

# *Performance Information for Appropriations*

## *Vote Research, Science and Technology*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Research, Science and Technology (M56)

ADMINISTERING DEPARTMENT: Ministry of Research, Science and Technology

MINISTER RESPONSIBLE FOR MINISTRY OF RESEARCH, SCIENCE AND TECHNOLOGY :  
Minister of Research, Science and Technology

## Part 1 - Summary of the Vote

### Part 1.1 - Overview of the Vote

The Minister of Research, Science and Technology is responsible for appropriations in Vote Research, Science and Technology (RST) for the 2009/10 financial year covering the following:

#### **Departmental Appropriations**

A total of nearly \$15 million (2% of the Vote) for advice on research, science and technology that supports New Zealand's knowledge base and its capacity to innovate, and for managing Vote RST contracts and agreements, and delivering on the outcome for science and technology transforming New Zealanders' lives.

#### **Non-Departmental Appropriations**

A total of \$730 million (98% of the Vote) contributes toward Government's priority for getting measurable benefits from New Zealand's investment in research, science and technology.

Details of these appropriations are set out in Parts 2-6 below.

### Part 1.2 - High-Level Objectives of the Vote

Research, science and technology (RS&T) is important to New Zealanders' quality of life and New Zealand's future. RS&T is responsible for producing ideas and knowledge that drive innovation. Those ideas are taken up and applied, not just in commercial products that fuel economic growth, but throughout society by enhancing New Zealanders' health and lifestyle, and in understanding how to make the most of our natural resources and protect our environment.

#### **Government Priorities and Outcomes - Links to Appropriations**

The Government is committed to New Zealand science. It recognises the vital role science plays in providing evidence for quality decision making, creating new knowledge to drive economic growth, and enriching our society. It also seeks measurable benefits from New Zealand's investment in research, science and technology.

Gearing the science system for a higher level of performance will require change. The Government has outlined its key priorities that will guide any changes. These are:

- simplicity in the mechanisms for science funding and delivery
- clarity of roles in the science system
- efficiency and measurability in delivery, and
- relevance of science for New Zealand's needs.

The appropriations within Vote RST contribute to the Government priority of getting measurable benefits from New Zealand's investment in research, science and technology.

## Part 1.3 - Trends in the Vote

### Summary of Financial Activity

	2004/05	2005/06	2006/07	2007/08	2008/09		2009/10			2010/11	2011/12	2012/13
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	541,025	615,809	635,095	618,028	548,671	547,496	13,791	568,139	581,930	582,573	576,026	576,026
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	454	1,974	5,504	3,245	135,510	135,010	-	161,403	161,403	145,621	146,454	145,804
Capital Expenditure	17,324	7,245	2,774	4,180	5,084	5,084	730	1,000	1,730	16,345	480	600
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>558,803</b>	<b>625,028</b>	<b>643,373</b>	<b>625,453</b>	<b>689,265</b>	<b>687,590</b>	<b>14,521</b>	<b>730,542</b>	<b>745,063</b>	<b>744,539</b>	<b>722,960</b>	<b>722,430</b>
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## New Policy Initiatives

Policy Initiative	Appropriation	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Marsden Fund	<b>Marsden Fund (M56)</b> Non-departmental output class	-	9,000	9,000	9,000	9,000
Health Research	<b>Health Research (M56)</b> Non-departmental output class	-	8,000	8,000	8,000	8,000
Crown Research Institute (CRI) Capability Fund	<b>CRI Capability Fund (M56)</b> Other expense to be incurred by the Crown	-	10,000	10,000	10,000	10,000
Prime Minister's Prizes for Science	<b>Engaging New Zealanders with Science and Technology (M56)</b> Non-departmental output class	-	1,000	1,000	1,000	1,000
Information Technology System for the Foundation for Research Science and Technology	<b>Research and Development Facilitation and Promotion Service (M56)</b> Non-departmental output class	(1,000)	-	-	-	-
	<b>Foundation for Research, Science and Technology (M56)</b> Capital Expenditure	-	1,000	-	-	-
Kiwi Advanced Research and Education Network (KAREN)	<b>Research and Education Advanced Network Limited (M56)</b> Capital Expenditure	-	-	16,000	-	-
Reversing Unfunded 2008 Budget Commitments for Economic Transformation: Innovation	<b>Environmental Research (M56)</b> Non-departmental output class	-	(13,888)	(6,000)	(6,000)	(6,000)
	<b>Marsden Fund (M56)</b> Non-departmental output class	-	-	(1,000)	(4,000)	(4,000)
	<b>New Economy Research Fund (M56)</b> Non-departmental output class	-	(1,778)	(5,000)	(7,000)	(7,000)
	<b>Research for Industry (M56)</b> Non-departmental output class	-	(8,611)	(4,998)	(6,918)	(6,918)
	<b>Sustainable Energy Development (M56)</b> Non-departmental output class	-	-	-	(4,000)	(4,000)
	<b>Pre-Seed Accelerator Fund (M56)</b> Other expense to be incurred by the Crown	-	(3,000)	(3,000)	(3,000)	(3,000)
	<b>International Investments Opportunities Fund (M56)</b> Other expense to be incurred by the Crown	-	(889)	-	-	-
	<b>Technology New Zealand (M56)</b> Other expense to be incurred by the Crown	-	(9,200)	(750)	(250)	-

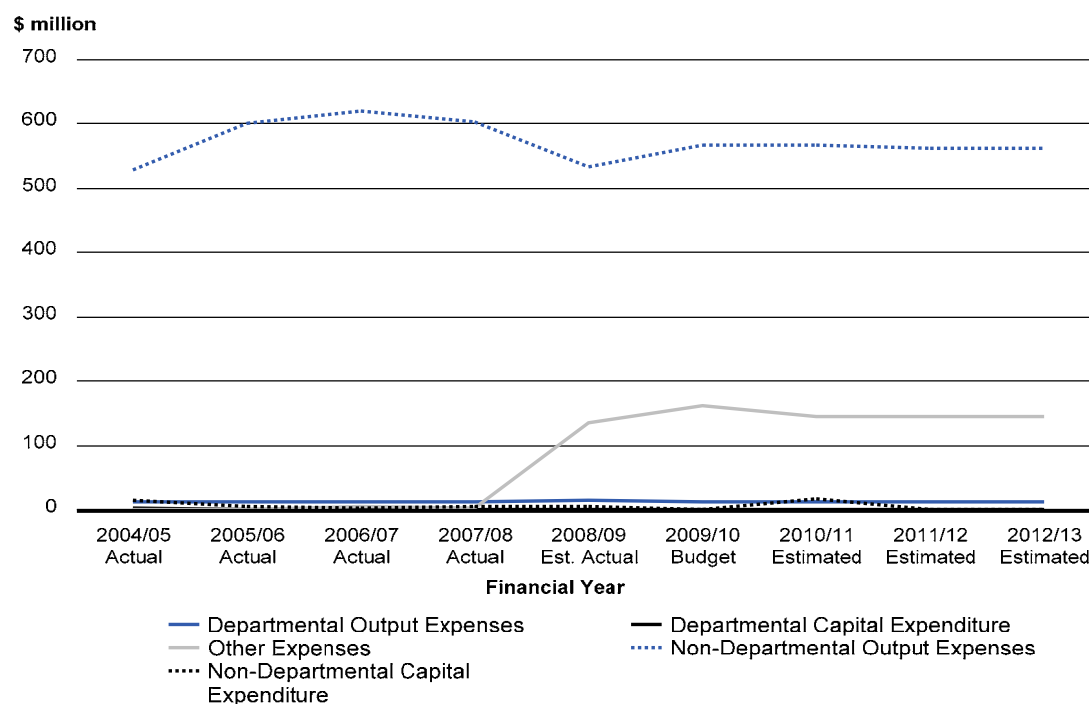
Policy Initiative	Appropriation	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Vote RST Departmental Savings	<b>Advice on Shaping the Science System (M56)</b> Policy Advice (funded by Revenue Crown) Departmental Output Expenses	-	(180)	(250)	(250)	(250)
Total		(1,000)	(8,546)	23,002	(3,168)	(3,168)

## Analysis of Significant Trends

### Total Vote: All Appropriations

Significant changes in departmental and non-departmental appropriations in Vote RST, are discussed briefly below.

**Figure 1** - Vote trends in actual expenses and capital expenditure by appropriation type



Source: Ministry of Research, Science and Technology

### Output Trends 2004/05 to 2009/10

Appropriations for departmental output expenses have risen from \$12.873 million in 2004/05 to \$13.791 million in 2009/10. Most of this increase occurred in the Policy Advice output expense. MoRST has applied the increase to support its leadership role in the science system, increase evaluation, and to support new strategies such as the New Zealand Biotechnology Strategy and the RST International Linkages Strategy.

In 2006/07 the Policy Advice and Contract Management output expenses were combined into a multi-class output appropriation Advice on Shaping the Science System. This change was made to enhance the flexibility in managing the funding that sits within the Policy Advice and Contract Management outputs.

Between 2004/05 and 2009/10, two departmental output expenses have been discontinued or transferred to other Votes:

- In 2005/06 the Growth and Innovation Advisory Board departmental output expense (\$1.268 million) was transferred from Vote RST to Vote Economic, Industry and Regional Development.
- The departmental output expense APEC Science Ministers' Meeting existed over the period 2002/03 and 2004/05 to provide for the meeting held in Christchurch in March 2004.

### *Output Expenses - Non-Departmental*

Significant trends in comparative actual and estimated expenses for non-departmental output expense appropriations under this Vote are shown in Figure 1.

The steady growth over the period 2004/05 to 2007/08 reflects the investment being made in science outputs and to develop private sector research and development. The drop from 2008/09 is a consequence of a change in appropriation type for some output expenses. This change in appropriation type was due to the activity being in the nature of a grant scheme. Grant schemes are an other expense whereas the output expenses relate to research outputs by research providers.

### *Other Expenses to be Incurred for the Crown*

Significant trends in comparative actual and estimated expenses for other expenses to be incurred for the Crown appropriations under this Vote are shown in Figure 1.

The increase in 2008/09 is a result of a change in appropriation type from non-departmental output expense for six appropriations (Advanced Network, Crown Research Institute (CRI) Capability Fund, International Investment Opportunities Fund, Pre-Seed Accelerator Fund, Supporting Promising Individuals, and Technology New Zealand). Their common factor was that each appropriation comprised grant schemes to assist individuals or organisations with their research and development aspirations.

### *Capital Expenditure*

During the period 2004/05 to 2005/06, activity by New Zealand Venture Investment Fund Limited was funded through Vote RST. This was transferred to Vote Economic, Industry and Regional Development in November 2005. Since 2005/06, capital expenditure has involved injections into Crown Research Institutes through the Equity Investment Fund, a cash injection for the Foundation for Research, Science and Technology (FRST) for development of information and technology systems, and investment in the Measurement Standards Laboratory at Industrial Research Limited.

## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Impact</b> - Strategic Priority One - Simplifying the science system.</p>	<ul style="list-style-type: none"> <li>• Advice on Shaping the Science System (MCOA) Policy Advice</li> </ul>
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Impact</b> - Strategic Priority Two - Improving economic growth through research and development (R and D).</p>	<p>Advice on Shaping the Science System (MCOA)</p> <ul style="list-style-type: none"> <li>• Policy Advice</li> </ul>
<p><b>Objective</b> - To provide scientific and technical advice.</p> <p><b>Impact</b> - Develop and maintain processes that provide scientific and technical advice and information, including direction setting and emerging technologies.</p>	<p>Advice on Shaping the Science System (MCOA)</p> <ul style="list-style-type: none"> <li>• Policy Advice</li> </ul>
<p><b>Objective</b> - To provide advice on New Zealand's Research Science and Technology system.</p> <p><b>Impact</b> - Develop and maintain processes that provide advice and information on matters relating to research, science and technology undertaken within New Zealand.</p>	<p>Advice on Shaping the Science System (MCOA)</p> <ul style="list-style-type: none"> <li>• Policy Advice</li> </ul>
<p><b>Objective</b> - To provide effective management of the funding provided to research, science and technology in New Zealand.</p> <p><b>Impact</b> - Develop and maintain processes that administer the funding provided to research, science and technology in New Zealand.</p>	<p>Advice on Shaping the Science System (MCOA)</p> <ul style="list-style-type: none"> <li>• Policy Advice</li> <li>• Contract Management</li> </ul>
<p><b>Objective</b> - To strengthen New Zealand's international links.</p> <p><b>Impact</b> - Develop and maintain productive bilateral and multilateral relationships with governmental science and technology agencies in strategic priority countries.</p>	<p>Advice on Shaping the Science System (MCOA)</p> <ul style="list-style-type: none"> <li>• Policy Advice</li> <li>• Contract Management</li> </ul>

#### Advice on Shaping the Science System MCOA (M56)

##### *Scope of Appropriation*

###### **Contract Management**

Negotiating, managing and monitoring contracts with the Crown's funding and investment agents and with other specific science and technology service providers.

###### **Policy Advice**

Policy advice on research, science and technology. This includes investment strategies, the performance and integration of the innovation system, scientific technical advice and ministerial services.

##### *Explanation for Use of Multi-Class Output Expense Appropriation*

Alignment of output class activity having common outcomes within one appropriation.

## Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	14,566	14,066	13,791
Contract Management	1,089	1,089	1,089
Policy Advice	13,477	12,977	12,702
<b>Revenue from Crown</b>	14,247	14,247	13,587
Contract Management	1,089	1,089	1,089
Policy Advice	13,158	13,158	12,498
<b>Revenue from Other</b>	319	319	204
Contract Management	-	-	-
Policy Advice	319	319	204

## Reasons for Change in Appropriation

The movement between 2008/09 and 2009/10 reflects a reduction in funding of \$775,000. This reduction arises from:

- Third-party revenue of \$80,000 that is not expected in 2009/10.
- Departmental revenues related to the reimbursement of employer contributions to retirement saving schemes is expected to be \$35,000 less in 2009/10.
- Activity of \$360,000 related to evaluation of the R and D tax credit (now discontinued) that will not occur.
- Activity of \$300,000 related to communication of the R and D tax credit to businesses that will not occur.

## Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Quantity</b>			
The Ministry will report quarterly against the Forecast Statement of Service Performance for MoRST, for the periods ending 30 September, 31 December, 31 March and 30 June.	N/A	Reporting on six month basis	Achieved
Output agreements or contracts established with each provider of research, science and technology (RST) services.	Achieved	Achieved	Achieved
Provide ministerial support services as required, including: <ul style="list-style-type: none"> <li>• Draft replies for letters to the Minister.</li> <li>• Responses to parliamentary questions.</li> <li>• Responses to Official Information Act.</li> <li>• Responses to information requests from the Minister.</li> </ul>	450 - 600 items	300	Up to 400 items (see Note 1)

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Quality</b>			
Ministerial satisfaction with the quality of analysis and advice will be gauged through regular feedback from the Minister to the Chief Executive.	Achieved	Achieved	Achieved
Output agreements and contracts conform to the Ministry's standard for agreements, including the following: <ul style="list-style-type: none"> <li>Prices for each output expense are stipulated.</li> <li>Reporting requirements are stipulated.</li> </ul>	Achieved	Achieved	Achieved
<b>Timeliness</b>			
The Ministry will respond to 95% of performance reports provided by Funding and Investment Agents (FIAs) and other contracted providers, within the time limits specified in the output agreements and contracts.	Achieved	Achieved	Achieved
A response to Ministerial correspondence is provided within 20 days of receipt.	Achieved	Achieved	Achieved
All draft responses to Parliamentary Questions are provided within deadlines.	Achieved	Achieved	Achieved
<b>Cost Effectiveness</b>			
The cost of MoRST's leadership in the science sector is optimal (1-3 years). MoRST costs are no more than 2.1% of total Vote RST.	Achieved	Achieved	Achieved
<b>Organisational</b>			
MoRST staff through the annual Gallup survey place MoRST in the upper quartile of New Zealand public sector organisations as a great place to work.	N/A	Not Achieved	Achieved

Note 1 - This is an estimate based on 2008/09 data. It reflects the demand made by the Minister's office for Ministry input.

### Conditions on Use of Appropriation

Reference	Conditions
Ministerial Agreement to establish the multiclass output appropriation (MCOA)	<p>The existing output expense appropriations share common outcomes. The MCOA enables alignment of the output activity to outcomes within one appropriation.</p> <p>Movements between the output classes within the MCOA can increase each output class by up to 10% of the initial appropriation for the output contract management in the current financial year before requiring joint-Ministerial approval.</p>
<b>Quality Standards for Analysis and Advice</b>	
Purpose	The objective of the paper is clearly stated, and it answers the questions asked by Ministers and demonstrates a clear understanding of the desired outcome(s) of the Government or the Minister.
Problem definition	Any public policy problem, including the underlying causes, size and materiality of issues, is identified and supported by data or other evidence.
Context	It is clear where the advice stands in the context of the wider policy process, including what has already been undertaken and what is expected to occur in the future.
Logic	An appropriate analytical framework is used. Assumptions behind the advice are explicit and the argument is logical and supported by facts.

Reference	Conditions
<b>Quality Standards for Analysis and Advice - Cont'd</b>	
Accuracy	All material facts are present and accurate. Known gaps that could significantly affect the conclusions are identified and the range of uncertainty stated. Forecasts are credible at the time they are produced and take into account all relevant information.
Options	A range of options is presented that provides clearly differentiated choices and these are rigorously evaluated against the analytical framework. Costs, benefits, consequences and risks/opportunities of the options are assessed as part of the analysis. Where it is not appropriate to use a range of options the reasons are clearly stated.
Funding	The paper accurately and comprehensively describes the funding implications for the government of the proposals put forward.
Recommendations	Recommendations are clear, logical and action oriented and can stand alone from the rest of the advice. They are sufficient to enable a decision to be made on the proposal or to move to the next decision/action point.
Consultation	Evidence of thorough and timely consultation with other government departments and interested parties is presented, and their views, including objections, incorporated as appropriate.
Practicality	Issues of implementation, technical feasibility, practicality and timing are considered and advice accurately identifies compliance, transitional, political, legislative, revenue, expense and administrative implications and costs (quantified where possible).
Communication	Guidance is provided on how communications arising from decisions on the advice should be handled, including an assessment of key stakeholders who should be informed and how.
Presentation	Material is presented to suit the target audience and: <ul style="list-style-type: none"> <li>• is concise and structured in a way which assists others to understand the aim of the advice, key features of the information, analysis and recommendations, and their key implications</li> <li>• uses appropriate language and style</li> <li>• uses empirical evidence</li> <li>• avoids clichés and technical jargon (or where the latter is not possible, it is used appropriately for a general audience), and</li> <li>• is consistent with Ministry and Cabinet Office presentation requirements.</li> </ul>

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Policy Advice as at Budget 2004	2004/05	11,826	11,826	11,826	11,826	11,826
Contract Management as at Budget 2004	2004/05	509	509	509	509	509
Reimbursement of employer contributions to State Sector Retirement Savings Scheme (SSRSS) 2004/05 OBU	2004/05	160	160	160	160	160
Policy Advice Budget 2005 Transfer for Biotechnology Futurewatch activity in MoRST	2005/06	125	125	125	125	125
GST on Baselines as at Budget 2005 - Policy Advice	2005/06	(1,403)	(1,403)	(1,403)	(1,403)	(1,403)
GST on initiatives as at Budget 2005 - Policy Advice	2005/06	(121)	(121)	(121)	(121)	(121)
GST on baselines as at Budget 2005 - Contract Management	2005/06	(64)	(64)	(64)	(64)	(64)
GST on initiatives as at Budget 2005 - Contract Management	2005/06	(16)	(16)	(16)	(16)	(16)

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Policy Advice Budget 2005 Funding of science counsellor in North Asia	2005/06	731	731	731	731	731
Policy Advice Budget 2005 Capability consequences arising from the transfer of GIAB to the Ministry of Economic Development	2005/06	232	232	232	232	232
Increase in employer contributions to SSRSS 2005/06 OBU	2005/06	62	62	62	62	62
Policy Advice 2005/06 MBU Contract Management realignment	2005/06	(446)	(446)	(446)	(446)	(446)
Contract Management 2005/06 MBU realignment	2005/06	446	446	446	446	446
Contract Management Budget 2005 Supporting growth in CRIs	2005/06	150	150	150	150	150
MCOA Policy Advice Budget 2006 Transfer for Counsellors	2006/07	258	258	258	258	258
MCOA Policy Advice Budget 2007 Tax on Overseas Conditions of Service - provision to be reviewed annually at each MBU	2007/08	260	260	260	260	260
MCOA Policy Advice Budget 2007 Evaluation for R and D Tax credit	2007/08	390	180	250	250	250
MCOA Policy Advice MBU 2007/08 Adjustment for employer superannuation contributions to SSRSS and Kiwisaver	2007/08	35	-	-	-	-
MCOA Policy Advice Budget 2008 Futurewatch transfer	2007/08	75	75	75	75	75
MCOA Policy Advice Budget 2008 MoRST capability	2008/09	300	300	300	300	300
MCOA Policy Advice PREFU 2008/09 Income on use of AV equipment	2008/09	80	-	-	-	-
MCOA Policy Advice PREFU 2008/09 Communication of the R and D tax credit	2008/09	300	-	-	-	-
MCOA Policy Advice MBU 2008/09 Tax on overseas allowances and entitlements	2008/09	(30)	-	-	-	-
MCOA Policy Advice Budget 2009 Discontinuation of R and D tax credit evaluation	2009/10	-	(180)	(250)	(250)	(250)

## Part 2.2 - Non-Departmental Output Expenses

### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Funding for agencies on a contestable basis to undertake policy and other operational research outside core business, and with cross-agency benefits.</p> <p><b>Impact</b> - Policy and operational research informs Government's decision making.</p>	Cross Agency Research
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - New Zealanders' awareness of the importance and value of science and technology to themselves and New Zealand is enhanced.</p> <p><b>Impact</b> - New Zealanders receive information about the importance and value of science and technology.</p>	Engaging New Zealanders with Science and Technology
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Public good research, science and technology enhances the understanding and management of our environment.</p> <p><b>Impact</b> - Improved understanding of the environment and knowledge to underpin the management, protection and enhancement of natural ecosystems, plus knowledge of the sustainable use of ecosystems, including the productive sector's environment.</p>	Environmental Research
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - New Zealand firms have improved technological capability and international connectedness.</p> <p><b>Impacts</b> -</p> <ul style="list-style-type: none"> <li>• To facilitate domestic and international knowledge and technology transfer.</li> <li>• To lift the quality and quantity of private sector research and development.</li> <li>• To increase connections and collaborations between businesses and domestic and international knowledge institutions.</li> </ul>	Global Technology Partnerships
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Public good research, science and technology contributes to improvement in the health status of New Zealanders.</p> <p><b>Impacts</b> -</p> <ul style="list-style-type: none"> <li>• To support research that provides knowledge and understanding of the factors influencing health status, including health disparities between New Zealanders.</li> <li>• To support research that provides health technologies.</li> </ul>	Health Research
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The New Zealand innovation sector's global connectivity is enhanced.</p> <p><b>Impacts</b> -</p> <ul style="list-style-type: none"> <li>• To support access to and utilise the best global ideas.</li> <li>• To encourage New Zealand researchers to use international research, science and technology linkages to enhance our knowledge base and innovative capacity.</li> </ul>	International Science and Technology Linkages

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Research capacity and capability is developed across the themes of the "Vision Mātauranga " framework.</p> <p><b>Impacts</b> -</p> <ul style="list-style-type: none"> <li>• Indigenous innovation - to contribute to economic growth through distinctive research and development.</li> <li>• Taiao - to achieve environmental sustainability through Iwi and Hapū relationships with land and sea.</li> <li>• Hauora/Oranga - to improve Māori health and social wellbeing.</li> <li>• Mātauranga - to explore the interface between indigenous knowledge and RST.</li> </ul>	Māori Knowledge and Development Research
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Excellence is achieved in the advancement of knowledge, the knowledge base is expanded, and people with knowledge, skills and ideas are supported.</p> <p><b>Impact</b> - Profound or unexpected discoveries, or the catalysis of significant developments in previously unrelated and strategically important fields of knowledge.</p>	Marsden Fund
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The Minister's obligations under the Measurement Standards Act 1992 are satisfied.</p>	National Measurement Standards
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Researcher-led innovation develops capability and knowledge in new areas, or applications where industries are emerging or yet to emerge.</p> <p><b>Impact</b> - To underpin new or emerging knowledge-based enterprises in New Zealand through:</p> <ul style="list-style-type: none"> <li>• Supporting investigator-initiated basic research that has the potential to create the advanced technological platforms that will underpin new and emerging industries.</li> <li>• Building a critical mass of research capability and new knowledge in emerging science and technology areas.</li> <li>• Developing advanced human capital and skills that draw from rapidly advancing international science and technology.</li> <li>• Developing new areas of knowledge to a point where they may be further developed, sustained and/or exploited through other public or private investments.</li> </ul>	New Economy Research Fund
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Commercialisation of R and D is accelerated and linkages between firms and research organisations are stronger.</p>	Research and Development Facilitation and Promotion Service
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Non-departmental output expenses and other expenses are invested effectively and efficiently.</p>	Research Contract Management
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The competitiveness of New Zealand industries and sectors is increased through strategic research.</p> <p><b>Impacts</b> -</p> <ul style="list-style-type: none"> <li>• To advance food and fibre-based industries and related sectors through innovation.</li> <li>• To advance manufacturing and service industries and sectors through innovation.</li> <li>• To develop infrastructure to underpin economic development.</li> <li>• To facilitate public/private research partnerships that provide early user engagement and increase private investment in New Zealand.</li> </ul>	Research for Industry

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Public good research, science and technology improves social wellbeing and cohesion and economic wealth.</p> <p><b>Impact</b> - To improve New Zealanders' quality of life for individuals, families and communities, foster social cohesion, sustain culture and identity, and improve economic performance.</p>	Social Research
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Private and public organisations are able to demonstrate the potential of new sustainable low carbon energy technologies.</p> <p><b>Impact</b> - Understanding of new sustainable low carbon energy technologies.</p>	Sustainable Energy Development

## Cross Agency Research (M56)

### *Scope of Appropriation*

Policy and operational research from agencies that contribute to the achievement of government priorities.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	2,254

### *Reasons for Change in Appropriation*

Cross Agency Research is a new appropriation for 2009/10. In previous years cross-agency research activity has been included in departmental baselines. In 2008/09 \$4.347 million has been appropriated for cross-agency research activity across seven votes.

### *Output Performance Measures and Standards*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Number and total dollar value of new and active contracts will be reported in six-monthly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement or Terms of Reference.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	N/A	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Terms of Reference dated 22 February 2008	<ul style="list-style-type: none"> <li>To fund high quality cross-agencies research, which will support the advancement of Government's strategic policy priorities.</li> <li>To catalyse new relationships and capabilities within and between departments so that over time departments take responsibility for investment in long term high quality research.</li> <li>To develop a portfolio of research activity divided between smaller, short term projects to catalyse new relationships and capabilities, and multi-year large scale projects to provide key building blocks for Government's decision making.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2009 Cross Agency Research	2009/10	-	2,254	4,118	4,347	4,347

## Engaging New Zealanders with Science and Technology (M56)

### Scope of Appropriation

This appropriation is limited to supporting activities that engage with New Zealanders about the role of RS&T in supporting innovation, as determined by the Minister.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,448	6,298	7,071

### Reasons for Change in Appropriation

This appropriation will increase by \$623,000 to \$7.071 million for 2009/10. The reason for the change is additional funding of \$1 million for the Prime Minister's Prizes for Science, less a transfer of \$377,000 for the Science Learning Hub and Smash Palace initiatives made in the previous year.

