

Performance Information for Appropriations

Vote Official Development Assistance

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Foreign Affairs (M34)

ADMINISTERING DEPARTMENT: Ministry of Foreign Affairs and Trade

MINISTER RESPONSIBLE FOR MINISTRY OF FOREIGN AFFAIRS AND TRADE: Minister of Foreign Affairs

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister of Foreign Affairs is responsible for appropriations in the Vote for the 2009/10 financial year covering the following:

- A total of over \$29 million for Management of the Official Development Assistance (ODA) Programme.
- A total of over \$9 million for Strategic Advice and Evaluation.
- A total of over \$94 million for contributions to international organisations.
- A total of almost \$33 million for contributions to non-government organisations.
- A total of \$102 million from the multi-year appropriation for Global Development Assistance.
- A total of almost \$232 million from the multi-year appropriation for Pacific Development Assistance.

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

Part 1.2 - High-Level Objectives of the Vote

Government Priorities and Outcomes - Links to Appropriations

Vote ODA provides the Government with an effective ODA programme centrally focused on poverty reduction through sustainable development, with a core focus on sustainable economic development and geographic focus on the Pacific.

Government Priorities	Government Outcomes	Appropriations
Enhance the operational effectiveness of official development assistance within the approved levels of aid expenditure	Sustainable development in partner countries	Management of ODA Programme Strategic Advice and Evaluation Global Development Assistance International Agency Funding Pacific Development Assistance New Zealand Voluntary Agency Grants
	New Zealand's security and economic interests safeguarded through its security and economic relationships	Global Development Assistance International Agency Funding Pacific Development Assistance
	Economic growth and international competitiveness advanced through New Zealand's international connections	Global Development Assistance International Agency Funding New Zealand Voluntary Agency Grants Pacific Development Assistance
	Transboundary solutions and effective international rules promoted	Management of ODA Programme Strategic Advice and Evaluation International Agency Funding

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
Appropriations												
Output Expenses	20,653	23,353	26,116	30,626	38,465	36,865	38,696	-	38,696	39,375	40,150	41,400
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	291,995	324,555	330,229	361,682	484,199	474,199	-	461,304	461,304	485,625	509,850	558,600
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	312,648	347,908	356,345	392,308	522,664	511,064	38,696	461,304	500,000	525,000	550,000	600,000
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-

