective services like Remitly and Wantok Money, indicating a trend towards cost-saving behaviour. This trend underscores the importance of offering transparent pricing information.



<https://sendmoneypacific.org/> Credit: CulturalPulse and SendMoneyPacific



Sylvie Boulekouran, Biosecurity Vanuatu, showing Coconut Rhinoceros Beetle found in traps funded as part of the Pacific Response to Coconut Rhinoceros Beetle. Credit: Tanya Robinson, MFAT

Breakthroughs in Pacific biodiversity response

Coconut Rhinoceros Beetle (CRB) is a major pest of coconut and oil palm and invasions of a new strain of beetle have been spreading rapidly, centred on Melanesia. The Ministry has led the response to this new threat with an initiative combining biocontrol and biosecurity interventions. The *Pacific Response to Coconut Rhinoceros Beetle Programme* is implemented by three main delivery partners (AgResearch, SPC's Land Resources Division and the Solomon Islands Ministry of Agriculture and Livestock) and six local government and industry delivery agencies across Papua New Guinea, Solomon Islands, and Vanuatu.

A recent evaluation assessed programme effectiveness and provided valuable input for future direction and funding. While COVID-19 lockdowns and travel restrictions meant that the programme could only partially limit the spread of CRB, it did find success in the commercial oil palm sector, where it helped to dramatically reduce the damage caused by the beetle, contributing to the viability of oil palm plantations.

Programme achievements include:

- Significant breakthroughs, including two novel biocontrol agents – one that will likely be effective for use against most Melanesian beetle populations, and another that offers ongoing management of outbreak populations. Should further testing confirm their efficacy, then this will not only combat current outbreaks of CRB in the Pacific but prevent its further global spread.
- A Papua New Guinea isolated strain has proven effective on the Port Moresby CRB population and will be tested further in before potential field releases in 2024.
- In Vanuatu, palms are showing signs of recovery in areas where the virus was released, with local farmers recognising the change and asking for virus to be introduced nearby.
- Field-tests of strains of a known fungus biocontrol agent is showing infectivity of up to 100 metres from initial inoculation point. A larger scale trial has been conducted in Solomon Islands and Papua New Guinea to test feasibility for commercial application.
- Partnerships for fieldwork in Papua New Guinea, Vanuatu and Solomon Islands have magnified reach into coconut growing regions, and enabled local capacity-building, ownership of the outcomes and a more coordinated approach to action plans and budgeting.



Niue Media Workshop Kids Art session. Credit: Big hART

Storytime and Play in Niue

Early Childhood Education (ECE) and indigenous knowledge, culture, and language were declared priorities in the 2023 outcome statement of the Conference for Pacific Education Ministers. ECE has been proven to positively impact academic achievement, health, and productivity over the long term. Oral traditions are an important way of maintaining Pacific cultures, values, and languages and for passing down knowledge, wisdom, and stories. Media plays a pivotal role in supporting and preserving these traditions.

Niue has been involved in the Storytime and Play Children’s Media pilot, along with Samoa and Solomon Islands. This media and early childhood education initiative is being implemented by Plan International Australia. It has produced culturally relevant, high-quality, age-appropriate media content that promotes the value of learning through play and storytelling by engaging children and their caregivers in play hubs. The project has captured, archived, and utilised traditional stories based on oral narratives

shared by elders in Vagahau Niue. Stories for the new episodes have been selected to be relevant to Niuean children, such as well-known children’s legends, real life experiences, and everyday learning components.

All materials have been developed to complement existing education ministry or department content and include direct inputs from education officials. In all three countries, the first phase produced ten 30-minute radio episodes, and the second and current phase will produce ten TV episodes.

To date, there have been 125,968 website visits to view media stories and access resources. Across the three countries, 385 children and 503 parents and caregivers were reached, and 48 community members were trained to deliver Play Hubs in their communities.