*Output Performance Measures and Standards*

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>New Zealand Science Journals</b>			
Eight journals will be published in electronic and/or paper format with a maximum of four issues per journal.	N/A	Achieved	Achieved
The average turnaround time from submission to publication will be 45 weeks or less.	N/A	Achieved	Achieved
Accepted papers will be published within 24 weeks of acceptance subject to available journal space.	N/A	Achieved	Achieved
<b>Alpha and Gamma Series</b>			
Between four and six Alpha and Gamma publications will be produced each year.	N/A	Achieved	Achieved
<b>Promoting awareness of RST</b>			
Present the New Zealand Science and Technology Medals as specified in the contract.	N/A	Achieved	Achieved
Manage a national promotional programme as specified in the contract.	N/A	Achieved	Achieved
Support talented science and technology school students as specified in the contract.	N/A	Achieved	Achieved
Develop new promotional activities as specified in the contract.	N/A	Achieved	Achieved
<b>Engaging New Zealanders on Biotechnology</b>			
New Zealand schools are using Biotechnology information on the Biotechnology Learning Hub as specified in the contract.	N/A	Achieved	Achieved
Develop a programme to give rural New Zealanders an awareness of the role of biotechnology research on food as specified in the contract.	N/A	Achieved	Achieved
<b>Linking school students with RST research</b>			
Provision of data for performance measurement framework supplied to MoRST by 30 September 2010 and in alignment with content guidelines specified in the relevant agreement.	N/A	Achieved	Achieved
<b>Support for Smash Palace</b>			
Four projects to build links between scientists and artists are supported.	N/A	Project activity commences by 30 June 2008	Achieved
<b>The Science and Technology Media Centre</b>			
A media centre that strengthens linkages between the media and the RST sector is maintained as per contract.	N/A	Achieved	Achieved
<b>The Prime Minister's Prizes for Science</b>			
Prizes will be awarded each year by 30 June.	N/A	N/A	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Engage New Zealanders with RST, through linking schools with research organisations and working with sector organisations to enhance their communications focus and activities.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	3,992	3,992	3,992	3,992	3,992
Biotechnology Futurewatch Initiative (as at 2005 Budget (BEFU)) ex Sci Promotions MoRST	2005/06	(125)	(125)	(125)	(125)	(125)
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(444)	(444)	(444)	(444)	(444)
GST on Budget Initiatives (as at 2005 Budget (BEFU))	2005/06	14	14	14	14	14
RSNZ - Administration expenses and publication costs (as at 2006 Budget (BEFU))	2006/07	155	155	155	155	155
Linking schools and research organisations - pilot (as at 2006 Budget (BEFU))	2006/07	1,000	1,000	1,000	1,000	1,000
Reschedule Carter funding 2006/07 MBU	2006/07	(271)	(271)	(271)	(271)	(271)
Budget 2008 science learning hub and media centre	2008/09	1,825	1,825	1,825	1,825	1,825
Budget 2008 transfer of Futurewatch to MoRST	2007/08	(75)	(75)	(75)	(75)	(75)
Reschedule funding for science learning hub and smash palace 2008/09 OBU	2008/09	377	-	-	-	-
Budget 2009 Prime Minister's Prizes for Science	2009/10	-	1,000	1,000	1,000	1,000

## Environmental Research (M56)

### *Scope of Appropriation*

This appropriation is limited to obtaining public good science and technology that enhances the understanding and management of our environment.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	100,014	100,014	102,569

### *Reasons for Change in Appropriation*

This appropriation will increase by \$2.555 million to \$102.569 million for 2009/10. The reasons for the change are:

- a funding restructure and transfer of the undistributed funds held by the FRST, and
- reversal of the unfunded Budget 2008 commitment.

### *Output Performance Measures and Standards*

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved
<b>Envirolink</b>			
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved
100% of information will be reported as per the Information Sharing Agreement between MoRST and the Foundation.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Statement of Science Priorities - September 2008	<p>Priorities to which FRST must adhere to in allocating funds are:</p> <ul style="list-style-type: none"> <li>• Government's priorities for New Zealand's research, science and technology activity</li> <li>• The annual Estimates of Appropriations for Vote RST</li> <li>• The Minister of RST's Letter of Expectations to FRST</li> <li>• The output agreement between FRST and the Minister of RST</li> <li>• Current Roadmaps for Science (which currently includes those for Environmental Research, Biotechnology Research, Nanoscience, and Nanotechnologies and Energy Research)</li> <li>• The funds appropriated for the Sustainable Land Management and Climate Change Plan of Action, as set out in the annual Estimates of Appropriation for Vote Agriculture and Forestry, and the Strategic Research Framework developed for those funds, and</li> <li>• Any other priority setting documents that the Minister of RST may issue from time to time.</li> </ul> <p>FRST shall confer with MoRST to ensure that FRST's allocation strategies, and the associated investment signals to the research sector, contribute to the Government's objectives and the needs of the end-users of research and research organisations.</p> <p>The Minister of RST expects FRST to seek guidance on matters including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Research organisations' strategies</li> <li>• Whole-of-government and government departments' strategies, and</li> <li>• End-user and other private sector strategies.</li> </ul>
Ministerial Direction - Stable Funding July 2008	<p>The Foundation in its allocation of funds will ensure:</p> <p>there will be progressive implementation of the Negotiated Investment Process for eligible programmes within Vote RST</p> <p>to be considered eligible for a Negotiated Investment Process, a research programme will have to:</p> <ul style="list-style-type: none"> <li>• be of sufficient size</li> <li>• demonstrate strategic relevance to government and/or sector goals</li> <li>• have undergone a technical review that demonstrates satisfactory performance, and</li> <li>• have previously received funding from the Foundation.</li> </ul> <p>that research programmes eligible for the Negotiated Investment Process also satisfy quality and relevance criteria that include, but are not limited to, a combination of the following:</p> <ul style="list-style-type: none"> <li>• scientific and technical quality, including track-record of delivering benefit to New Zealand; and future potential to deliver benefit to New Zealand</li> <li>• long-term comparative advantage in an area of direct benefit to New Zealand, or unique significance to New Zealand</li> <li>• alignment with relevant end-user and government strategies</li> <li>• evidence of end-user support and industry co-funding, and</li> <li>• a track record of the research organisations' accountability for public money.</li> </ul> <p>that Negotiated Investment Processes will be applied in the Environmental Research output expense with the total value of Negotiated Investment Process investments not to exceed 40% in each of this output expense.</p> <p>Outcome-based Investment and funds to which a ministerial scheme applies do not count toward the calculation of the percentage cap within the Environmental Research output expenses, but do form part of the total relevant output expense.</p>

Reference	Conditions
<p>Ministerial Direction - Envirolink- November 2005</p>	<p>The scheme will be administered by FRST.</p> <p>Envirolink is available to support two areas of environmental management:</p> <ul style="list-style-type: none"> <li>• Advice.</li> <li>• Tools.</li> </ul> <p>Advice:</p> <p>FRST will allocate funds to those proposals that, in its view, meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Small advice grant (up to \$5,000 per grant): An initial expert consultation available to the trial regional councils to access existing expertise and knowledge to identify a council's information needs, science techniques and/or any training requirements for these techniques.</li> <li>• Medium advice grant (up to \$20,000 per grant): A detailed expert consultation available to the trial regional councils, for discrete projects or as a second phase of an initial small grant project, to apply existing knowledge held by scientists to environmental issues in a region.</li> </ul> <p>Tools:</p> <ul style="list-style-type: none"> <li>• Available to all regional councils to develop or adapt existing resource management tools for use by all regional councils. All regional councils must agree a prioritised list of resource management tools to be funded each year.</li> <li>• FRST may delegate authority to CRIs, research associations and universities to be its approved agents for advice grants in respect of the scheme.</li> <li>• FRST may delegate authority to regional councils to be its approved agents in respect of the scheme only with prior ministerial approval.</li> <li>• Further instructions and requirements of applicants will be communicated by FRST, including on its web site.</li> <li>• Funds not allocated by FRST in any financial year will be rephased to the ensuing financial year and used only for the Scheme.</li> </ul> <p>Should the funds be fully allocated by FRST prior to the close of any financial year, FRST will notify regional councils, CRIs, universities, research associations and MoRST that no more proposals may be received in that financial year.</p> <p>In administering the Scheme, FRST will:</p> <ul style="list-style-type: none"> <li>• Ensure the trial regional councils are actively participating in obtaining advice grants by initiating projects.</li> </ul> <p>Ensure the process is flexible and responsive to regional councils' needs.</p>
<p>Ministerial Direction - Climate Change Adaptation Research Scheme - December 2007</p>	<p>The Scheme will fund:</p> <ul style="list-style-type: none"> <li>• climate modelling research required to understand how New Zealand can mitigate or adapt to the impacts of climate change, and</li> <li>• capability building within the science sector in order to undertake and apply that research.</li> </ul> <p>These activities should be undertaken via a multidisciplinary, collaborative or cross-research organisation approach.</p> <p>The Scheme's objectives are to:</p> <ul style="list-style-type: none"> <li>• protect our primary and resource intensive industries</li> <li>• respond to new human and animal health threats</li> <li>• maintain and enhance our biodiversity, and</li> <li>• develop communities resilient to changes in the climate and associated hazards.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	93,629	93,629	93,629	93,629	93,629
Marine Science and Information - use of MV Taharoa (as at 2005 Budget (BEFU))	2005/06	1,545	1,545	1,545	1,545	1,545
EnviroLink-connecting science with management for environmental benefit (as at 2005 Budget (BEFU))	2005/06	1,800	1,800	1,800	1,800	1,800
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(10,403)	(10,403)	(10,403)	(10,403)	(10,403)
GST on Budget Initiatives (as at 2005 Budget (BEFU)) (1545 and 2000)	2005/06	(372)	(372)	(372)	(372)	(372)
Increasing environmental research (as at 2006 Budget (BEFU)) NZ Ecosystems	2006/07	3,900	3,900	3,900	3,900	3,900
Budget 2007 International Polar Year	2007/08	1,350	1,350	-	-	-
Budget 2007 Climate change research	2007/08	2,000	2,000	2,000	2,000	2,000
OBU 2007/08 Climate change adaption research	2007/08	2,500	2,500	2,500	2,500	2,500
MBU 2007/08 Restructure of funding for climate change adaption	2007/08	834	833	833	-	-
MBU 2007/08 rephase funding to 2008/09	2007/08	1,778	-	-	-	-
Budget 2008 Land and water use and quality	2008/09	3,000	3,000	3,000	3,000	3,000
Budget 2008 coordinated call by FRST and EU	2008/09	-	1,500	1,500	1,500	1,500
Budget 2008 Backbone	2008/09	2,564	4,564	4,564	4,564	4,564
Budget 2008 Outcome Based Investments	2008/09	2,000	4,500	4,500	4,500	4,500
MBU 2008/09 rephasing of the undistributed funds held by FRST	2008/09	(6,111)	6,111	-	-	-
Budget 2009 reversal of the unfunded Budget 2008 commitment	2009/10	-	(13,888)	(6,000)	(6,000)	(6,000)

## Global Technology Partnership (M56)

### Scope of Appropriation

This appropriation is limited to services that provide New Zealand firms with access to information about international RS&T markets and expertise.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	401	401	400

### Reasons for Change in Appropriation

This appropriation will decrease by \$1,000 for 2009/10. The reason for the change is a planned reduction in the level of annual funding for this service provided by the FRST.

### Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The cost of the Global Technology Partnerships service is reported quarterly. The cost of this service should reflect the direct processing time and cost, and the equitable distribution of all indirect costs.	Achieved	Achieved	Achieved
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved

### Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	<p>Objectives of the Global Technology Programme (GTP) are to:</p> <ul style="list-style-type: none"> <li>contribute to achieving the Government's economic growth objectives by helping to lift the quality and quantity of business expenditure on research and development across the economy</li> <li>enable companies, particularly small and medium enterprises, to easily identify and access knowledge, technology and business collaborations and partnerships</li> <li>increase both domestic and international technology and knowledge transfer</li> <li>improve the commercial linkages between businesses and knowledge institutions</li> <li>increase the international connection and collaboration of New Zealand businesses and knowledge institutions, and</li> <li>operate in a financially self-sustaining manner on an ongoing basis.</li> </ul> <p>GTP is expected to be self-sustaining but for the first five years will be subsidised by the Government.</p>

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Establish the programme Budget 2006	2006/07	1,403	1,361	1,361	1,361	1,361
Adjustment to administrative arrangements OBU 2006/07	2006/07	(1,002)	(1,361)	(1,361)	(1,361)	(1,361)
2008 OBU Continuation of support	2009/10	-	400	400	-	-

## Health Research (M56)

### *Scope of Appropriation*

This appropriation is limited to obtaining public good science and technology that improves the health status of New Zealanders.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	62,955	62,955	70,955

### *Reasons for Change in Appropriation*

This appropriation will increase by \$8 million to \$70.955 million for 2009/10. The reason for the change is an increase for general contestable funding.