New Policy Initiatives

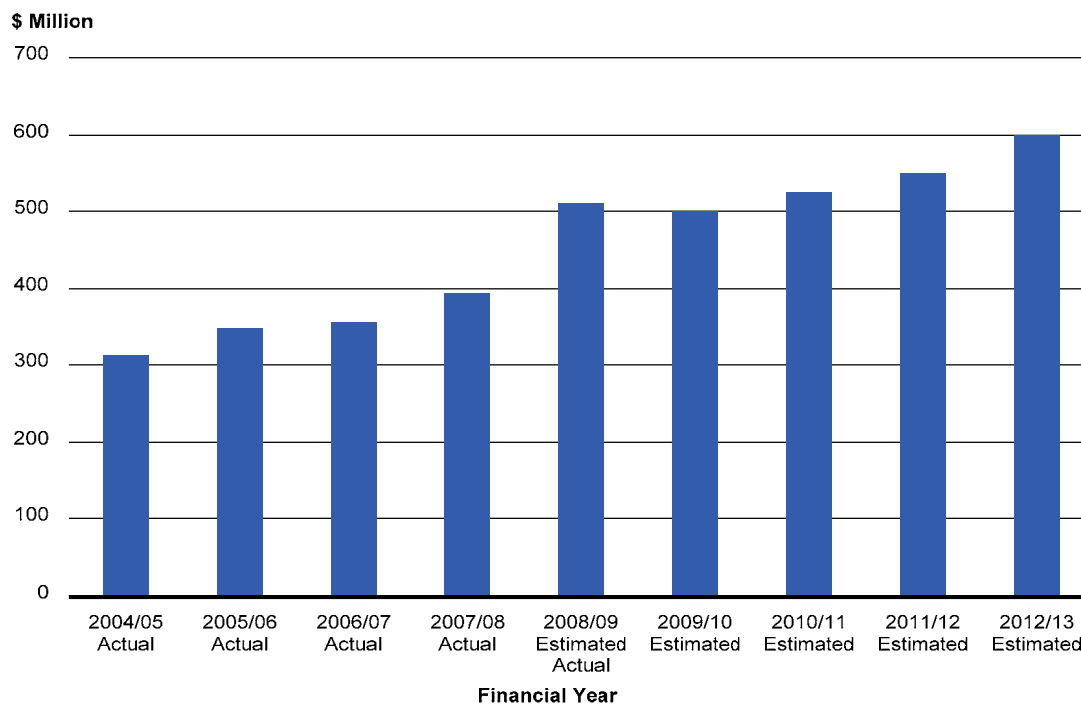
Policy Initiative	Appropriation	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	Management of ODA Programme (M34)	-	(4,834)	(5,021)	(4,328)	(3,391)
	Departmental Output Expenses					
	Strategic Advice and Evaluation (M34)	-	(1,679)	(1,674)	(1,443)	(1,130)
	Departmental Output Expenses					
	Global Development Assistance (M34)	-	1,596	(4,465)	(2,465)	(465)
	Other Expenses to be Incurred by the Crown					
	International Agency Funding (M34)	-	(4,918)	(16,418)	(14,418)	(14,418)
	Other Expenses to be Incurred by the Crown					
	New Zealand Voluntary Agency Grants (M34)	-	(4,000)	(7,000)	(7,000)	(7,000)
	Other Expenses to be Incurred by the Crown					
	Pacific Development Assistance (M34)	-	10,726	(53,363)	(33,138)	13,612
	Other Expenses to be Incurred by the Crown					
Total Initiatives		-	(3,109)	(87,941)	(62,792)	(12,792)

Analysis of Significant Trends

Total Vote: All Appropriations

Significant changes in departmental and non-departmental appropriations in Vote ODA are discussed briefly below:

Figure 1 - Trends in total voted and actual expenses

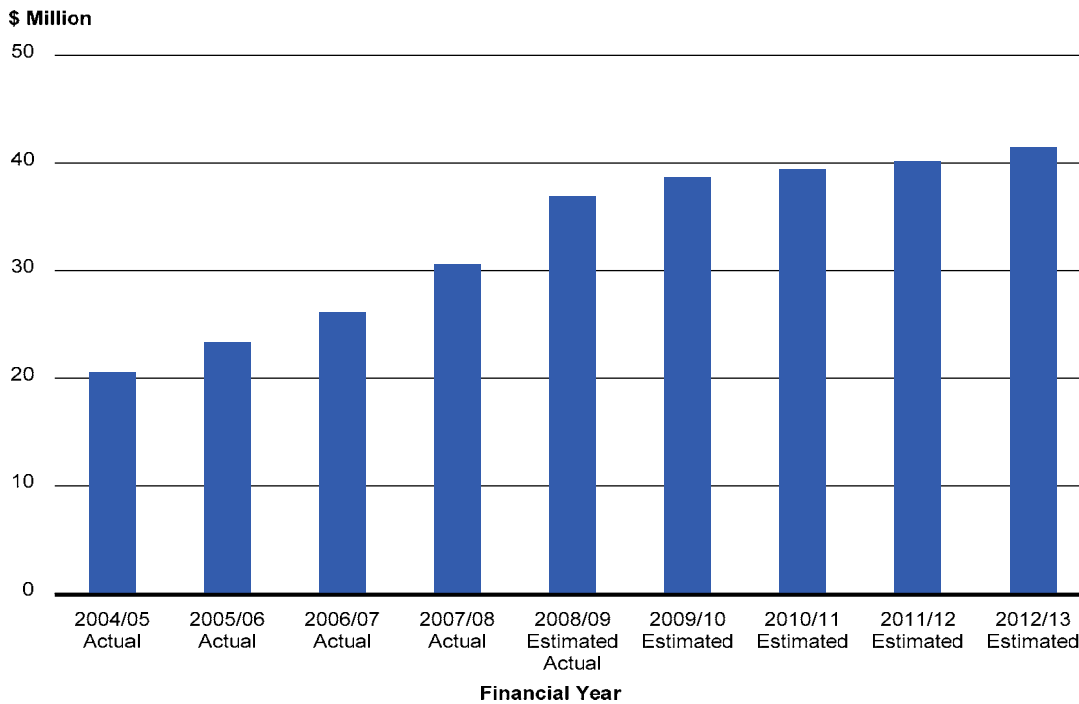


Source: Ministry of Foreign Affairs and Trade

Total Vote expenses have increased from \$312.648 million in 2004/05 to \$500 million in 2009/10, an increase of \$187.352 million. This increase arises from an increase of \$169.309 million for ODA programmes and an additional \$18.043 million for managing the increased programme.

Departmental Output Expenses

Figure 2 - Trends in departmental output expenses

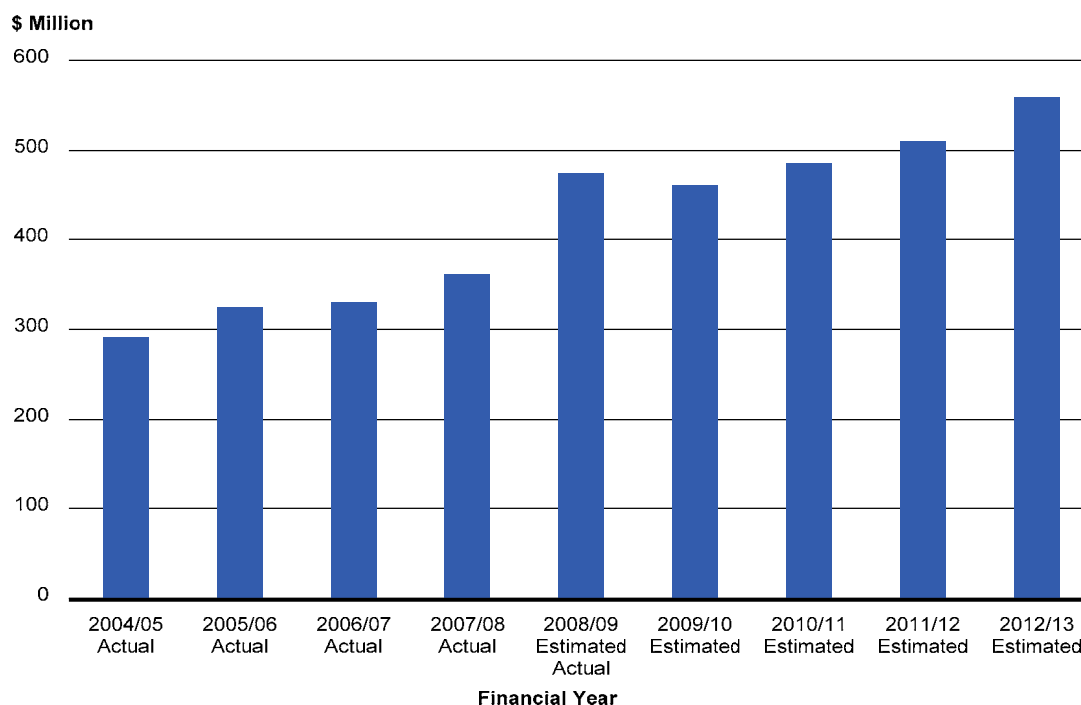


Source: Ministry of Foreign Affairs and Trade

Output expenses have increased from \$20.653 million in 2004/2005 to \$38.696 million in 2009/2010. The rate of increase in departmental output expense is reducing, however, further work is to be undertaken to see what measures can be put in place to reduce departmental output expenses as a percentage of ODA expenditure.