Right: Children’s stories showcasing Pacific culture and language were developed with artists, content creators, elders, educators, parents, and caregivers in Niue, Samoa, and Solomon Islands – who are now collaborating to create the first ever local children’s TV series in each country. Pacific Storytime and Play App, 2024. Credit: Plan Australia



SIACL Aircraft Rescue and Fire Fighting crew with their new firefighting protective equipment and upgraded fire engine. Credit: Joe McCarter, MFAT

Solomon Islands aviation sector supported

Solomon Islands’ aviation sector is on a steady improvement trajectory, with New Zealand as lead partner for more than a decade. New Zealand’s support ensures that airline and domestic airfield operations will be safer, more reliable and contribute to provincial connectivity. Tourism industry and wider economic growth, access to essential services, and more equitable development across provinces are expected in the medium term.

In 2023–24, significant results included:

- Completion of two airstrip upgrades in Taro (Choiseul) and Seghe (Western Province) under the Provincial Airfield Upgrade programme to facilitate landing Dash-8s (Solomon Airlines’ largest and fastest domestic aircraft). The construction effort led to the creation of 36 local jobs in small communities.
- Successful transfer of airport ownership from Government of Solomon Islands to a new state-owned enterprise – Solomon Islands Airport Corporation Limited (SIACL), with substantial governance and technical support from New Zealand. SIACL now operates all previously government-owned airfields in Solomon Islands, and is focused on improving asset maintenance, revenue generation and long-term planning.

- Upgrading and repairing two Honiara Airport fire trucks, providing essential protective equipment, and advanced fire rescue training and capacity development for firefighting crews at Honiara, Henderson, and Munda airports. This has significantly improved overall airport safety and operational readiness.
- Updating our bilateral Air Services Agreement with Government of Solomon Islands to an ‘open skies’ agreement that improves freedom of air services on routes between our countries. Solomon Airlines has already provided additional flights to New Zealand.



Seghe Airfield. Credit: Downer

Women's empowerment in Nauru

Since 2021, New Zealand (alongside Australia) has contributed to the United Nations Development Programme's (UNDP) *Nauru Accountable and Inclusive Governance Project*, supporting elections, women's political empowerment and participation, and Nauru's Parliament. A key area of support is promoting gender equality through strategic alliances with women's associations and civil society organisations across the Pacific.

Founded in 2018, the Women's Empowerment Nauru Association (WENA), initially operated without a formal status. In 2023, with support from UNDP, WENA formalised its constitution and achieved official registration as a civil society organisation, making it Nauru's first officially registered, women's-led civil society organisation. This status will help strengthen Nauru's engagement in regional forums and women's access to grant funding from international donors. WENA's strategic plan covers areas such as gender-based violence, navigating challenges for women in electoral campaigns and parliamentary roles, and dismantling patriarchal structures.

WENA recently joined hands with the Fiji Women's Crisis Centre (FWCC) to conduct community awareness and civil society engagement on sexual and gender-based violence and women's rights in Nauru. The partnership between WENA and FWCC strengthens local capacity and nurtures a supportive environment crucial for advancing women's leadership and addressing prevalent issues such as gender-based violence. The collaboration, facilitated by the *Nauru Accountable and Inclusive Governance Project*, has been instrumental in establishing WENA as a key player in promoting women's rights in Nauru, supported by enhanced skills and resources garnered through this partnership.

The training sessions with FWCC attracted both men and women from the community and civil society organisations, demonstrating a keen interest and commitment from the community to engage with issues of gender equality and gender-based violence.



Women's Empowerment Nauru Association during their August 2023 study tour to Fiji. Credit: UNDP



MIMRA Fisheries Officer preparing to board a carrier as part of its 100% inspection Port State Measures target. Credit: @franciscoblaha

Targeting illegal, unreported, and unregulated fishing in the North Pacific

Over the last decade Majuro (Republic of the Marshall Islands) has developed into the busiest tuna transshipment port in the world. New Zealand's support to the Marshall Islands Marine Resources Authority (MIMRA) helps them to ensure operations limit the risks of illegal, unreported, and unregulated (IUU) fishing.

