

VOTE *Foreign Affairs and Trade*

Footnotes

- Note 1** Expense incurred pursuant to section 11 of the Foreign Affairs Act 1988.
- Note 2** Expenses incurred pursuant to section 21 of the Diplomatic Privileges and Immunities Act 1968.
- Note 3** Expenses incurred pursuant to section 71 of the Public Finance Act 1989.

Foreign Affairs and Trade

VOTE MINISTER: Minister of Foreign Affairs and Trade

ADMINISTERING DEPARTMENT: Ministry of Foreign Affairs and Trade

The Minister of Foreign Affairs and Trade is the Responsible Minister for the Ministry of Foreign Affairs and Trade

Part B - Statement of Appropriations

Summary of Appropriations

Types of Appropriation	Appropriations to be Used				Total Appropriations \$000
	By the Department Administering the Vote		For Non-Departmental Transactions		
	Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows					
Classes of Outputs to be Supplied	182,885	287	87,051	-	270,223
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	32,342	1,411	33,753
Capital Flows					
Capital Contributions	-	-	321	-	321
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 2002/03	182,885	287	119,714	1,411	304,297
Total 2002/03 Main Estimates Appropriations	183,029	291	123,933	1,411	308,664

Part B1 - Details of Appropriations

	2002/03						Purpose of and Reasons for Change in 2002/03 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Policy Advice and Representation - Other Countries	132,307	291	(1,974)	(4)	130,333	287	The purchase of policy advice and representation activities directed towards the management of New Zealand's foreign and trade relations with other countries, bilaterally and in regional organisations. The Supplementary Estimates adjustment provides mainly for foreign exchange and overseas inflation movements (-\$3,354,000), additional resources to implement security enhancements to ensure staff and their families and property are safe secure and protected (\$1,439,000), additional resources to assist New Zealand's effort to secure a Free Trade Agreement with the USA (\$444,000), rent and service charge increases at NZ House London (\$518,000) and fiscally neutral refinements to cost allocations (-\$1,106,000) (see note 1).
D2 Policy Advice and Representation - International Institutions	32,974	-	649	-	33,623	-	The purchase of policy advice and representation activities related to the management of New Zealand's membership of, and foreign and trade interests in, international institutions. The Supplementary Estimates adjustment provides mainly for increase in capital charge and depreciation arising from property revaluations (\$46,000), rent and service charge increases at NZ House London (\$48,000) and fiscally neutral refinements to cost allocations (\$504,000).
D3 Consular Services	5,009	-	1,169	-	6,178	-	The purchase of consular services for New Zealanders abroad. The Supplementary Estimates adjustment provides mainly for cost of repatriation of New Zealand victims and assistance to the families of the New Zealand victims of the Bali Bombings (\$122,000), costs incurred preparing for and responding to the crisis in Iraq (\$450,000) and fiscally neutral refinements to cost allocations (\$600,000).

D4 Services for Other New Zealand Agencies Overseas	11,255	-	(132)	-	11,123	-	The purchase of a range of services by other New Zealand agencies with overseas interests. The Supplementary Estimates adjustment provides for foreign exchange and overseas inflation movements (-\$149,000), changes in the level of services purchased by other New Zealand agencies (\$69,000) and fiscally neutral refinements to cost allocations (-\$52,000).
D5 Administration of Diplomatic Privileges and Immunities	882	-	(26)	-	856	-	The purchase of administration of the Diplomatic Privileges and Immunities Act 1968 and the Consular Privileges and Immunities Act 1971. The Supplementary Estimates adjustment provides for fiscally neutral refinements to cost allocations (-\$26,000).
D6 Promotional Activities - Other Countries	602	-	80	-	682	-	The purchase of promotional activities in support of New Zealand's interests with other countries. The Supplementary Estimates adjustment provides for fiscally neutral refinements to cost allocations (\$80,000).
D7 Pacific Security Fund	-	-	40	-	40	-	The purchase of activities to enhance Pacific Islands security that mutually reinforce New Zealand's security interests.
D8 Hosting of Pacific Islands Forum Meeting	-	-	50	-	50	-	The purchase of services to fund the hosting of the Pacific Islands Forum meeting in Auckland on August 12-19th 2003.
Total Appropriations for Departmental Output Classes (Mode B Gross)	183,029	291	(144)	(4)	182,885	287	
Non-Departmental Output Classes							
O1 Antarctic Research and Support	8,644	-	-	-	8,644	-	Provision of management and logistic support for New Zealand activities in the Antarctic.
O2 Facilitation of Investment and Business Location	9,586	-	-	-	9,586	-	The purchase of facilitation services to attract foreign direct investment to New Zealand.
O3 Promotion of Exporting	1,187	-	-	-	1,187	-	The purchase of services to run the Export Awards and the Export Commendations programme, and the publication of the fortnightly Export News or the new electronic news service planned for implementation this year.