Non-Departmental Other Expenses to be Incurred by the Crown

Figure 3 - Trends in non-departmental other expenses to be incurred by the Crown



Source: Ministry of Foreign Affairs and Trade

The appropriations for other expenses consist of two multi-year appropriations and two annual appropriations. While both appropriation types have increased over recent years, the multi-year appropriations received greater increases as New Zealand increased Vote ODA progressively to achieve previously agreed ODA:GNI targets. Future budget increases for Vote ODA will now be based on performance, and delivery of outcomes, rather than ODA:GNI targets. The apparent decrease in non-departmental other expenses in 2009/10 is due to a high level of expenditure in 2008/09 arising from under expenditure being carried forward from the first two years of both three-year multi-year appropriations.

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>Objective Development partners have reduced poverty through sustainable development. To be measured by:</p> <ul style="list-style-type: none"> • Progress in economic indicators. • Progress towards the Millennium Development Goals. <p>More details on the indicators used at this level are in the MFAT Statement of Intent.</p> <p>Intermediate Outcomes Development assistance programmes and activities that are relevant, effective, efficient, and deliver positive and sustainable impacts.</p> <p>End Outcome A more secure, equitable and prosperous world</p>	<p>Management of ODA Programme Strategic Advice and Evaluation</p>

Management of Official Development Assistance Programme (M34)

Scope of Appropriation

The purchase of the design and management of development assistance programmes, including the procurement, contract management and monitoring of development activities within programmes.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	28,961	27,756	29,119
Revenue from Crown	28,780	28,780	29,064
Revenue from Other	181	181	55

Reasons for Change in Appropriation

This appropriation is increasing in order to effectively manage and monitor the increasing size and number of development assistance programmes arising from the growth in ODA.

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Indicators of the Quantity of Output			
Bilateral and constitutional relationships programmes managed.	17	17	17
Pacific regional programmes and fund programmes managed.	6	6	6 or decreasing through rationalisation
Major Pacific regional Agencies relationships managed (PIFS, SOPAC, FFA, SPC, SPREP, USP, SPBEA, FSM).	8	8	8
Non-Pacific regional programmes managed.	7	7	7 or decreasing through rationalisation
Multilateral relationships managed - top priority and second priority respectively under the Multilateral Engagement Strategy.	10 & 15	10 & 15	10 & 15
Strategic relationships (with CID, VSA, DRC, Trade Aid) and contestable funding schemes (KOHA-PICD, HAF) to manage partnerships with NZ NGOs.	6 strategic relationships (4 of them significant) and 2 funding schemes	4 & 2	4 & 2
Volume of Crown ODA resources administered.	As set out in Crown appropriations	Expectations met	As set out in Crown appropriations
Indicators of the Quality of Output			
At least one visit to all core bilateral partners, regional agencies, and five out of the ten top priority multilateral agencies.	Targets achieved	Targets achieved	Targets achieved
All activities will comply with relevant approved programme strategies and criteria of NZAID.	100%	100%	100%
All Activities and programmes will be managed under contracts and agreements that comply with agreed and audited internal procurement standards and grant determination standards.	100%	Audit for 2008/09 improved NZAID's rating from 'poor' to 'needs improvement'	Audit rating for financial and contract management of 'good' or higher
Feedback from programme partners on NZAID engagement.	Expectations met and summary provided	Expectations met	Expectations met and summary provided
Amount and proportion of sector-allocable ODA directed primarily to economic development.	N/A	\$51.9m, 28%	Increasing
Number of activities.	N/A	882	Decreasing
Median annual activity expense.	N/A	\$119,535	Increasing
Percentage delivered using high order aid modalities.	N/A	14% and 54%	Increasing
Progress towards the Paris Declaration 2010 targets for aid effectiveness.	N/A	Satisfactory progress	Further progress

Conditions on Use of Appropriation

Reference	Conditions
Payment of grants and other donor assistance	In accordance with timely receipt of acquittal reports addressing reporting criteria and other obligations attached to funding.
Procurement and contract services and information management	In accordance with Government policy, legislation, regulations and NZAID and MFAT financial policies and internal processes.