As a result of their efforts, in 2023 MIMRA was awarded the 'Stop IUU Fishing' Meritorious Award by the International Fisheries Monitoring, Control and Surveillance Network (iMCSn). The award acknowledges the excellence of systems in place, the work of oceanic division fisheries officers, and the outstanding level of transparency and mutually beneficial collaboration with technology providers. MIMRA's contribution to the fight against IUU was highlighted as:

- leading national and regional anti-IUU activities through Port State Measures best practice
- supporting a rights-based management approach to the world's largest tuna fishery
- ensuring robust, efficient and effective collaboration amongst all other FFA and Parties to the Nauru Agreement member countries
- sustaining regional focus to promote uniform and transparent monitoring, control and surveillance
- using innovative and cutting-edge IT solutions, including electronic monitoring and reporting
- aggregating support from donors and the broader international community
- ensuring the safety of the observers at sea
- committing to gender issues and the elimination of barriers to women in the fishing industry
- promoting regional solutions and effective collaboration
- providing practical and effective training across a wide range of functions
- establishing memoranda of understanding for compliance and catch data sharing with crucial processing countries, and with international technology and transparency partners
- displaying unmatched levels of transparency and open information available on their website³⁵.

During the year MIMRA also ratified the Food and Agriculture Organisation Agreement on Port State Measures to prevent, deter and eliminate IUU Fishing. This is the first binding international agreement specifically targeting IUU fishing.

³⁵ See: <https://www.rmimra.com>



The Improved Agricultural Livelihoods for Remote Communities in Eastern Indonesia programme delivered by SURFAID works to improve the welfare of local farmers and strengthen food security. Credit: NZ Embassy Jakarta

Global (non-Pacific) development cooperation \$203.51 million

Beyond the Pacific region, our development cooperation boosts New Zealand's role and credibility as a member of the international community. International Development Cooperation initiatives give New Zealand a platform to advocate for what we and our partners care about. We support partners to actively pursue progress towards the SDGs.

New Zealand's development cooperation outside the Pacific region has a primary geographic focus on South East Asia, including Timor-Leste. New Zealand provides targeted support in the areas of economic and climate resilience, governance, peace and security, and knowledge and skills, particularly to the region's Least Developed Countries: Timor-Leste, Cambodia, Laos, and Myanmar. Our development programme has continued to balance timely crisis support with a focus on long term funding commitments.

In **ASEAN**, we continue to navigate the challenges of delivering effective international development cooperation in the region. Key challenges include uneven economic growth within and between countries, global inflationary pressures, climate change impacts, human capital constraints, and the ongoing threats posed by conflict and violent extremism. In 2023–24, New Zealand provided post-pandemic economic recovery support for an estimated 186,834 people in five countries through vocational training, income generation opportunities, employment on community infrastructure projects, financial support, agricultural goods and training, and business skills training.

We have seen the early results of investment in good governance in the region, launched several large new climate resilience initiatives, and launched three new gender-focused initiatives, including our first ever regional initiative on Women, Peace, and Security. Our ability to deliver impactful development outcomes in the region is contingent on strong partnerships, and we have established new partnerships with international NGOs and expanded our strategic relationships with existing partners, such as The Asia Foundation and the Global Green Growth Institute.

Africa has grappled with recovery from the economic, social and health impacts of the COVID-19 pandemic, as well as widespread drought and food insecurity and an upsurge in violent conflict in several countries. This year saw New Zealand launch significant climate finance investments and pivot towards an increased focus on regional, multi country and multilateral initiatives. We established partnerships with the African Union and their development agency, the World Food Programme (WFP), CGIAR, and World Bank.

In **Latin America and Caribbean**, the impacts of climate change continue to challenge the livelihoods and safety of communities, particularly for Small Island Developing States. Our focus has primarily been on supporting climate-smart agriculture and food security, and renewable energy. Efforts to increase access to affordable, reliable, and clean energy in Eastern Caribbean countries are progressing. Through our technical assistance support over the last four years, we have made a major contribution to geothermal development in the region and our support has helped de-risk, attract, and leverage investments from other financiers.

In the **Middle East**, New Zealand's programmes continue to focus on peace and security, including:

- Funding enabled the United Nations Mine Action Service (UNMAS) to clear a further 2.5km² in Iraq and render safe 5,379 potentially dangerous objects; and deliver explosive ordnance risk education to 25,601 individuals (3,376 women, 1,417 men, 9,728 girls, 11,080 boys) and 21 training sessions to officials from the governments of Iraq and Yemen on explosive ordnance disposal, explosive hazard first responders, and other topics.
- Contributing to the UN Food and Agriculture Organization (FAO)'s food security programme in Afghanistan, which focuses particularly on women-led households and people with disabilities. 65,818 females and 429 households headed by people with disabilities benefitted from agricultural support, cash-for-work programmes, and financial support.
- Funding to the Global Community Engagement and Resilience Fund for efforts to prevent violent extremism among young people in Sri Lanka. 13,146 individuals were reached directly in 2023.