### *Output Performance Measures and Standards*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Number and total dollar value of new and active contracts reported in six monthly reports.	N/A	Achieved	Achieved
100% of contracts are awarded in line with the process and criteria set out for each output in the contract between the Minister of RST and the Health Research Council (HRC).	N/A	Achieved	Achieved
Provision of data for RST Scorecard supplied to MoRST by 30 September 2010 and in alignment with content guidelines specified in the Output Agreement.	N/A	Achieved	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Estimates of Appropriation 2007	<p>Criteria for the purchase of outputs will be:</p> <ul style="list-style-type: none"> <li>• Scientific and technological quality.</li> <li>• Relevance to improving health and social wellbeing.</li> </ul> <p>This output expense has three outputs:</p> <ul style="list-style-type: none"> <li>• Contestable Funding Round: strategic, investigator-led research that contributes to the social, economic and knowledge goals for Vote RST.</li> <li>• Partnership Programme: research with a focus on building the evidence base for public sector policy and practice relevant to health outcomes.</li> <li>• Targeted Research for Health: targeted research addressing identified national health priorities.</li> </ul>
Health Research Council Act 1990	Administer funds granted to the Council for the purpose of implementing national health research policy.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	47,734	47,734	47,734	47,734	47,734
Increase investment in health research (as at 2005 Budget (BEFU)) to HRC	2005/06	18,590	18,590	18,590	18,590	18,590
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
GST on Budget Initiatives (as at 2005 Budget (BEFU))	2005/06	(2,065)	(2,065)	(2,065)	(2,065)	(2,065)
Budget 2008 Increase investment in health research (HRC Contestable Fund)	2008/09	3,000	3,000	3,000	3,000	3,000
Budget 2008 Obesity Research (to have matched funds through Vote Health)	2008/09	1,000	1,000	1,000	1,000	1,000
Budget 2009 Increase investment in health research (HRC Contestable Fund)	2009/10	-	8,000	8,000	8,000	8,000

**International Science and Technology Linkages (M56)***Scope of Appropriation*

This appropriation is limited to promoting and supporting New Zealand RS&T internationally as determined by the Minister.

*Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,767	3,267	3,227

*Reasons for Change in Appropriation*

This appropriation will decrease by \$540,000 to \$3.227 million for 2009/10. The reason for the change reflects the transfer of funding made from 2007/08 in respect of bilateral activity involving the European Union, India, Singapore and Japan.

## Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number and total dollar value of new and active contracts will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Terms of Reference.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
International Science and Technology Linkages (ISAT) Terms of Reference	<p>All programmes will be targeted to supporting all, or some of the following fundamental objectives of the ISAT Output Class:</p> <ul style="list-style-type: none"> <li>To develop international opportunities and utilise overseas advances in RST for economic, social and environmental progress.</li> <li>To positively influence regional or international RST-linked activities that advance New Zealand's national interests.</li> <li>To increase the level of funding, scientific skills and technological capabilities that New Zealand is able to source from other countries.</li> <li>To promote international recognition for New Zealand as a centre for innovation.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at 2004 Budget	2004/05	2,335	2,335	2,335	2,335	2,335
Transfer of management costs for ISAT programmes administered by the Royal Society of NZ (RSNZ) to Research Contract Management NDE (as at 2004/05 OBU (DEFU))	2004/05	(50)	(50)	(50)	(50)	(50)
Increased access to global science (as at 2006 Budget (BEFU))	2006/07	500	500	500	500	500
Transfer to MoRST for Counsellor Activity (as at 2006 Budget (BEFU))	2006/07	(258)	(258)	(258)	(258)	(258)
Budget 2007 Connecting NZ Science Globally	2007/08	700	700	700	700	700
MBU 2007/08 transfer of funding to 2008/09 for bilateral activity with the European Union	2007/08	150	-	-	-	-
OBU 2008/09 transfer of funding to 2008/09 for bilateral activity with India, Singapore and Japan.	2008/09	390	-	-	-	-

## Māori Knowledge and Development Research (M56)

### *Scope of Appropriation*

This appropriation is limited to obtaining public good science and technology that unlocks the innovation potential of Māori knowledge.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,867	4,867	4,867

### *Reasons for Change in Appropriation*

This appropriation has not changed.

### *Output Performance Measures and Standards*

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Statement of Science Priorities - September 2008	<p>Priorities to which the foundation must adhere to in allocating funds are:</p> <ul style="list-style-type: none"> <li>the annual Estimates of Appropriations for Vote RST</li> <li>the Minister of RST's Letter of Expectations to FRST</li> <li>the output agreement between FRST and the Minister of RST</li> <li>current Roadmaps for Science (which currently includes those for Environmental Research, Biotechnology Research, Nanoscience, and Nanotechnologies and Energy Research)</li> <li>the funds appropriated for the Sustainable Land Management and Climate Change Plan of Action, as set out in the annual Estimates of Appropriation for Vote Agriculture and Forestry, and the Strategic Research Framework developed for those funds, and</li> <li>any other priority setting documents that the Minister of RST may issue from time to time.</li> </ul> <p>FRST shall confer with MoRST to ensure that FRST's allocation strategies, and the associated investment signals to the research sector, contribute to the government's objectives and the needs of the end-users of research and research organisations.</p> <p>The Minister of RST expects FRST to seek guidance on matters including, but not limited to:</p> <ul style="list-style-type: none"> <li>research organisations' strategies</li> <li>whole-of-government and government departments' strategies, and</li> <li>end-user and other private sector strategies.</li> </ul>
Vision Mātauranga 2007	<p>The purpose of Vision Mātauranga is to provide strategic direction for Vote RST funding for research of relevance to four themes. These themes will find expression, where appropriate, in research investments made by FRST, HRC and RSNZ. The four themes are:</p> <ul style="list-style-type: none"> <li><b>Economic.</b> Indigenous innovation: contributing to economic growth through distinctive R and D.</li> <li><b>Environment.</b> Taiao: achieving environmental sustainability through Iwi and Hapū relationships with land and sea.</li> <li><b>Social.</b> Hauora: improving Māori health and social wellbeing.</li> <li><b>Knowledge.</b> Mātauranga: exploring indigenous knowledge and RST.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	5,475	5,475	5,475	5,475	5,475
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(608)	(608)	(608)	(608)	(608)

## Marsden Fund (M56)

### *Scope of Appropriation*

This appropriation is limited to obtaining excellent basic research that broadens and deepens the research skill base in New Zealand, regardless of whether the research contributes to the Government's socio-economic priorities.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	37,878	37,878	46,878

### *Reasons for Change in Appropriation*

This appropriation will increase by \$9 million to \$46.878 million for 2009/10. The reason for the change is additional funding for basic research for 2009/10 and through outyears.

### *Output Performance Measures and Standards*

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number and total dollar value of existing contracts reported in six monthly reports.	N/A	Achieved	Achieved
100% of contracts will be awarded on the basis of research excellence.	N/A	Achieved	Achieved
Provision of data for RST Scorecard supplied to MoRST by 30 September 2010 and in alignment with content guidelines specified in the contract between the Minister of RST and the Royal Society of NZ (RSNZ).	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Terms of Reference - Marsden Fund - 2008.	<p>The primary objectives of the Marsden Fund are to:</p> <ul style="list-style-type: none"> <li>enhance the quality of research in New Zealand by creating increased opportunity to undertake excellent investigator-initiated research, and</li> <li>support the advancement of knowledge in New Zealand, and contribute to the global knowledge base.</li> </ul> <p>A secondary objective of the Marsden Fund is to contribute to the development of advanced skills in New Zealand including support for continuing training of post-doctoral level researchers and support for the establishment of early careers of new and emerging researchers.</p> <p>The Marsden Fund is open to applicants that meet the Marsden Fund's eligibility criteria. The eligibility criteria are determined by the Marsden Fund Council. The eligibility criteria must:</p> <ul style="list-style-type: none"> <li>ensure successful proposals are consistent with the nature and objectives of the Marsden Fund stated above, and</li> <li>applicants are New Zealand-based researchers undertaking research to be carried out in New Zealand or overseas if its nature demands that it be carried out elsewhere. Collaborating researchers from outside New Zealand are able to be included in proposals, but are not able to receive direct funding support for their time or institutional costs.</li> </ul> <p>Otherwise, the Council may, from time to time adjust the eligibility criteria of the Marsden Fund to increase its effectiveness in achieving the Marsden Fund's objectives.</p>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	35,289	35,289	35,289	35,289	35,289
Increased funding for the Marsden Fund (as at 2005 Budget (BEFU))	2005/06	2,880	2,880	2,880	2,880	2,880
GST on Baselines - Non-Departmental Output Classes (as at 2005 Budget (BEFU))	2005/06	(3,921)	(3,921)	(3,921)	(3,921)	(3,921)
GST on Budget Initiatives (as at 2005 Budget (BEFU))	2005/06	(320)	(320)	(320)	(320)	(320)
Administration cost of the Marsden Fund (social sciences panel) transferred to the Research Contract Management NDE (as at 2005/06 MBU)	2005/06	(50)	(50)	(50)	(50)	(50)
Budget 2007 Increased funding	2007/08	2,000	2,000	2,000	2,000	2,000
Budget 2008 Increased funding	2008/09	2,000	2,000	3,000	6,000	6,000
Budget 2009 Reversal of unfunded Budget 2008 commitment	2009/10	-	-	(1,000)	(4,000)	(4,000)
Budget 2009 Increased funding	2009/10	-	9,000	9,000	9,000	9,000

## National Measurement Standards (M56)

### Scope of Appropriation

This appropriation is limited to providing specified standards to satisfy the needs for traceable physical measurement in New Zealand.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,764	5,764	5,764

### Reasons for Change in Appropriation

There is no change in appropriation between 2009/10 and 2010/11.

### Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Provision of national measurement standards and related services in accordance with the requirements specified in the contract with the Minister.	N/A	Achieved	Achieved
The measurement standards will be maintained in accordance with the resolutions and recommendations of the Metric Treaty Organisation with all technical procedures related to the measurement standards validated.	N/A	Achieved	Achieved
100% of outputs delivered in accordance with time lines specified in the output agreement with the Minister.	N/A	Achieved	Achieved

### Conditions on Use of Appropriation

Reference	Conditions
Measurements Standards Act 1992	The Minister of RST shall provide for the use throughout New Zealand of uniform units of measurement of physical quantities, and for the establishment and maintenance of standards of measurement of physical quantities.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	5,517	5,517	5,517	5,517	5,517
GST on Baselines - Non-Departmental Output Classes (as at 2005 Budget (BEFU))	2005/06	(613)	(613)	(613)	(613)	(613)
Extending Measurements Standards (operating) (as at 2006 Budget (BEFU))	2006/07	860	860	860	860	860

## New Economy Research Fund (M56)

### *Scope of Appropriation*

This appropriation is limited to obtaining investigator-initiated research that stimulates the emergence and growth of new knowledge-intensive enterprises.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	69,833	69,833	73,019

### *Reasons for Change in Appropriation*

This appropriation will increase by \$3.186 million to \$73.019 million for 2009/10. The reasons for the change are:

- a funding restructure and transfer of the undistributed funds held by the FRST, and
- reversal of the unfunded Budget 2008 commitment.

### *Output Performance Measures and Standards*

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Ministerial Direction - Stable Funding July 2008	<p>The Foundation in its allocation of funds will ensure:</p> <p>there will be progressive implementation of the Negotiated Investment Process for eligible programmes within Vote RST</p> <p>to be considered eligible for a Negotiated Investment Process, a research programme will have to:</p> <ul style="list-style-type: none"> <li>• be of sufficient size</li> <li>• demonstrate strategic relevance to government and/or sector goals</li> <li>• have undergone a technical review that demonstrates satisfactory performance, and</li> <li>• have previously received funding from the Foundation.</li> </ul> <p>that research programmes eligible for the Negotiated Investment Process also satisfy quality and relevance criteria that include, but are not limited to, a combination of the following:</p> <ul style="list-style-type: none"> <li>• scientific and technical quality, including track-record of delivering benefit to New Zealand and future potential to deliver benefit to New Zealand</li> <li>• long-term comparative advantage in an area of direct benefit to New Zealand, or unique significance to New Zealand</li> <li>• alignment with relevant end-user and government strategies</li> <li>• evidence of end-user support and industry co-funding, and</li> <li>• a track record of the research organisations' accountability for public money.</li> </ul> <p>that Negotiated Investment Processes will be applied in the New Economy Fund output expense with the total value of Negotiated Investment Process investments not to exceed 30% of this output expense.</p>
Ministerial Direction - November 2008	<p>The objectives of the New Economy Research Fund are to:</p> <ul style="list-style-type: none"> <li>• support investigator-initiated research (public or private) that has the potential to create advanced technologies</li> <li>• utilise advanced technologies (New Zealand and international) to estimate the emergence and growth of new knowledge-intensive enterprises for the benefit of New Zealand</li> <li>• develop advanced human capital and skills in New Zealand, and</li> <li>• in the case of TRSTS, utilise advanced technologies (New Zealand and international) to stimulate the emergence and growth of new knowledge-intensive enterprises more rapidly than may otherwise have occurred.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	69,284	69,284	69,284	69,284	69,284
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(7,698)	(7,698)	(7,698)	(7,698)	(7,698)
Supporting existing infrastructure - Synchrotron (as at 2006 Budget (BEFU))	2006/07	(808)	(644)	(644)	(644)	(644)
Transfer for Synchrotron OBU 2006/07	2006/07	-	-	(377)	(377)	-
Budget 2007 New Technologies	2007/08	3,500	3,500	3,500	3,500	3,500
Budget 2007 Innovative Foods	2007/08	1,155	1,155	1,155	1,155	1,155
Rollover reversal one off adjustment OBU 2007/08	2007/08	-	-	-	377	-

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
MBU 2007/08 rephase funding to 2008/09	2007/08	1,600	-	-	-	-
Emerging and high value technologies Budget 2008	2008/09	3,000	3,000	3,000	3,000	3,000
High technology platforms TRST Budget 2008	2008/09	3,000	3,000	8,000	10,000	10,000
OBU 2008 Reinstatement of funding after one-off transfer to Australian Synchrotron	2010/11	-	-	644	644	644
MBU 2008/09 restructure of undistributed funds held by FRST	2008/09	(3,200)	3,200	-	-	-
Budget 2009 reversal of the unfunded Budget 2008 commitment	2009/10	-	(1,778)	(5,000)	(7,000)	(7,000)

## Research and Development Facilitation and Promotion Service (M56)

### Scope of Appropriation

This appropriation is limited to purchasing services that promote the commercialisation of research and development, and facilitate linkages between firms and research organisations.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,000	4,000	5,000

### Reasons for Change in Appropriation

This appropriation will increase by \$1 million to \$5 million for 2009/10. The reason for the change is the reduction in services and transfer of \$1 million in 2008/09 for capital investment in the FRST in 2009/10.

### Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Provide a quarterly report that identifies the type and nature of services, including those services contracted from third-party providers, provided to entities and sectors. The report should identify the number of entities receiving these services.	N/A	Achieved	Achieved
The cost of the R and D Facilitation and Promotion Service is reported quarterly. The cost of this service should reflect the direct processing time and cost, and the equitable distribution of all indirect costs.	N/A	Achieved	Achieved

*Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Service to facilitate relationships between firms and the research community.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2007 Establish the service activity	2007/08	2,000	2,000	2,000	2,000	2,000
Budget 2008 Increased funding for the service	2008/09	3,000	3,000	3,000	3,000	3,000
Budget 2009 transfer to provide for capital injection to FRST	2008/09	(1,000)	-	-	-	-

**Research Contract Management (M56)***Scope of Appropriation*

This appropriation is limited to purchasing services that select RS&T related organisations and individuals for either the provision of RS&T outputs, or the award of grants; and negotiate, manage and monitor appropriate contracts with those organisations or individuals.

*Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	22,456	22,431	21,834

*Reasons for Change in Appropriation*

This appropriation will decrease by \$622,000 to \$21.834 million for 2009/10. The reasons for the change are:

- \$800,000 in 2008/09 only for FRST to further implement technical review and stable funding.
- An increase of \$178,000 from 2009/10 for administration of Technology New Zealand grant schemes that was approved in the 2005 Budget.

## Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Achievement reports from research providers are produced in accordance with timelines and content guidelines specified in contracts between the FIA and providers.	N/A	Achieved	Achieved
Contracts are monitored on the achievement of their performance objectives as specified in contracts between the Minister of RST and FIAs.	N/A	Achieved	Achieved
100% of contracts are awarded in accordance with assessment processes outlined in annually updated documents.	N/A	Achieved	Achieved
100% of research contract payments are made at the agreed sum to the correct providers and no payments are made in excess of the agreed sums.	N/A	Achieved	Achieved
100% of contracts, where appropriate, require research providers to obtain ethical approvals, and satisfy government regulatory requirements before the research can be undertaken.	N/A	Achieved	Achieved
FIAs deliver 100% of key accountability reports in accordance with timelines specified in their contracts with the Minister.	N/A	Achieved	Achieved
All advice to the Minister as required will be delivered, consistent with the Foundation's Act, within 15 working days of the formal request and will be of a standard acceptable to the Minister.	N/A	Achieved	Achieved
Investment efficiency (\$ contract management budget/\$ investment funds disbursed) will be reported in the 4th quarter or 2nd six-monthly reports for 2009/010.	N/A	Achieved	Achieved
Contracts (\$ contract management budget/no. of contracts let) will be reported in the 4th quarter or 2nd six-monthly reports for 2009/010.	N/A	Achieved	Achieved
At least 85% of biennially surveyed participants indicate satisfaction with the standard of delivery within the Technology New Zealand Schemes.	N/A	Achieved	Achieved
Processing time split (Date of application/date of contracting) to be relevant output expenses (defined in the output agreement) reported as specified in the contracts between the Minister of RST and FIAs.	N/A	Achieved	Achieved
The cost of research contract management (RCM) is reported for each funding scheme being administered under agreed outputs in the output agreement or service contract with the FIA. The cost of RCM should reflect the direct processing time and cost, and the equitable distribution of all indirect costs.	Achieved	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Output agreements or contracts with FIAs	Funds the contract administration undertaken by HRC, FRST, RSNZ, and Fulbright New Zealand.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	19,317	19,317	19,317	19,317	19,317
Transfer for admin cost of TBG programme (as at 2004/05 OBU (DEFU))	2004/05	225	225	225	225	225
Transfer of management costs for RSNZ ISAT programmes (as at 2004/05 OBU (DEFU))	2004/05	50	50	50	50	50
Envirolink-connecting science with management for environmental benefit (as at 2005 Budget (BEFU))	2006/07	200	200	200	200	200
RCM for HRC for increased investment in Health Research (as at 2005 Budget (BEFU))	2005/06	410	410	410	410	410
Support for business R and D - the expansion of Technology New Zealand (as at 2005 Budget (BEFU))	2005/06	480	600	600	600	600
Expanding the Technology for Industry Fellowships (TIF) Scheme (as at 2005 Budget (BEFU))	2005/06	400	400	400	400	400
Industry Based Research Funding for Increasing the number of Research Consortia (as at 2005 Budget (BEFU))	2005/06	200	200	200	200	200
Expansion of the International Investment Opportunities Fund (as at 2005 Budget (BEFU))	2005/06	200	200	200	200	200
Transfer to MoRST for management of the CRI Capability Fund (as at 2005 Budget (BEFU))	2005/06	(150)	(150)	(150)	(150)	(150)
RCM for RSNZ for increased funding for the Marsden Fund (as at 2005 Budget (BEFU)) RSNZ	2005/06	120	120	120	120	120
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(2,177)	(2,177)	(2,177)	(2,177)	(2,177)
GST on Budget Initiatives (as at 2005 Budget (BEFU))	2005/06	(207)	(220)	(220)	(220)	(220)
RCM for RSNZ for Talented Young NZers & Teacher Fellowships Schemes (as at 2005/06 OBU (DEFU))	2005/06	39	39	39	39	39
RCM for NZ-United States Educational Foundation (Fulbright New Zealand) for admin of Science Scholarships (as at 2005/06 OBU (DEFU))	2005/06	142	142	142	142	142
TechNZ - incorporation of 2005 Budget decision relating to rollout year of 2009/10 (as at 2005/06 OBU (DEFU))	2009/10	-	178	178	178	178
RCM for RSNZ for administration of the Marsden Fund (social sciences panel) (as at 2005/06 MBU)	2005/06	50	50	50	50	50
Pastoral Research (as at 2006 Budget (BEFU))	2006/07	100	100	100	100	100
Energy Research (as at 2006 Budget (BEFU))	2006/07	75	75	75	75	75
Increasing environmental research (as at 2006 Budget (BEFU))	2006/07	100	100	100	100	100
Introducing technical review in FRST's investment process (as at 2006 Budget (BEFU))	2006/07	750	750	750	750	750
RCM for RSNZ for administration expenses and publication costs (as at 2006 Budget (BEFU))	2006/07	345	345	345	345	345
RCM related to the International Polar Year Contestable research fund as at 2007 Budget BEFU	2007/08	150	150	150	150	150

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Technical review of investments as at 2007 Budget BEFU	2007/08	300	300	300	300	300
RCM for RSNZ for increased cost of administration for Teacher Fellowships MBU 2007/08	2007/08	130	130	130	130	130
Budget 2008 increase for technical review and the implementation of the second phase of the stable funding initiative	2008/09	800	-	-	-	-
OBU 2008 increase in RCM for FRST	2008/09	300	300	300	300	300

## Research for Industry (M56)

### *Scope of Appropriation*

This appropriation is limited to obtaining public good science and technology that improves the competitiveness of the industrial sector.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	206,040	206,040	214,263

### *Reasons for Change in Appropriation*

This appropriation will increase by \$8.223 million to \$214.263 million for 2009/10. The reasons for the change are:

- a funding restructure and transfer of the undistributed funds held by the FRST, and
- reversal of the unfunded Budget 2008 commitment.

### *Output Performance Measures and Standards*

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved
At least 50% of contracts reporting co-funding greater than 5% of each contract's value.	N/A	Achieved	Achieved

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Research Consortia is used to leverage private sector investment: <ul style="list-style-type: none"> <li>At least 50% planned cash co-funding contributed to consortia by the private sector.</li> <li>At least 50% reported co-funding accumulated over the life of the contract.</li> </ul>	N/A	Achieved	Achieved

### Conditions on Use of Appropriation

Reference	Conditions
Ministerial Direction - Stable Funding July 2008	<p>The Foundation in its allocation of funds will ensure: there will be progressive implementation of the Negotiated Investment Process for eligible programmes within Vote RST</p> <p>to be considered eligible for a Negotiated Investment Process, a research programme will have to:</p> <ul style="list-style-type: none"> <li>be of sufficient size</li> <li>demonstrate strategic relevance to government and/or sector goals</li> <li>have undergone a technical review that demonstrates satisfactory performance, and</li> <li>have previously received funding from the Foundation.</li> </ul> <p>that research programmes eligible for the Negotiated Investment Process also satisfy quality and relevance criteria that include, but are not limited to, a combination of the following:</p> <ul style="list-style-type: none"> <li>scientific and technical quality, including track-record of delivering benefit to New Zealand; and future potential to deliver benefit to New Zealand</li> <li>long-term comparative advantage in an area of direct benefit to New Zealand, or unique significance to New Zealand</li> <li>alignment with relevant end-user and government strategies</li> <li>evidence of end-user support and industry co-funding, and</li> <li>a track record of the research organisations' accountability for public money.</li> </ul> <p>that Negotiated Investment Processes will be applied in the Research for Industry output expense with the total value of Negotiated Investment Process investments not to exceed 40% in this output expense.</p> <p>Outcome-based Investment and funds to which a ministerial scheme applies do not count toward the calculation of the percentage cap within the Research for Industry output expenses, but do form part of the total relevant output expense.</p>
Terms of Reference - Research Consortia - September 2007	<p>Projects that meet the Scheme's objectives are eligible to receive funds from FRST.</p> <p>The Scheme's objectives are to:</p> <ul style="list-style-type: none"> <li>facilitate public/private research partnerships that provide early user engagement and increase private investment in New Zealand, and</li> <li>invest in research through user-led research consortia in partnership with research providers. Partnerships will have clearly defined pathways to the implementation and commercialisation for their intended research outcomes.</li> </ul> <p>In making funding decisions, FRST will fund projects that best meet the following criteria:</p> <ul style="list-style-type: none"> <li>high scientific and technological quality of research</li> <li>potential benefit to New Zealand through innovation</li> <li>clearly defined partnerships and pathways to the implementation of the research outcomes</li> <li>a fit-for-purpose science track record</li> <li>potential to build RST capability, and</li> <li>potential to increase the level of innovation within user groups.</li> </ul>

Reference	Conditions
Statement of Science Priorities - September 2008	<p>Priorities to which FRST must adhere to in allocating funds are:</p> <ul style="list-style-type: none"> <li>• Government's Agenda for New Zealand Research, Science and Technology</li> <li>• the annual Estimates of Appropriations for Vote RST</li> <li>• the Minister of RST's Letter of Expectations to FRST</li> <li>• the output agreement between FRST and the Minister of RST</li> <li>• Current Roadmaps for Science (which currently includes those for Environmental Research, Biotechnology Research, Nanoscience, and Nanotechnologies and Energy Research)</li> <li>• the funds appropriated from the Sustainable Land Management and Climate Change Plan of Action, as set out in the annual Estimates of Appropriation for Vote Agriculture and Forestry, and the Strategic Research Framework developed for those funds, and</li> <li>• any other priority setting documents that the Minister may issue from time to time.</li> </ul> <p>FRST shall confer with MoRST to ensure that FRST's allocation strategies, and the associated investment signals to the research sector, contribute to the government's objectives and the needs of the end-users of research and research organisations.</p> <p>The Minister of RST expects FRST to seek guidance on matters including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Research organisations' strategies.</li> <li>• Whole-of-government and government departments' strategies.</li> <li>• End-user and other private sector strategies.</li> </ul>

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	211,501	211,501	211,501	211,501	211,501
GIF\$ - Research consortia for research for economic growth (as at 2004 Budget)	2004/05	6,650	6,650	6,650	6,650	6,650
Reversal of a transfer inadvertently processed twice in previous Updates (as at 2004/05 OBU (DEFU))	2004/05	(500)	(500)	(500)	(500)	(500)
Industry Based Research Funding for Increasing the number of Research Consortia (as at 2005 Budget (BEFU))	2005/06	4,800	4,800	4,800	4,800	4,800
Supporting technology platforms for economic growth in New Zealand's Crown Research Institutes (as at 2005 Budget (BEFU))	2005/06	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(23,445)	(23,445)	(23,445)	(23,445)	(23,445)
GST on Budget Initiatives (as at 2005 Budget (BEFU))	2005/06	134	134	134	134	134
Pastoral Research (as at 2006 Budget (BEFU))	2006/07	3,900	3,900	3,900	3,900	3,900
Energy Research (as at 2006 Budget (BEFU))	2006/07	2,925	2,925	2,925	2,925	2,925
Increasing primary productivity and trade as at Budget 2007 BEFU	2007/08	2,000	2,000	2,000	2,000	2,000
Focusing on innovative foods as at Budget 2007 BEFU	2007/08	2,345	2,345	2,345	2,345	2,345
Baseline savings as at Budget 2007 BEFU	2007/08	(3,000)	(3,000)	-	-	-
Pastoral 21 as at Budget 2007 BEFU	2007/08	3,000	3,000	3,000	3,000	3,000
MBU 2007/08 rephase funding to 2008/09	2007/08	7,778	-	-	-	-
Budget 2008 sustainable primary systems	2008/09	3,000	3,000	3,000	3,000	3,000

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2008 biosecurity tools	2008/09	3,000	3,000	3,000	3,000	3,000
Budget 2008 hazard management	2008/09	2,000	2,000	2,000	2,000	2,000
Budget 2008 renewable energy	2008/09	2,000	2,000	2,000	3,000	3,000
Budget 2008 deep geothermal energy	2008/09	1,000	1,000	1,000	1,000	1,000
Budget 2008 backbone	2008/09	1,436	1,436	1,436	1,436	1,436
Budget 2008 energy TRST	2008/09	1,500	3,000	5,000	5,000	5,000
Budget 2008 transfer for e-science	2008/09	(3,556)	-	-	-	-
MBU 2009 restructure of undistributed funds held by FRST	2008/09	(9,778)	9,778	-	-	-
Budget 2009 reversal of unfunded Budget 2008 commitments	2009/10	-	(8,611)	(4,998)	(6,918)	(6,918)

## Social Research (M56)

### Scope of Appropriation

This appropriation is limited to obtaining public good science and technology that improves social well being.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,860	5,860	5,860

### Reasons for Change in Appropriation

There is no change in the appropriation amount from 2008/09 to 2009/10.

### Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and align with content guidelines specified in the contract.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Statement of Science Priorities - September 2008.	<p>Priorities to which FRST must adhere to in allocating funds are:</p> <ul style="list-style-type: none"> <li>• Government's Agenda for New Zealand Research, Science and Technology</li> <li>• the annual Estimates of Appropriations for Vote RST</li> <li>• the Minister of RST's Letter of Expectations to FRST</li> <li>• the output agreement between the FRST and the Minister of RST</li> <li>• Current Roadmaps for Science (which currently includes those for Environmental Research, Biotechnology Research, Nanoscience, and Nanotechnologies and Energy Research)</li> <li>• the funds appropriated from the Sustainable Land Management and Climate Change Plan of Action, as set out in the annual Estimates of Appropriation for Vote Agriculture and Forestry, and the Strategic Research Framework developed for those funds, and</li> <li>• any other priority setting documents that the Minister may issue from time to time.</li> </ul> <p>FRST shall confer with the MoRST to ensure that FRST's allocation strategies, and the associated investment signals to the research sector, contribute to the government's objectives and the needs of the end-users of research and research organisations.</p> <p>The Minister of RST expects FRST to seek guidance on matters including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Research organisations' strategies.</li> <li>• Whole-of-government and government departments' strategies.</li> <li>• End-user and other private sector strategies.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at 2004 Budget	2004/05	6,592	6,592	6,592	6,592	6,592
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(732)	(732)	(732)	(732)	(732)

## Sustainable Energy Development (M56)

### Scope of Appropriation

This appropriation is limited to providing financial assistance to private and public organisations demonstrating the potential of new sustainable low carbon energy technologies.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,822	3,822	4,178

### Reasons for Change in Appropriation

This appropriation will increase by \$356,000 to \$4.178 million for 2009/10. The reason for the change is a funding restructure and transfer of the undistributed funds held by the FRST.

### Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved

### Conditions on Use of Appropriation

Reference	Conditions
Cabinet minute CBC Min (07) 16-1	The Low Carbon Technology Fund will assist private and public organisations, which have completed basic research and have demonstrated the potential of a new technology at the laboratory or proof of concept stage, to move through the pilot/demonstration plant stage.
Ministerial Direction- Low-Carbon Energy Technologies Fund - February 2008.	<p>The fund's objectives are to:</p> <ul style="list-style-type: none"> <li>support the New Zealand Government's policy objectives for climate change, energy and transport, and</li> <li>develop the results of existing research in second generation domestic biofuels technologies, as a priority, and other low-carbon energy technologies up to and including pilot/demonstration plant stage leading to their commercial development and use in New Zealand.</li> </ul> <p>Funding criteria</p> <p>The Foundation will fund proposals that:</p> <ul style="list-style-type: none"> <li>are consistent with the objectives of the fund</li> <li>are made by public or private sector organisations based in New Zealand, and</li> <li>have a significant level of commercial/industry co-funding.</li> </ul>

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Establish Low Carbon Energy Technology Fund OBU 2007/08	2007/08	4,000	4,000	4,000	-	-
Budget 2008 continued funding	2011/12	-	-	-	4,000	4,000
MBU 2009 restructure of undistributed funds held by FRST	2008/09	(178)	178	-	-	-
Budget 2009 reversal of unfunded Budget 2008 commitment	2009/10	-	-	-	(4,000)	(4,000)

## Summary of Service Providers for Non-Departmental Outputs

Provider	2008/09 Budgeted \$000	2008/09 Estimated Actual \$000	2009/10 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
The Foundation for Research, Science and Technology	427,164	427,164	431,753	Annual Report	No Expiry
Health Research Council	70,656	70,656	68,618	Annual Report	No Expiry
Royal Society of New Zealand	46,362	46,362	41,657	Section 32A	No Expiry
Industrial Research Limited	5,764	5,764	5,674	Annual Report	No Expiry
Fulbright New Zealand	142	142	142	Section 32A	No Expiry

The above table summarises funding to be allocated through Vote RST to non-departmental providers, along with an indication of the mechanism to be used for reporting actual performance and (where determined) the length of the funding commitment.

## Part 5 - Details and Expected Results for Other Expenses

### Part 5.2 - Non-Departmental Other Expenses

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The KAREN user group makes effective use of the Advanced Network.</p>	Advanced Network Capability Building (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Security and convenience of access to the Australian Synchrotron.</p> <p><b>Impact</b> - To further scientific discovery, educate and grow the user base, strengthen New Zealand's competitive position and influence the direction of synchrotron science.</p>	Australian Synchrotron (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The purpose of the Carter Observatory is maintained for the provision of public good science in New Zealand.</p>	Carter Observatory Grant (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The distinctive role of CRIs is reinforced and supported to maintain the scientific capabilities required for the provision of public good science in New Zealand.</p>	CRI Capability Fund (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - New Zealand's subscription to the Convention du Metre is provided for and national measurement standards applied in New Zealand are supported.</p>	Convention Du Metre (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - To provide for the establishment and maintenance of a world-class genomic research capability in New Zealand.</p>	Genomics Research Infrastructure (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Research providers are able to participate in research collaborations that attract international co-funding, to recruit highly experienced researchers from overseas and to support participation in international research programmes with a high relevance to New Zealand's economic, social and/or environmental development.</p> <p><b>Impacts</b> -</p> <ul style="list-style-type: none"> <li>To provide funding to enable New Zealand researchers to respond to opportunities for international collaboration that arise out-of-cycle.</li> <li>To co-invest with international partners in research programmes of joint interest that will involve researchers based in New Zealand.</li> <li>Assist world-leading researchers to establish research programmes in New Zealand in key areas of strategic interest to New Zealand.</li> </ul>	International Investment Opportunities Fund (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - The rate of commercialisation of innovations from publicly funded research by public sector research providers is increased.</p>	Pre-Seed Accelerator Fund (M56)

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - To promote and advance science and technology.</p>	Royal Society of New Zealand (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Human resources are supported.</p>	Rutherford Foundation (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - To improve primary health in New Zealand.</p>	Support for Primary Health Research (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Human resources in research, science, and technology are supported and people with knowledge, skills and ideas are developed.</p>	Supporting Promising Individuals (M56)
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - Firms have increased ability to adopt new technology and to apply technological learning and technological innovation for business growth.</p>	Technology New Zealand (M56)

## Advanced Network Capability Building (M56)

### *Scope of Appropriation*

This appropriation is limited to a grant for the development of capability within the Advanced Network user group (including Tertiary Education Institutes and Crown Research Institutes) to make effective use of the Advanced Network.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,926	3,926	1,300

### *Reasons for Change in Appropriation*

This appropriation will decrease by \$2.626 million to \$1.300 million for 2009/10. The reason for the change is one-off funding provided in 2008/09 to develop the capability of users and a transfer to 2009/10 of \$1.100 million for the development of grid middleware and access management systems for users.

*Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
A FIA is appointed to administer the Advanced Network Capability Building Fund (ANCBF), or part thereof, for 2008/09.	Achieved	Achieved	Achieved
The FIA reports six-monthly to MoRST on the number and value of grants made under the ANCBF, identifying their individual purpose and application.	Achieved	Achieved	Achieved
The FIA reports six-monthly to MoRST on whether applicants to the ANCBF are advised within 3 Business Days of their request for the status of their application.	Achieved	Achieved	Achieved

*Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	The capability fund is for the purposes of developing skills and opportunities for optimal utilisation of KAREN, including the resolution of any existing 'last mile' issues for accessing the Advanced Network by the user membership. Since 2007 the Advanced Network has become known as the Kiwi Advanced Research and Education Network (KAREN).

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Provide capability funding for users of Advanced Network (CBC Min (05) 7/5) (as at 2005/06 OBU (DEFU))	2005/06	1,221	-	-	-	-
Budget 2008 increase for e-science	2008/09	3,805	200	200	-	-
MBU 2008/09 rephase funding to 2009/10	2008/09	(1,100)	1,100			

**Australian Synchrotron (M56)***Scope of Appropriation*

This appropriation is limited to a grant being New Zealand Government's contribution to the operation of a synchrotron located in Victoria, Australia.

*Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	883	883	694

### *Reasons for Change in Appropriation*

This appropriation will decrease by \$189,000 to \$694,000 for 2009/10. The reason for the change is an decrease in commitment under the funding arrangement agreed with New Zealand Synchrotron Group Limited.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The agreed contribution is paid in full and on time, as the Crown's contribution to ensure New Zealand access to the Australian Synchrotron.	N/A	Achieved	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Agreement with the New Zealand Synchrotron Group Limited September 2006	Minister's commitment to: <ul style="list-style-type: none"> <li>partially fund the Company's capital requirements by way of grant, and</li> <li>partially fund each Participant's payment of the Company's operational expenses under the Participants' Agreement by way of grant.</li> </ul>

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Supporting existing infrastructure - Synchrotron (as at 2006 Budget (BEFU))	2006/07	808	644	-	-	-
Supporting existing infrastructure OBU 2006/07	2006/07	-	-	745	-	-
Budget 2009 Foreign exchange cost pressure	2008/09	75	50	40	-	-

### **Carter Observatory Grant (M56)**

#### *Scope of Appropriation*

This appropriation is limited to a grant in terms of section 19 of the Carter Observatory Act 1938.

#### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2	2	2

*Reasons for Change in Appropriation*

Recognition of the statutory obligation of \$1,500 per annum to the Carter Observatory Board.

*Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The Crown's obligation is maintained by ensuring the annual funding is paid by due date.	N/A	Achieved	Achieved

*Conditions on Use of Appropriation*

Reference	Conditions
Carter Observatory Act 1939 section 19	Funding will be used for the purpose of the exercise of the Board's functions.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
MBU 2009 recognition of the statutory obligation	2008/09	2	2	2	2	2

**Convention Du Metre (M56)***Scope of Appropriation*

This appropriation is limited to the payment of New Zealand's annual subscription to the Convention du Metre.

*Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	135	135	135

*Reasons for Change in Appropriation*

This appropriation will not change between 2008/09 and 2009/10. The appropriation for 2009/10 does take account of the impact of foreign exchange and movement in the annual subscription.

*Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Membership obligations are maintained by ensuring the annual subscription is paid by due date.	N/A	Achieved	Achieved

*Conditions on Use of Appropriation*

Reference	Conditions
Ratification of the convention for use of the international metric measurement system.	New Zealand meets all obligations anticipated by the convention, including participation in the governing forum established in France and administered by the Bureau International des Poids et Mesures (BIPM).

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2004	2004/05	86	86	86	86	86
Increase for subscription change and forex impacts (as at 2004/05 MBU)	2005/06	4	4	4	4	4
Convention du Metre subscription increase for 2007 and outyears (as at 2005/06 MBU)	2006/07	5	5	5	5	5
OBU 2008 annual adjustment for foreign exchange and subscription movements	2008/09	25	-	-	-	-
Budget 2009 foreign exchange cost pressures	2008/09	15	40	40	40	40

**CRI Capability Fund (M56)***Scope of Appropriation*

This appropriation is limited to a grant to each Crown Research Institute (CRI) for maintaining and developing the capabilities of CRIs to fulfil their purpose.

*Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	50,612	50,612	60,612

### *Reasons for Change in Appropriation*

The increase of \$10 million to \$60.612 million for 2009/10 is to improve the ability of each CRI to develop capability to deliver public good science outcomes.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Each CRI annual report shows adequate reporting of the application of funding.	N/A	Achieved	Achieved
A quarterly exception report to CCMAU from each CRI recipient of a grant identifies changes in the use and application of the grant received.	N/A	Achieved	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Funding will be allocated on the basis of a CRI's research related income from all government sources, including local Government and that this income will be averaged over three years.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2004	2004/05	31,876	31,876	31,876	31,876	31,876
Budget 2005 Supporting technology platforms for economic growth in New Zealand's Crown Research Institutes	2005/06	11,000	11,000	11,000	11,000	11,000
Budget 2005 GST on Baselines - Non-Departmental output Classes	2005/06	(3,542)	(3,542)	(3,542)	(3,542)	(3,542)
Budget 2005 GST on Budget Initiatives	2005/06	(1,222)	(1,222)	(1,222)	(1,222)	(1,222)
Budget 2006 Supporting research capability in New Zealand's CRIs	2006/07	8,500	8,500	8,500	8,500	8,500
Budget 2007 Supporting research capability in New Zealand's CRIs	2007/08	4,000	4,000	4,000	4,000	4,000
Budget 2009 Improving CRIs ability to develop capability for public good science outcomes	2009/10	-	10,000	10,000	10,000	10,000

## Genomics Research Infrastructure (M56)

### *Scope of Appropriation*

This appropriation is limited to a grant to contribute towards the purchase and operation of infrastructure that will support genomics research.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	12,000

### *Reasons for Change in Appropriation*

This is a new appropriation for 2009/10.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
A six-monthly report to MoRST from the Genomics group: <ul style="list-style-type: none"> <li>Confirms establishment of the national genomics research infrastructure.</li> <li>Identifies the use and application of the grant received</li> </ul>	N/A	N/A	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Funding is provided to establish a national infrastructure that will significantly enhance genomics research and analytical capability in New Zealand and which is expected to provide substantial economic and social benefits in health care, food production and environmental protection. This national genomics research infrastructure in New Zealand combines expertise in four research institutions.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
OBU 2008 genomics research Infrastructure	2009/10	-	12,000	4,200	5,600	4,700

## International Investment Opportunities Fund (M56)

### *Scope of Appropriation*

This appropriation is limited to grants that support the ability of research providers to participate in international research collaborations and to recruit highly experienced researchers from overseas.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,735	9,235	10,092

### *Reasons for Change in Appropriation*

This appropriation will increase by \$735,000 to \$10.092 million for 2009/10. The reason for the change is:

- restructure of funding committed to support bilateral activity with the Republic of Korea
- restructure of undistributed funds held by FRST
- allowance made for foreign exchange cost pressures in the appropriations of Convention du Metre and Australian Synchrotron
- a transfer for recognition of the statutory obligation to the Carter Observatory Board, and
- reversal of the unfunded commitment made in Budget 2008.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and total dollar value or number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly or six-monthly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Ministerial Direction for the International Investment Opportunities Fund - August 2008. Objectives 1 and 2	<p>The Schemes objectives are to:</p> <ul style="list-style-type: none"> <li>objective one - to provide funding to enable New Zealand researchers to respond to out-of-cycle opportunities to gain access to international research programmes and associated funding streams, and</li> <li>objective two - to establish joint funding pools with other countries to facilitate research programmes of joint interest.</li> </ul> <p>In making funding decisions, the Foundation will fund those programmes that, in its view, best meet the following criteria:</p> <ul style="list-style-type: none"> <li>scientific and technological quality</li> <li>potential benefit to New Zealand; including the ability to utilise overseas expertise and advances in science and technology, and the contribution to New Zealand's research, science and technology goals, and</li> <li>consistency with the Government's Research, Science and Technology International Linkages Strategy, or other priority relationships published by MoRST.</li> </ul> <p>In administering the fund, the Foundation will:</p> <ul style="list-style-type: none"> <li>seek support from the research institutions submitting proposals</li> <li>seek to leverage New Zealand funding to ensure the best outcomes for New Zealand research and researchers</li> <li>seek to ensure benefit to New Zealand is captured for the well and well-being of New Zealanders</li> <li>ensure the process is flexible and responsive to opportunity, and</li> <li>work with other funding and investment agents receiving IIOF funds to ensure that the research community understands any differences to processes, including eligibility and criteria.</li> </ul>
Terms of Reference - Strategic Relocation Fund - May 2006. Objective 3	<p>The criteria for awarding the Fund are:</p> <ul style="list-style-type: none"> <li>Fit of the research of the incoming research group with New Zealand's strategic research interests and New Zealand's growth and innovation, for the national benefit.</li> <li>Strength of the research group, particularly regarding contribution to economic outcomes. Strength is to be principally judged by track record, using the following attributes: quality of publication output; commercialisation output; and the ability of the principal investigator to be a champion for his or her research within the scientific and private sector.</li> <li>Complementary fit with the host institution's research. A level of existing collaboration between research groups within the host institution and the incoming research group is desirable.</li> <li>Demonstration of co-funding contribution of the host institution in terms of: the provision of infrastructure; the financial contribution to salaries and/or research costs; the provision of support services; a network of contacts; and the contribution to overheads.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2004 GIF\$ - International flexible response fund	2004/05	4,800	4,800	4,800	4,800	4,800
Budget 2005 Expansion of the International Investment Opportunities Fund	2005/06	4,800	4,800	4,800	4,800	4,800
Budget 2005 GST on Baselines - Non-Departmental output Classes	2005/06	(534)	(534)	(534)	(534)	(534)
Budget 2005 GST on Budget Initiatives	2005/06	(533)	(533)	(533)	(533)	(533)

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
MBU 2007/08 rephase funding to 2008/09	2007/08	3444	-	-	-	-
MBU 2007/08 rephase Objective 2 funding to 2008/09	2007/08	1,000	-	-	-	-
OBU 2008/09 rephase Objective 2 funding	2008/09	(900)	450	450	-	-
MBU 2008/09 transfer for Carter Observatory	2008/09	(2)	(2)	(2)	(2)	(2)
MBU 2008/09 restructure of undistributed funds held by FRST	2008/09	(2,000)	2,000	-	-	-
Budget 2009 foreign exchange cost pressures	2008/09	(340)	-	-	-	-
Budget 2009 reversal of unfunded Budget 2008 commitment	2009/10	-	(889)	-	-	-

## Pre-Seed Accelerator Fund (M56)

### *Scope of Appropriation*

This appropriation is limited to grants to eligible organisations to accelerate their rate of commercialisation of publicly funded research.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,667	6,667	7,756

### *Reasons for Change in Appropriation*

This appropriation will increase by \$1.089 million to \$7.756 million for 2009/10. The reason for the change is:

- A funding restructure and transfer of the undistributed funds held by FRST.
- A reversal of the unfunded commitments made in Budget 2008.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved
At least 75% of contracts produce investor-ready milestones.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Ministerial Direction - October 2007	<p>Projects that meet the scheme's objectives are eligible to receive funds from FRST.</p> <p>The scheme's objectives are to:</p> <ul style="list-style-type: none"> <li>• maximise the commercial benefits to New Zealand of previously publicly funded research</li> <li>• raise public sector providers' commercial capabilities and skills, and</li> <li>• improve public sector research providers links with potential private sector partners.</li> </ul> <p>In making funding decisions, FRST will fund those projects that, in its view, best meet the following criteria:</p> <ul style="list-style-type: none"> <li>• projects that commercialise previously publicly funded research</li> <li>• have a clear link to a business strategy focused on developing projects with strong commercial potential (especially to create new exports) to the "investor-ready" point</li> <li>• are likely to be started sooner and completed earlier because of the scheme's support, and</li> <li>• have the potential to generate an enduring wealth creating capability in New Zealand.</li> </ul> <p>FRST will have full discretion to manage the allocation of funds for the scheme in a way that will achieve the objectives of the scheme.</p>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
As at Budget 2004	2004/05	4,800	4,800	4,800	4,800	4,800
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(533)	(533)	(533)	(533)	(533)
Increased support to the Pre Seed Accelerator Fund (as at 2006 Budget (BEFU))	2006/07	4,000	4,000	4,000	4,000	4,000
MBU 2007/08 rephase funding to 2008/09	2007/08	2,667	-	-	-	-
Budget 2008 transfer for e-science	2008/09	(249)	-	-	-	-
Budget 2008 transfer for stable funding and technical review	2008/09	(1,529)	-	-	-	-
Budget 2008 increase	2008/09	-	3,000	3,000	3,000	3,000
MBU 2008/09 rephase funding to 2009/10	2008/09	(2,489)	2,489	-	-	-
Budget 2009 reversal of unfunded Budget 2008 commitment	2009/10	-	(3,000)	(3,000)	(3,000)	(3,000)

## Royal Society of New Zealand (M56)

### Scope of Appropriation

This appropriation is limited to an annual grant to the Royal Society of New Zealand to contribute towards the Society's aims and functions under the Royal Society of New Zealand Act 1997 to promote and advance science and technology.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	500	500	500

### Reasons for Change in Appropriation

There is no change in appropriation between 2008/09 and 2009/10.

### Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Annual grant to the Royal Society is paid on time.	Achieved	Achieved	Achieved
A six-monthly report is provided by the Royal Society of the activities undertaken by the Society in relation to the funding.	Achieved	Achieved	Achieved
Royal Society Annual Report provided to MoRST by 30 September 2010.	N/A	Achieved	Achieved

### Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	This funding is limited to an annual grant to the Royal Society of New Zealand to contribute towards the Society's aims and function under the Royal Society of New Zealand Act 1997 to promote and advance science and technology.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
OBU 2008/09 Provision of annual grant	2008/09	500	500	500	500	500

## Rutherford Foundation (M56)

### *Scope of Appropriation*

This appropriation is limited to a grant towards the development of human resources in research, science and technology.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,000	1,000	1,000

### *Reasons for Change in Appropriation*

There has been no change in appropriation.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Annual grant to the Rutherford Foundation is paid on time.	Achieved	Achieved	Achieved
A six-monthly report is provided by the Rutherford Foundation Trust that identifies the amount (in number and monetary value) of grants made in the period and the purposes for which they have been made.	Achieved	Achieved	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Agreement with Rutherford Foundation Trust	The Rutherford Foundation Trust administers grants that are made to eligible organisations and individuals that develop human resources in research, science and technology.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2008 Provision of annual grant	2008/09	1,000	1,000	1,000	1,000	1,000

## Support for Primary Health Research (M56)

### Scope of Appropriation

This appropriation is limited to support for primary health research.

### Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	500	500	500

### Reasons for Change in Appropriation

There has been no change in appropriation.

### Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Annual grant to the Royal New Zealand College of General Practitioners is paid on time.	Achieved	Achieved	Achieved
A six-monthly report is provided by the Royal New Zealand College of General Practitioners that identifies the number of grants made in the period and the purposes for which they have been made.	Achieved	Achieved	Achieved

### Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	The funding is to support the implementation of the Royal New Zealand College of General Practitioners, New Zealand Primary Health Research Strategy. The funding is conditional on it being matched by funding from the Royal New Zealand College of General Practitioners, and aligned with the Ministry of Health's Primary Health Care Strategy.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
OBU 2008/09 provision of annual grant	2008/09	500	500	500	500	500

## Supporting Promising Individuals (M56)

### *Scope of Appropriation*

This appropriation is limited to grants to organisations and individuals that develop human resources in RS&T.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	18,657	18,657	19,407

### *Reasons for Change in Appropriation*

This appropriation will increase by \$750,000 to \$19.407 million for 2009/10. The reason for the change is:

- provision for a post doctorate fellowship at the Salk Institute, and
- restructure of undistributed funds held by FRST.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>All Awards</b>			
Number and total dollar value of new and active contracts or number of active and new contracts and dollars disbursed during the financial year will be reported in quarterly reports or six-monthly reports.	N/A	Achieved	Achieved
100% of contracts meet the criteria set out in the funding agreement and any Ministerial Direction.	N/A	Achieved	Achieved
Provision of data for the RST Scorecard supplied by 30 September 2010 and in alignment with content guidelines specified in the contract.	N/A	Achieved	Achieved
<b>Science and Technology Post-Doctoral Fellowships</b>			
At least 80 active fellowships.	N/A		Achieved
<b>Health Research Council awards</b>			
50-70 active fellowships and scholarships.	N/A	Achieved	Achieved
<b>Science, Mathematics and Technology Teacher Fellowships</b>			
Number of active contracts as set out in the relevant contract.	N/A	Achieved	Achieved
<b>Talented School Students Travel Award</b>			
Number of awards defined in the relevant contract.	N/A	Achieved	Achieved
<b>James Cook Research Fellowships.</b>			
Five active contracts.	N/A	Achieved	Achieved

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Te Tipu Putaiao Fellowships</b>			
At least 25 active fellowships.	N/A	Achieved	Achieved
<b>Fulbright Scholarships</b>			
At least ten scholarships awarded per annum subject to agreement with the Minister.	N/A	Achieved	Achieved

### *Conditions on Use of Appropriation*

Reference	Conditions
Terms of Reference - James Cook Fellowships - May 2006	<p>Funding support will be provided to researchers who are recognised for their sustained excellence, to undertake study or research in their field of scientific eminence. This study or research may be undertaken in a location and institution of their own choosing whether in New Zealand or overseas. The term of the fellowship will be two years.</p> <p>The award shall normally provide a stipend at the rate equivalent to an Associate Professor in a New Zealand university (but this may be varied at the discretion of the Society on a case-by-case basis), expenses specifically associated with taking up the Fellowship and possibly a contribution to research costs.</p> <p>Fellows will be required to present their work, and its relevance to society, to the New Zealand public (in plain language) at some time during their tenure.</p>
Terms of Reference - New Zealand Science, Mathematics and Technology Teacher Fellowships - 2005	<p>Science, Mathematics and Technology Teacher Fellowships are open to all registered, practising school teachers in New Zealand whose work touches on science, mathematics or technology, or on other enterprise-related studies in conjunction with one of the above including school career advisors.</p> <p>Eligible teachers can be:</p> <ul style="list-style-type: none"> <li>• at any stage of their career</li> <li>• teaching any age group</li> <li>• from any part of New Zealand.</li> </ul> <p>The award of Fellowships will be based both on the quality of the project described in the application and the attributes of the applicants themselves. Preference will be given to applicants who demonstrate a clear understanding of the purpose of the Fellowships Programme and demonstrate that they will contribute effectively to that purpose.</p> <p>Fellowships will normally be approved for a period of between one and four consecutive school terms.</p> <p>The Fellowships Programme should be administered in a way which, over a period of three years, supports teachers covering a wide range of geographic and socio-economic sectors.</p>