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
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	2009/10	-	(4,834)	(5,021)	(4,328)	(3,391)
Funding to enable New Zealand's response to the Indian Ocean Tsunami.	2004/05	155	-	-	-	-
Increase to New Zealand's Official Development Programme.	2004/05	12,629	17,479	18,162	18,162	18,162

Strategic Evaluation and Advice (M34)*Scope of Appropriation*

This appropriation is limited to the work and advice necessary to improve the overall effectiveness of development assistance, comprising international development research, evaluation of Official Development Assistance (ODA) programmes and activities, analysis and consultation leading to the development of ODA strategies and policies, the provision of advice on international development issues, and Ministerial services.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,504	9,109	9,577
Revenue from Crown	9,427	9,427	9,554
Revenue from Other	77	77	23

Reasons for Change in Appropriation

This appropriation is increasing in order to effectively manage and monitor the increasing size and number of development assistance programmes arising from increased ODA.

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Indicators of the Quantity of Output			
Review or development of programme strategies.	At least 4	At least 4	At least 4
Appraisal of all necessary proposals/design studies for programmes.	At least 40	At least 40	At least 40
New (or substantially revised) sectoral or thematic policies or strategies.	At least 2	At least 2	At least 2
Evaluations or activity reviews.	At least 20	At least 20	At least 20
Indicators of the Quality of Output			
Compliance with stated MFAT-wide quality and timeliness targets of policy advice.	Expectations met	Expectations met	Expectations met
Reviews and evaluations comply with good practice guidelines.	100%	100%	100%
All demand for ministerial correspondence, parliamentary questions and ministerial and Cabinet submissions met.	100% (with numbers reported)	100%	100% (with numbers reported)
All media inquiries met.	100% (with numbers reported)	100%	100% (with numbers reported)
Ministerial servicing products meet standards.	100%	100%	100%
Programme strategies that are up to date as per the schedule of reviews and revisions.	100% (with numbers reported)	100%	100% (with numbers reported)
Programme strategy reviews completed this year were agreed with partners and meet guidelines and standards.	100% (with numbers reported)	100%	100% (with numbers reported)
Proposals and design studies meet guidelines and standards.	100% (with numbers reported)	100%	100% (with numbers reported)
Sectoral and thematic policies and strategies meet guidelines, and NZAID advice stands up to public scrutiny.	100% (with numbers reported; and criticisms documented and responded to)	100%	100% (with numbers reported; and criticisms documented and responded to)

Conditions on Use of Appropriation

Reference	Conditions
Quality, Quantity and Timeliness Standards for Analysis, Advice, Representation and Action	
Quality	<p>The purpose of advice will be clearly stated; its assumptions made explicit; its arguments logical; all material facts will be included and accurate; a range of options will be presented and assessed for benefits; consultation will be undertaken; implementation issues will be considered and professionally presented.</p> <p>Representation, negotiation and implementation will effectively convey and advance the Government's policies and views.</p> <p>Quality assurance measures will be implemented through managers directing the completion of work, maintaining approval processes, ensuring deadlines are met, and controlling quality either directly or through delegation procedures. This will be supported by an individual performance management system and senior management oversight of unit performance through internal operational planning and evaluation. Confirmation of Ministerial satisfaction will be obtained twice a year.</p> <p>Responses to ministerial correspondence, parliamentary questions, and requests under the Official Information Act will be well presented.</p>
Quantity	<p>Management of relationships with countries and international and regional organisations, and of issues arising, will be undertaken as agreed with the Minister. Priorities for each issue and relationship will be translated into actual work programmes for each unit in the Ministry incorporating goals, action steps and impact measures.</p> <p>Briefings and reports on external events and issues will be provided for Ministers, Members of Parliament, Select Committees, and other organisations and groupings as appropriate.</p> <p>Responses will be prepared for all ministerial correspondence, parliamentary questions and requests under the Official Information Act.</p>
Timeliness	<p>Advice will be given, and action taken, in a prompt and appropriate manner. Substantive responses to Ministerial correspondence will be prepared within 14 days, unless otherwise agreed.</p> <p>Responses to parliamentary questions and Cabinet papers will be prepared in time for the Minister to consider and review the response prior to the due date.</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
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	2009/10	-	(1,679)	(1,674)	(1,443)	(1,130)
Funding to enable New Zealand to respond to the Indian Ocean Tsunami.	2004/05	44	-	-	-	-
Increase to New Zealand's Official Development Programme.	2004/05	4,789	6,639	6,746	6,746	6,746