Thanh Giong inclusive playground in Viet Nam, that was renovated to ensure accessibility for children with disabilities. Credit: Ms Pham Thi Phuong Anh

Highlights from New Zealand's development cooperation beyond the Pacific

Social inclusion in ASEAN

New Zealand's IDC Programme across the ASEAN region has a focus on inclusive approaches, targeting marginalised communities, and reducing the development gap within and between countries.

In the Philippines, our water, sanitation, hygiene, and nutrition initiative with UNICEF Philippines focuses on the most vulnerable communities, including remote and impoverished regions in selected municipalities in Surigao del Norte, Dinagat Islands, Southern Leyte, and Bohol. The first phase focused on acute pandemic and natural disaster-related needs, including nutrition support, temporary public health facilities and cash transfers. The second phase is scaling up provision of climate resilient and sustainable water infrastructure and nutrition service delivery. The initiative has reached at least 116,000 children with critical nutrition services, 13,000 with health interventions, over 28,000 individuals with water and sanitation services, and 3,000 households with cash and critical information about accessing services.

In Viet Nam, our work to support people with disabilities through community-based small grants has improved infrastructure to increase accessibility for one hundred people with disabilities. 4,000 people now have access to green community spaces in Ha Noi. An aqua-therapy playground was established for 440 intellectually disabled children in Ho Chi Minh city to build cognitive and skill development through water-based activities. Living spaces for 32 children and young people with disabilities in Hue were renovated to be safe and supportive, and a public playground was upgraded to be accessible for children with disabilities and promote social interaction. In Ha Giang province, 3,000 students from ethnic minority communities received training to gain the skills and knowledge to protect themselves from the risk of trafficking.

In the Papua region in Indonesia, the Improving Access to Legal and Social Services for Women Facing Violence in Papua initiative provided training that enabled 684 people (402 women, 282 men) to increase awareness of violence against women. 718 people (427 women, 291 men) now have access to services to prevent and respond to violence against women.



A farmer from an FtMA-supported FSC Cooperative in Eastern Province, Rwanda, cleaning her maize grain before being linked to market. Credit: WFP/FtMA

Making markets work better for farmers

The Farm to Market Alliance (FtMA) is implemented by the World Food Programme in Rwanda and recently expanded into Kenya and Tanzania. It works to increase the productivity and income of smallholder farmers, farming staple crops such as maize and sorghum, and develop commercial viability by providing adequate information, investment, and support at all stages of the process – from seed to market. Using a commercially sustainable model, it delivers agricultural services, inputs, technology and advice through a network of agro-entrepreneurs called Farmer Service Centres (FSCs). During 2023, the network of FSCs:

- expanded to 2,549 across four countries (1005 women-led, 691 youth-led)
- provided support to 618,652 farmers (299,759 women and 133,122 youth)
- aggregated 130,768 tonnes of crops, (US\$46 million value) from these farmers
- delivered productivity enhancing services worth US\$24 million to the farmers
- 982 FSCs were trained in conservation, agriculture, and climate smart agriculture, leading to 1.7 million trees planted (41 percent more than last year).

In Rwanda, conservation agriculture plots achieved a 28 percent increase in maize yields and a 38 percent increase in bean yields. The Rwandan project has promoted strong partnerships between farmers, cooperatives, buyers, and other stakeholders in the agricultural value chain.