Part B1 - Details of Appropriations (continued)

	2002/03						Purpose of and Reasons for Change in 2002/03 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Non-Departmental Output Classes – cont'd							
O4 International Business Consultancy	65,944	-	(841)	-	65,103	-	The provision of consultancy services to assist individual exporters and export networks. Services are commissioned and part-funded by clients and targeted to their specific requirements. The Supplementary Estimates adjustment provides for foreign exchange and overseas inflation movements (-\$1,129,000), additional resources to implement security enhancements to ensure staff and their families and property are safe secure and protected (\$87,000) and an increase in GST due to a transfer of expenditure from offshore to onshore activities (\$201,000).
O5 Promotion of Asian Skills and Relationships	1,740	-	-	-	1,740	-	The promotion of New Zealanders' skills in improving relations with Asian countries.
O6 Policy Support	791	-	-	-	791	-	The purchase of policy support services relating to Trade New Zealand and the export community.
Total Appropriations for Non-Departmental Output Classes	87,892	-	(841)	-	87,051	-	
Other Expenses to be Incurred by the Crown							
Disbursements Made, Exemptions from Taxation, etc	-	1,011	-	-	-	1,011	Refund of New Zealand local body rates for offices and residential premises of overseas diplomatic missions and consular posts (see note 2).
Payments on Behalf of Other Governments and International Organisations	-	400	-	-	-	400	Payment facility for purchases made on behalf of Tokelau (see note 3).

Subscriptions to International Organisations	35,720	-	(3,378)	-	32,342	-	Subscriptions to such organisations as the UN, the Commonwealth Secretariat, the WTO and the OECD. The Supplementary Estimates adjustment provides for decreases in the level of assessed contributions to the United Nations and other international organisations largely due to the strengthening of the NZ dollar (-\$3,378,000).
Total Appropriations for Other Expenses to be Incurred by the Crown	35,720	1,411	(3,378)	-	32,342	1,411	
Capital Contributions to Other Persons or Organisations							
New Zealand Antarctic Institute	321	-	-	-	321	-	To enable NZAI to purchase assets for the Latitudinal Gradient Project.
Total Appropriations for Capital Contributions to Other Persons or Organisations	321	-	-	-	321	-	
Total Appropriations	306,962	1,702	(4,363)	(4)	302,599	1,698	

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

Output Class D7 - Pacific Security Fund

During April 2003, the Government agreed to establish a new departmental output class to meet the costs of advisory, training and technical support for Pacific Island countries which serves to address the external threats posed to Pacific Island countries and risks to New Zealand's national interests.

Definition

This class of outputs involves:

- cooperation and coordination between New Zealand agencies towards the development of a multi-agency Pacific Security Strategy by July 2003 that addresses the external threats posed to Pacific countries, the risks to New Zealand national interests and New Zealand's response
- evaluation and prioritisation of funding proposals within a comprehensive, multi-agency framework, involving close consultation with relevant agencies
- delivery of advice, training and technical support to Pacific Island countries as identified in the Pacific Security Strategy.

Output Class D8 - Hosting of Pacific Islands Forum Meeting

During April 2003, the Government agreed to establish a new departmental output class for the purchase of management services for the Pacific Islands Forum to be held in Auckland in August 2003.

Definition

This class of outputs involves:

- establishment of a task force to set up and arrange the Pacific Islands Forum and associated meetings in Auckland from 12 to 19 August 2003.

The funding in this output class covers logistical arrangements for the meetings, which will be jointly provided by MFAT, the Visits and Ceremonial Office and the Ministry of Pacific Island Affairs, Police, New Zealand Defence Force and Aviation Security, and will include the appointment of a Conference and Events Management Consultant. There will also be an appropriate range of consultations with the Minister, other departments, local government organisations, Maori and Pacific Island community groups, NGOs, business, other governments and international organisations and the Forum Secretariat.

Part F - Crown Revenue and Receipts

F1 - Current and Capital Revenue and Receipts

	2002/03			Explanation of 2002/03 Crown Revenue
	Main Estimates \$000	Supplementary Estimates \$000	Total Budgeted \$000	
Current Revenue				
Non-Tax Revenue				
Crown Recoveries	400	-	400	These are principally recoveries for purchases made on behalf of Tokelau.
Pacific Forum Line Dividend	-	78	78	Dividend received from shareholding in Pacific Forum (Shipping) Line.
Total Non-Tax Revenue	400	78	478	
Total Current Revenue	400	78	478	
Total Crown Revenue and Receipts	400	78	478	