Reference	Conditions
Ministerial Notice - Te Tipu Putaiao Fellowships	<p>The objectives of the Scheme will be achieved by providing funding support for undergraduate, post-graduate and early career stage New Zealand scientists, technologists and engineers to undertake research of relevance to one of the four Vision Mātauranga themes identified below.</p> <p><b>Nature of Support</b></p> <p>Fellowships will be available to undertake research of relevance to one of the following four Vision Mātauranga themes:</p> <ul style="list-style-type: none"> <li>• Indigenous Innovation: contributing to economic growth through research and development</li> <li>• Taiao: achieving environmental sustainability through Iwi and Hapū relationships with land and sea</li> <li>• Oranga: improving social well-being, and</li> <li>• Mātauranga: exploring the interface between indigenous knowledge and RST.</li> </ul> <p>Fellows under the Scheme will be selected primarily on the basis of:</p> <ul style="list-style-type: none"> <li>• Benefits to New Zealand: alignment and contribution to Māori knowledge and innovation theme and benefit to New Zealand</li> <li>• Science and Technology Benefits to New Zealand: This may include attributes such as quality of proposed science, science capability, and Māori knowledge research capability, development</li> <li>• Ability to Deliver: This may include attributes such as academic record and host institution support, and</li> <li>• Implementation Pathway: This may include attributes such as quality of technology transfer and uptake pathway.</li> </ul> <p>The primary focus of the Scheme will be on science, technology and engineering disciplines. Other academic disciplines may be considered, where relevant, at the margin of the scheme.</p>
New Zealand Science and Technology Post Doctoral Fellowship Scheme - August 1995	<p>The objectives of the Scheme are to:</p> <ul style="list-style-type: none"> <li>• assist New Zealand doctoral graduates to further develop and enhance their skills and knowledge in science, technology and engineering, and where appropriate to focus some of this development and enhancement for the benefit of New Zealand</li> <li>• assist New Zealand post-doctoral researchers to obtain exposure to international developments in science, technology and engineering of potential interest to New Zealand</li> <li>• assist New Zealanders who have completed doctoral degrees overseas to undertake post-doctoral research in New Zealand</li> <li>• assist New Zealanders who have completed a period of up to five years of research overseas following completion of their doctoral degree to return to employment in the New Zealand science, technology and engineering sector, and</li> <li>• bridge the potential gap between attainment of doctoral degree and employment in the New Zealand science, technology and engineering sector.</li> </ul> <p><b>Mechanisms of the Scheme</b></p> <p>The objectives of the Scheme will be achieved by providing support, in the form of fellowships, for talented New Zealand post-doctoral students undertaking research in approved research institutes or business enterprises in New Zealand or overseas. It is anticipated that recipients of the Fellowship undertaking their research overseas will, upon the completion of their Fellowship, return to New Zealand for employment in the science, technology and engineering sector.</p> <p><b>Targeting of Support</b></p> <p>The Scheme will be targeted at New Zealand doctoral graduates who have recently had their degrees confirmed. It is expected that each individual Fellowship will have a duration of at least three years.</p>

Reference	Conditions
Terms of Reference - Talented Secondary School Science Students Travel Award	<p>Objectives:</p> <ul style="list-style-type: none"> <li>To assist talented secondary school students with the cost of participating in an overseas project, activity, event or learning opportunity involving science or technology.</li> </ul> <p>Principles for determining support:</p> <ul style="list-style-type: none"> <li>Only individual school students that have been invited to attend an event may apply for the award, to cover their direct costs.</li> </ul> <p>To receive funding applicants will be assessed on:</p> <ul style="list-style-type: none"> <li>demonstration of scientific or technological practice</li> <li>contribution to activities outside the classroom</li> <li>academic performance in the subject relating to the proposed project, and</li> <li>ability to be a good ambassador for New Zealand.</li> </ul> <p>Three testimonials (one from the School Principal) and record of academic performance will be required. The student may be required to provide proof of their invitation.</p>
Fulbright Scholarships - Cabinet decision	Increase the number of Fulbright researchers who study in areas important for economic growth and who commit to making a contribution to New Zealand's innovation system on completion of study.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2004	2004/05	15,848	15,848	15,848	15,848	15,848
Increase investment in Health Research (as at 2005 Budget (BEFU))	2005/06	3,000	3,000	3,000	3,000	3,000
Increasing Supply of Fulbright researchers in areas important for economic growth (as at 2005 Budget (BEFU))	2005/06	675	675	675	675	675
Transfer to RCM for RSNZ for Talented Young NZers & Teacher Fellowships Schemes (as at 2005/06 OBU (DEFU))	2005/06	(39)	(39)	(39)	(39)	(39)
Transfer to RCM for Fulbright New Zealand for admin of Science Scholarships (as at 2005/06 OBU (DEFU))	2005/06	(142)	(142)	(142)	(142)	(142)
Reversal of rollouts made in error OBU 2006/07	2006/07	(380)	(380)	(380)	(380)	(380)
Reschedule Carter Funding MBU 2006/07	2006/07	271	271	271	271	271
Restructure of Carter Observatory MBU 2006/07	2006/07	(271)	(271)	(271)	(271)	(271)
MBU 2007/08 rephase funding to 2008/09	2007/08	250	-	-	-	-
Transfer to RCM for RSNZ for increased administration cost of Teacher Fellowship Scheme MBU 2007/08	2008/09	(130)	(130)	(130)	(130)	(130)
OBU 2008/09 provision for a post doctorate fellowship at the Salk Institute	2008/09	75	75	75	75	75
MBU 2008/09 rephase funding to 2009/10	2008/09	(500)	500			

## Technology New Zealand (M56)

### *Scope of Appropriation*

This appropriation is limited to grants that enhance the technological capability of businesses through the development and adoption of new technologies and new technological business practices.

### *Expenses*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	34,379	34,379	47,405

### *Reasons for Change in Appropriation*

This appropriation will increase by \$13.026 million to \$47.405 million for 2008/10. The reasons for the change are:

- funding provided to the genomics research infrastructure
- a funding restructure of the undistributed funds held by the FRST, and
- reversal of the unfunded commitment made in Budget 2008.

### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Contracts meet the criteria set out in the relevant Ministerial Direction.	N/A	Achieved	Achieved
At least 15% of participants have not previously had assistance from Technology New Zealand schemes.	N/A	Achieved	Achieved
The FIA reports quarterly on the number and value of grants made under the grant schemes, identifying their individual purpose and application.	Achieved	Achieved	Achieved
Capability grants. Number and total value disbursed of new and active contracts is reported in all quarterly reports for 2009/10.	N/A	Achieved	Achieved
Capacity grants. Number and total value disbursed of new and active contracts is reported in all quarterly reports for 2009/10.	N/A	Achieved	Achieved
The Foundation will ensure that on average the value of targeted grants is not more than 50% of the proposed cost of research and development projects.	N/A	Achieved	Achieved
100% of information as required will be reported as per the Information Sharing Agreement between MoRST and the Foundation.	N/A	Achieved	Achieved

## Conditions on Use of Appropriation

Reference	Conditions
Ministerial Direction - Technology for Business Grants Scheme - July 2008	<p>The Scheme is intended to:</p> <ul style="list-style-type: none"> <li>grow investment in research and development in areas of Government priority as outlined in the Foundation's Statement of Intent, or</li> <li>improve firms' ability to develop new or more sophisticated technologies, or</li> <li>improve research and development skills, and related business and capability grants.</li> </ul> <p>Targeted grants encourage or support research and development activities. The foundation will ensure that:</p> <ul style="list-style-type: none"> <li>the majority of targeted grants encourage or support high risk "stretch" research and development activities, as determined by the foundation, and</li> <li>grants are allocated to firms in areas of Government priority as outlined in the Foundation's Statement of Intent, and</li> <li>it considers in the case of every grant the level of co-funding to be provided by the firm, and on average across the total amount of targeted grants the funding allocated by the Foundation is not more than 50% of the proposed cost of research and development projects.</li> </ul> <p>Capability grants will encourage firms seeking to develop new or more sophisticated research and development skills and related business management practices. The foundation must ensure that capability grants result in firms:</p> <ul style="list-style-type: none"> <li>that have not previously undertaken research and development beginning to do so, or</li> <li>sustaining on-going research and development activity, or</li> <li>improving uptake of external technologies, including International technologies, or</li> <li>adopting business practices to support increased or improved research and development activity.</li> </ul>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2004	2004/05	50,999	50,999	50,999	50,999	50,999
Transfer for admin. cost of TBG programme (as at 2004/05 OBU (DEFU))	2004/05	(225)	(225)	(225)	(225)	(225)
Support for business R&D - the expansion of Technology New Zealand (as at 2005 Budget (BEFU))	2005/06	14,400	14,400	14,400	14,400	14,400
Expanding the Technology for Industry Fellowships (TIF) Scheme (as at 2005 Budget (BEFU))	2005/06	4,600	4,600	4,600	4,600	4,600
GST on Baselines - Non-Departmental output Classes (as at 2005 Budget (BEFU))	2005/06	(5,642)	(5,642)	(5,642)	(5,642)	(5,642)
GST on Budget Initiatives (as at 2005 Budget (BEFU))	2005/06	(2,111)	(2,111)	(2,111)	(2,111)	(2,111)
TechNZ - reduction to baselines through errors in rollout in previous years (as at 2005/06 OBU (DEFU))	2005/06	(11,638)	(11,638)	(11,638)	(11,638)	(11,638)
TechNZ - incorporation of 2005 Budget decision to support R and D and relating to rollout year of 2009/10 (as at 2005/06 OBU (DEFU))	2009/10	-	4267	4267	4267	4267
Increased support to the Pre Seed Accelerator Fund (as at 2006 Budget (BEFU))	2006/07	(3,000)	-	-	-	-
Transfer to assist fund access to the Australian Synchrotron (as at 2006 Budget (BEFU))	2006/07	-	-	(368)	(368)	

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Commercialisation and Innovation as at 2007 Budget BEFU	2007/08	3,000	3,000	3,000	3,000	3,000
Baseline savings as at 2007 Budget BEFU	2007/08	(9,400)	(9,600)	(9,600)	(9,000)	(9,000)
Rollover reversal one-off adjustment OBU 2007/08	2007/08	-	-	-	368	-
MBU 2007/08 rephase funding to 2008/09	2007/08	12,222	-	-	-	-
Budget 2008 transfer of funding from Pre-Seed Accelerator Fund	2008/09	729	-	-	-	-
Budget 2008 transfer to R and D Facilitation and Promotion Service NDE	2008/09	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
OBU 2008/09 transfer to the genomics research infrastructure	2008/09	(5,000)	-	-	-	-
MBU 2008/09 rephase funding to 2009/10	2008/09	(11,555)	11,555	-	-	-
Budget 2009 reversal of unfunded Budget 2008 commitments	2009/10	-	(9,200)	(750)	(250)	-

## Reporting Mechanisms

Appropriation	Reporting Mechanism
Advanced Network Capability Building	Reported in the Annual Report of REANNZ Limited
Australian Synchrotron	Reported in the Annual Report of New Zealand Synchrotron Group Limited, and respective Annual Reports of its respective shareholder members (Technical Educational Institutes and Crown Research Institutes)
Carter Observatory Grant	Reported in the Annual Report of the Carter Observatory Board
Convention Du Metre	Section 32A
CRI Capability Fund	Reported in the Annual Report of the recipient Crown Research Institute
Genomics Research Infrastructure	Reported in the Annual Report of New Zealand Genomics Limited, and respective Annual Reports of its respective shareholder members (Technical Educational Institutes and Crown Research Institutes)
International Investment Opportunities Fund	Reported in the Annual Reports for the Foundation for Research, Science and Technology and the Health Research Council, and under Section 32A for activity administered by the Royal Society of New Zealand
Pre-Seed Accelerator Fund	Reported in the Annual Reports for the Foundation for Research, Science and Technology
Support for Primary Health Research	Section 32A
Royal Society of New Zealand	Section 32A
Rutherford Foundation	Section 32A
Supporting Promising Individuals	Reported in the Annual Reports for the Foundation for Research, Science and Technology and the Health Research Council, and under Section 32A for activity administered by the Royal Society of New Zealand and Fulbright New Zealand
Technology New Zealand	Reported in the Annual Reports for the Foundation for Research, Science and Technology

The above table indicates the mechanisms to be used for reporting actual performance for each non-departmental other expenses appropriation.

## Part 6 - Details and Expected Results for Capital Expenditure

### Part 6.1 - Departmental Capital Expenditure

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology. <b>Impact</b> - Management and maintenance of MoRST's infrastructure.	Ministry of Research, Science and Technology (PLA)

#### Ministry of Research, Science and Technology - Capital Expenditure PLA (M56)

##### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Research, Science and Technology, as authorised by section 24(1) of the Public Finance Act 1989.

##### *Capital Expenditure*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	310	310	372
Intangibles	144	144	358
Other	-	-	-
<b>Total Appropriation</b>	<b>454</b>	<b>454</b>	<b>730</b>

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

Capital Expenditure in MoRST is primarily investment in information systems that support business processes and information retention within the Ministry. The ongoing investment cycle in those systems does fluctuate across the years and increases in 2009/10 to reflect the programme change in the cycle.

##### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Capital expenditure on Ministry infrastructure achieves expected expenditure levels	N/A	Achieved	Achieved

## Part 6.2 - Non-Departmental Capital Expenditure

### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p><b>Outcome</b> - Getting measurable benefits from New Zealand's investment in research, science and technology.</p> <p><b>Objective</b> - To establish information management systems that simplify processes used to select and award science and research funding.</p>	Foundation for Research, Science and Technology

### Foundation for Research Science and Technology (M56)

#### *Scope of Appropriation*

Investment in information technology for FRST.
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#### *Capital Expenditure*

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	1,000

#### *Reasons for Change in Appropriation*

Equity investment in FRST to establish information management systems that simplify processes used to select and award science and research funding.

#### *Expected Results*

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Investment is delivered within project scope and timetable.	N/A	N/A	Achieved

#### *Conditions on Use of Appropriation*

Reference	Conditions
	Deliver better functionality for contract management, application assessment, fund management, and investment processes. Overall simplified processes are expected.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Budget 2009 Capital injection	2009/10	-	1,000	-	-	-

**Reporting Mechanisms**

Appropriation	Reporting Mechanism
Foundation for Research, Science and Technology	Reported in the Annual Report of the Foundation for Research, Science and Technology

The above table indicates the mechanisms to be used for reporting actual results for each non-departmental capital expenditure appropriation.