FSC Evelyne Awwndo, Kisumu County, a maize, rice and common beans aggregator who provides mechanisation, training on CSA, and input supplies to her supported farmers. In 2022 she received a tractor through the pay as you go initiative from Hello Tractor and continues to support 10 youth with employment through various agricultural services being provided to farmers. Credit: Leonard Odini, FtMA

Building geothermal capacity

Across a strong network of global geothermal activities, New Zealand training support has helped partners across East Africa, Indonesia, and the Caribbean to better understand the technical characteristics of their geothermal resources; to plan and execute safer, more effective, and efficient exploration drilling campaigns; and gain the confidence to interpret results and make decisions as time goes on. This has included:

- **Indonesia:** Accelerating Geothermal Development (Geo-INZ) has enhanced local capacity and decision making through training in policy and regulatory areas, as well as planning workshops to prepare potential sites for geothermal exploration. GeoINZ field visits, training and networking initiatives reached 564 total attendees, including 34 percent women and the Women in Geothermal (WING) programme.
- **Indonesia:** Supporting Geothermal Sector Training (NZSTIGS) has strengthened geothermal industry collaboration, productivity, and overall plant performance through delivery of advanced technical and vocational courses to 145 technicians and operators in the geothermal sector.
- **East Africa:** The New Zealand-Africa Geothermal Facility (AGF) has provided training or capacity-building support to 3,033 East African geothermal professionals (87 trained this year), supporting partners to de-risk geothermal exploration and secure financing for geothermal development. Peer review and quality assurance alongside capability-building initiatives from the AGF have led to seven projects qualifying for approximately USD15.4m in funding (three successful applications this year).
- **Caribbean:** in its first few months of delivery, the New Zealand–Caribbean Renewable Energy Facility (FRENZ) delivered training to 28 people in Dominica and Grenada, helping local partners to gain confidence in disciplines such as water monitoring, geo-chemical sampling, and sustainable environmental management practice throughout geothermal exploration and drilling activities.

Early childhood education in Timor-Leste

In Timor-Leste, in collaboration with the Ministry of Education, New Zealand is contributing towards increasing access to, and raising the quality and management of, early childhood education (ECE), through the system-wide HANDS programme. Key aspects include supporting teacher and school management training, strengthening of quality assurance processes, development of learning resources, and ensuring that facilities are of a good standard. New Zealand has been supporting this programme since 2015.

Building up the school inspectorate is a key intervention to raise the quality and accountability of pre-schools. Manuela has been working as a pre-school inspector for 10 years and is responsible for visiting 20 pre-schools around Dili to monitor conditions and teaching, and support teachers to deliver high-quality education in the classroom. Manuela has seen progress over this time.

For example, teachers are now proficient in collecting children's work and presenting it on classroom walls (which encourages a culture of success among pupils), and sending work home with children to show their parents what they have achieved. Formal ECE is a reasonably new concept in many parts of Timor-Leste, and demonstrating the results of children's education is a key driver to encourage attendance.

There have also been positive changes in teaching and classroom management. For example, a new requirement for teachers to arrive at least an hour before class emphasises the importance of classroom preparation, which allows for a better-organised and conducive learning environment and positively impacts on teaching and learning.

Manuela has found the information and support provided through HANDS, including a tablet for recording inspection findings and a motorbike to visit schools outside of Dili, useful in enabling her to do a good job.



Wheat cultivation package distribution, Badakhshan province, Afghanistan. Credit: FAO ©

Providing emergency livelihood assistance

Rural communities in Afghanistan have been struggling with severe food insecurity over recent years due to drought, poor crop yields, and economic hardship. New Zealand has contributed over \$6 million since 2022 to provide food security to rural families in Afghanistan through the UN's Food and Agriculture Organization (FAO).

The programme provides:

- season-appropriate crop seeds (such as wheat, kidney beans and mung beans), fertiliser, and technical agriculture training to families in some of the poorest and most remote areas of Afghanistan
- cash-for-work, where community members are paid for working on small-scale, but vital, irrigation infrastructure projects in their local area – this part of the programme targets landless labourers and marginal landowners who cannot grow their own food.
- cash transfers to support vulnerable households (mainly headed by women, people with disabilities, or elderly people), who do not have an adult family member who is able to work on the cash-for-work sites.

In 2023–24, this programme reached 146,566 people in 29,197 households. Each household received 50kg of wheat seeds (which, so far, have produced 25 percent increased yields compared to indigenous seeds, and will produce further viable seeds for up to four more years), plus 50kg each of urea and DAP (phosphorus) fertiliser, as well as technical training on how to make the most of these.