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>Objective Development partners have reduced poverty through sustainable development. To be measured by:</p> <ul style="list-style-type: none"> Progress in economic indicators. Progress towards the Millennium Development Goals. <p>More details on the indicators used are in the MFAT Statement of Intent.</p> <p>Intermediate Outcomes Development assistance programmes and activities that are relevant, effective, efficient, and deliver positive sustainable impacts.</p> <p>End Outcome A more secure, equitable and prosperous world.</p>	<p>Global Development Assistance International Agency Funding New Zealand Voluntary Agency Grants Pacific Development Assistance</p>

Global Development Assistance (M34)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<p>Global Development Assistance (M34)</p> <p>This appropriation is limited to provision of assistance for development activities for non Pacific Island countries including Asian, African, Latin American, Caribbean, and Middle Eastern countries. The assistance will be provided to development organisations, partner countries and through other delivery mechanisms and be used to implement activities that include humanitarian assistance; design, management, implementation and evaluation of those partner-led activities. The assistance is to be consistent with Ministers' requirement for NZAID to work with development partners to ensure aid expenditure is targeted as close as possible to need.</p> <p>Commences: 1 July 2009</p> <p>Expires: 30 June 2012</p>	Original Appropriation	312,000
	Adjustments to 2007/08	-
	Adjustments for 2008/09	-
	Adjusted Appropriation	312,000
	Actual to 2007/08 Year End	-
	Estimated Actual for 2008/09	-
	Estimated Actual for 2009/10	102,000
	Estimated Appropriation Remaining	210,000

Reasons for Change in Appropriation

This is a new multi-year appropriation taking the place of a multi-year appropriation that expired on 30 June 2009.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Progress towards outcomes identified in NZAID Programme Strategies.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Further progress
Summary evaluative results for completing Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved information and demonstrated results
Example impacts of Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Example impacts from third parties funded by NZAID.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Effective implementation of management priorities and Government policy as set out in the Statement of Intent.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Implementation of priorities and policies
Compliance with the internationally-agreed principles of aid effectiveness and good humanitarian donorship.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved performance against all indicators
Review and evaluation findings relating to programme and activity cost-effectiveness.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated cost-effectiveness

Conditions on Use of Appropriation

Reference	Conditions
Provision of assistance	<p>Evaluations show that programmes are realistic, effective and appropriately prioritised; development is aligned to partner country priorities and is delivered in ways that grow partner country capability and ownership; NZAID has well-aligned policies, strategies, culture, processes and resources to support its programmes.</p> <p>New central focus on sustainable economic development.</p> <p>Acknowledgement and pursuance of the Millennium Development Goals (MDGs).</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
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	2009/10	-	1,596	(4,465)	(2,465)	(465)
Increase to New Zealand's Official Development Programme.	2006/07	-	30,208	38,269	38,269	38,269

International Agency Funding (M34)

Scope of Appropriation

Contributions to international agencies for multilateral humanitarian and development policy and programme activity.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	92,568	92,568	94,500

Reasons for Change in Appropriation

This appropriation is decreasing as a result of decisions arising from the baseline review.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Progress towards outcomes identified in NZAID Programme Strategies.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Further progress
Summary evaluative results for completing Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved information and demonstrated results
Example impacts of Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Example impacts from third parties funded by NZAID.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Effective implementation of management priorities and Government policy as set out in the Statement of Intent.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Implementation of priorities and policies
Compliance with the internationally-agreed principles of aid effectiveness and good humanitarian donorship.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved performance against all indicators
Review and evaluation findings relating to programme and activity cost-effectiveness.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated cost-effectiveness

Conditions on Use of Appropriation

Reference	Conditions
Contributions and subscriptions to international organisations including the UN and its associated institutions, the World Bank, the Asian Development Bank, the International Committee of the Red Cross and Pacific regional agencies.	Cabinet approval