Horticultural science helps Kenyan avocado farmers

The Kenya Avocado Industry Support Programme (KAISP), implemented by the New Zealand Institute for Plant and Food Research, ran for 10 years over two phases, concluding in June 2023. The initial phase focused on partnering with a New Zealand-owned, Kenya-based avocado oil processing company, Olivado EPZ Ltd, to improve the quality of fruit supplied by its farmer network and the volume and quality of its avocado oil.

The second phase expanded the impact of the programme beyond Olivado and its farmer network to the wider avocado industry in Kenya, and had a stronger focus on the production and export of fresh avocados. There was a particular focus on partnering with a wide group of industry stakeholders, transferring knowledge to those partners, communicating the programme's work through the media, and laying the foundations for further increases in production and export quality.

During the 10 years of KAISP, Kenyan avocado exports grew from US\$38 million in 2013 to US\$150 million in 2021, making Kenya the second largest avocado exporter in Africa. There has been significant growth in demand from the European market, as well as from the United Arab Emirates.

Much of the increased production has been in Western Kenya. KAISP partner Olivado has increased its contracted grower supply base from approximately 1,000 in 2013 to 3,500 in 2023, and are forecasting 9,000 suppliers in 2024. These greenfield growers will be starting with disease free nursery plants and applying best practice tree management from the outset, joining the 3,224 farmers already implementing improved practices under KAISP guidance.

Several key programme achievements, which will promote further growth in Kenya's avocado industry over the long term, include increasing the supply of disease-free planting via nurseries, training farmers on pruning, developing tools to improve knowledge about when to harvest and the irrigation needs of avocado trees, and using the media to amplify impact.

FIGURE 7: TOTAL EXPENDITURE BY REGION 2023-24

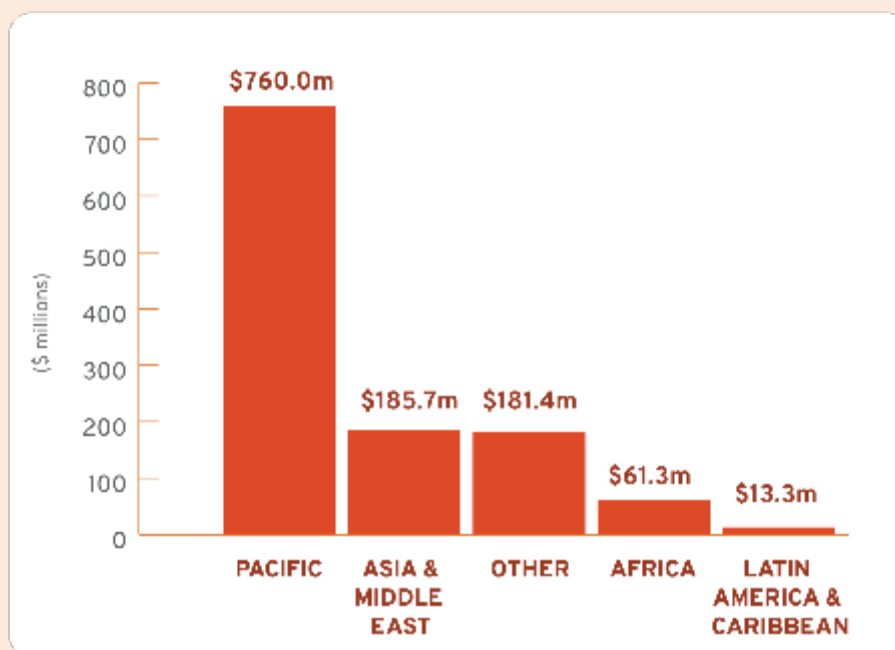


TABLE 1: TOTAL EXPENDITURE BY SUB-REGION AND PACIFIC BILATERAL COUNTRY 2023-24

Region, Sub Region & Pacific Bilateral Country	Expenditure 2023-24 (\$)	% of total IDC
PACIFIC	760,013,151	63%
PACIFIC POLYNESIA	260,790,905	22%
Cook Islands	24,859,950	2%
Niue	39,823,291	3%
Samoa	68,177,024	6%
Tokelau	24,603,300	2%
Tonga	60,867,520	5%
Tuvalu	42,281,331	4%
Other Polynesia	178,489	0%
PACIFIC MELANESIA	250,166,766	21%
Papua New Guinea	63,346,088	5%
Solomon Islands	61,853,339	5%
Vanuatu	56,824,938	5%
Fiji	67,791,023	6%
New Caledonia	351,378	0%
PACIFIC REGIONAL	173,511,249	14%
Pacific Regional Multi Country	173,511,249	14%
PACIFIC MICRONESIA	75,544,231	6%
Kiribati	54,119,096	5%
Nauru	6,170,923	1%
Other Micronesia	15,254,212	1%
ASIA & MIDDLE EAST	185,742,262	15%
OTHER – MULTILATERAL & WORLDWIDE	181,442,112	15%
AFRICA	61,259,841	5%
LATIN AMERICA & CARIBBEAN	13,341,177	1%
Grand Total	1,201,798,542	100%

International Development Cooperation (MYA)

11/12
MET BUDGET
STANDARD

What we intend to achieve

This appropriation is intended to achieve progress by Pacific Island and developing countries against their sustainable development priorities and against the 2030 Agenda and Sustainable Development Goals.

TABLE 2: ASSESSMENT OF PERFORMANCE

	2023-24		2022-23	2021-22	2020-21
INTERNATIONAL DEVELOPMENT COOPERATION RESULTS	Budget Standard	Actual	Actual	Actual	Actual
Number of Pacific Island countries that remain on track on their economic and public sector reform programme	Maintain or improve trend	8/8 countries assessed as on track (Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Islands, Tonga, Tuvalu)	5/6 countries assessed as on track (Kiribati, Samoa, Tonga, Tuvalu, Solomon Islands)	8/8 countries assessed as on track (Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Islands, Tonga, Tuvalu)	7/8 countries assessed as on track (Fiji, Kiribati, Nauru, PNG, Samoa, Tonga, Tuvalu)
Number of people participating in a labour mobility initiative (No., M/F)	Maintain or improve trend	17,911 people (M: 16,214; F: 1,697)	15,792 people (M: 14,357, F: 1,418, Not specified: 17)	14,882 people (M:13,722; F:1,148, not specified: 12)	10,748 people (M: 9,730, F: 1,018)
Number of people directly benefitting from activities that aim to increase resilience to climate change and environmental degradation (No., M/F)	Standard dependent on need ³⁶	79,994 people (M: 37,290; F: 38,276; not specified: 4,428)	5,947 people (M: 2,344, F: 2,216, not specified: 1,387)	9,795 people (M:2,538; F:2,256; gender diverse: 5; not specified: 4,996)	7,929 people (M: 2,811, F: 3,191, not specified: 1,927)
Number of people supported to improve their livelihoods (No., M/F)	Standard dependent on need	480,518 people (M: 24,6297; F: 203,453; gender diverse – 71; not specified – 28,528)	184,255 people (M: 72,459, F: 92,763, Not specified – 19,033)	69,880 people (M: 34,873, F: 32,519, Not specified: 2,488)	124,206 people (M: 50,324, F: 38,177, Not specified: 35,705)
Number of people directly benefitting from improved infrastructure and services (No., M/F)	Standard dependent on need	136,272 people (M: 48,164; F: 47,910; not specified: 39,526)	64,145 people (M: 9,453, F: 9,491, not specified: 45,201)	45,271 people (M: 3,922, F: 3,903, not specified: 37,447)	100,194 people (M: 15,761, F: 16,800, not specified: 67,633)
Number of people benefitting from sexual and reproductive health services (No., M/F)	Standard dependent on need	192,424 people (M: 713; F: 96,732; not specified: 94,979)	172,123 people (M: 56,339, F: 115,784)	177,310 people (F: 83,001, not specified: 94,309)	42,155 people (M: 1,766, F: 2,914, not specified: 37,475)

³⁶ Performance measures with the standard 'dependent on need' are output measures designed to aggregate the number of beneficiaries reached through a collection of IDC-funded initiatives every year. In general, where our funding increases, we would expect the number of beneficiaries reached to slowly increase. However, this varies gently from year to year depending on the stage of delivery of individual initiatives. As such, it is not appropriate to assign a specific overall target of 'increasing trend' standard to these aggregated measures, and this could in fact lead to perverse incentives around volume of delivery.