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
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	2009/10	-	(4,918)	(16,418)	(14,418)	(14,418)
Increase to New Zealand's Official Development Programme.	2004/05	30,600	47,600	61,600	61,600	61,600

New Zealand Voluntary Agency Grants (M34)*Scope of Appropriation*

Contributions to non-government organisations providing humanitarian and development assistance overseas, conducting development education within New Zealand and providing capacity building and co-ordination support to New Zealand NGOs.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	32,826	32,826	32,826

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Progress towards outcomes identified in NZAID Programme Strategies.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Further progress
Summary evaluative results for completing Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved information and demonstrated results
Example impacts of Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Example impacts from third parties funded by NZAID.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Effective implementation of management priorities and Government policy as set out in the Statement of Intent.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Implementation of priorities and policies
Compliance with the internationally-agreed principles of aid effectiveness and good humanitarian donorship.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved performance against all indicators
Review and evaluation findings relating to programme and activity cost-effectiveness.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated cost-effectiveness

Conditions on Use of Appropriation

Reference	Conditions
Contributions to NGOs	Analysis indicates that contributions are effectively utilised for the purpose for which they are provided.

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
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	2009/10	-	(4,000)	(7,000)	(7,000)	(7,000)
Transfer of funding for Himalayan Trust.	2006/07	290	290	290	290	290
Increase to New Zealand's Official Development Programme.	2005/06	13,113	17,113	20,113	20,113	20,113

Pacific Development Assistance (M34)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<p>Pacific Development Assistance (M34)</p> <p>This appropriation is limited to provision of assistance for development activities for Pacific Island countries. The assistance will be provided to development organisations, partner countries and through other delivery mechanisms; and be used to implement activities that include humanitarian assistance; design, management, implementation and evaluation of those partner-led activities. The assistance is to be consistent with Ministers' requirement for NZAID to work with development partners to ensure aid expenditure is targeted as close as possible to need.</p> <p>Commences: 1 July 2009</p> <p>Expires: 30 June 2012</p>	Original Appropriation	755,801
	Adjustments to 2007/08	-
	Adjustments for 2008/09	-
	Adjusted Appropriation	755,801
	Actual to 2007/08 Year End	-
	Estimated Actual for 2008/09	-
	Estimated Actual for 2009/10	231,978
	Estimated Appropriation Remaining	523,823

Reasons for Change in Appropriation

This is a new multi-year appropriation taking the place of a multi-year appropriation that expired on 30 June 2009.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Progress towards outcomes identified in NZAID Programme Strategies.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Further progress
Summary evaluative results for completing Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved information and demonstrated results
Example impacts of Crown-funded activities.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Example impacts from third parties funded by NZAID.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated impacts
Effective implementation of management priorities and Government policy as set out in the Statement of Intent.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Implementation of priorities and policies
Compliance with the internationally-agreed principles of aid effectiveness and good humanitarian donorship.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Improved performance against all indicators
Review and evaluation findings relating to programme and activity cost-effectiveness.	N/A	See Strategic Outcome IV in the MFAT Statement of Intent	Demonstrated cost-effectiveness

Conditions on Use of Appropriation

Reference	Conditions
Provision of assistance	Evaluations show that programmes are realistic, effective and appropriately prioritised; development is aligned to partner country priorities and is delivered in ways that grow partner country capability and ownership; NZAID has well-aligned policies, strategies, culture, processes and resources to support its programmes. New central focus on sustainable economic development. Acknowledgement and pursuance of the Millennium Development Goals (MDGs).

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
Changes to New Zealand's ODA funding, arising from savings identified from the baseline review and the move to basing funding on outcomes rather than a percentage of GNI.	2009/10	-	10,726	(53,363)	(33,138)	13,612
Increase to New Zealand's Official Development Programme.	2006/07	-	106,845	150,325	150,325	150,325

Reporting Mechanisms

Appropriation	Reporting Mechanism
Global Development Assistance	Not required
International Agency Funding	Not required
New Zealand Voluntary Agency Grants	Not required
Pacific Development Assistance	Not required

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