Number of people benefitting from enhanced learning through ICT (No., M/F)	Standard dependent on need	8,347 people (M: 3,325; F: 4,371; not specified: 651)	12,598 people (M: 5,030; F: 5,434; gender diverse: 39; not specified: 2,095)	8,037 people (M: 1,331; F: 2,470; not specified: 4,236)	1,453 people (M: 33; F: 217; not specified: 1,203)
Number of people receiving training or capability-building support in priority sectors (No., M/F)	Standard dependent on need	92,325 people (M: 44,404; F: 37,714; gender diverse: 519; not specified: 9,452)	101,536 people (M: 26,480; F: 26,828; gender diverse: 5; not specified: 48,222)	88,441 (M: 31,090, F: 42,495; not specified: 14,856)	101,507 people (M: 44,727; F: 41,362; not specified: 15,418)
Number and percentage of people, who have been awarded scholarships, that complete tertiary or vocational / professional scholarships (No., M/F)	>90% of people who were awarded scholarships	Vocational / professional scholarships: 702/702 or 100% completed (M: 368; F: 330; unspecified: 4) Tertiary scholarships: 174/174 or 100% completed (M: 69, F: 105)	Vocational / professional scholarships: 332/332 or 100% (M: 145, F: 185, unspecified: 2) Tertiary scholarships: 164/201 or 82% (M: 75, F: 89)	Vocational / professional scholarships: 345/399 or 87% (M: 150, F: 194, Other: 1) Tertiary scholarships: 295/303 or 97% (M: 130, F: 165)	Vocational / professional scholarships: 89 or 99% (M: 55; F: 34). Tertiary scholarships: 327 or 94% (M: 153; F: 173, Not specified: 1)
New Zealand responses to natural disasters in the Pacific are launched within mandated timeframes (%)	100%	100% (3/3) • Tropical Cyclone Lola – Vanuatu and the Solomon Islands • East Sepik Earthquake – Papua New Guinea • Enga Landslide – Papua New Guinea	100% (1/1) • Tropical Cyclone Kevin and Judy – Vanuatu.	100% (1/1) • Hunga Tonga-Hunga Ha'apai volcano - Tonga	100% (4/4) • Water insecurity Kiribati • Tropical Cyclone Yasa • Tropical Cyclone Ana • Tropical Cyclone Harold
Number of affected people provided with essential and useful assistance following a natural or human induced disaster (No., M/F)	Standard dependent on need	159,652 people (M: 15,360; F: 18,828; not specified: 125,464)	251,633 people (M: 75,934; F: 87,091; not specified: 88,608)	552,135 people (M: 6,258; F: 6,870; not specified: 539,007)	412,348 people
Quality					
Percentage of Activities with effectiveness rated as good or better (MFAT Activity Completion Assessments)	Maintain or improve trend	70%	73%	62%	65%

Financial Performance (figures are GST exclusive)

30/06/23		30/06/24	30/06/24	30/06/24
Actual		Actual	Appropriation	Variance
\$000		\$000	\$000	\$000
971,455	International Development Cooperation (MYA)	1,201,799	1,214,108	12,309

Explanation of significant budget variance

Expenditure for the financial year was 99 percent of budget, and a 24 percent increase on the previous highest expenditure (FY2022/23). The variance will be transferred into the first year of the new triennium, to be used primarily for planned budget support initiatives in the Pacific.

Directory

MINISTRY OF FOREIGN AFFAIRS AND TRADE

195 Lambton Quay

Private Bag 18901

Wellington 6160

New Zealand

Phone +64 4 439 8000

www.mfat.govt.nz



CROWN COPYRIGHT ©

ISSN 3021-3258 (Print)

ISSN 3021-3266 (Online)

This work is licensed under the Creative Commons Attribution 3.0 New Zealand licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/nz/>. Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981.

Attribution to the Crown should be in written form and not by reproduction of any such emblem,

MFAT

MINISTRY OF FOREIGN AFFAIRS AND TRADE
MANATŪ AOREERE



Te Kāwanatanga o Aotearoa
New Zealand Government