

Performance Information for Appropriations

Vote Agriculture and Forestry

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Agriculture (M2), Minister of Forestry (M35)

ADMINISTERING DEPARTMENT: Ministry of Agriculture and Forestry

MINISTER RESPONSIBLE FOR MINISTRY OF AGRICULTURE AND FORESTRY: Minister of Agriculture

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

Appropriations

The Minister of Agriculture is responsible for appropriations in Vote Agriculture and Forestry for the 2009/10 financial year covering the following:

- A total of over \$24 million for policy advice with respect to the agricultural, forestry and horticultural sectors.
- A total of over \$38 million to support the Government's commitment on climate change under the Kyoto Protocol.
- A total of nearly \$2 million for administering the legislative provisions relating to the management of indigenous forests.
- A total of over \$3 million for setting of animal welfare standards, provision of animal welfare policy advice and investigations and prosecutions of breaches of the Animal Welfare Act 1999.
- A total of nearly \$4 million for management of Crown forestry assets, the East Coast Forestry Project and the Sustainable Farming Fund.
- A total of over \$11 million for providing support services and infrastructure to other agencies.
- A total of over \$95 million on purchasing forest management and wood production services from sector contractors for Crown forests.
- A total of \$30 million for the Primary Growth Partnership.
- A total of over \$19 million for East Coast forestry grants, Sustainable Farming Fund grants, community irrigation fund and the afforestation grants scheme.
- A total of nearly \$2 million for the operation of the New Zealand Walking Access Commission.
- A total of over \$3 million on other non-departmental expenses, including subscriptions to international organisations, possible adverse climatic events and community irrigation scheme.
- A total of nearly \$16 million for departmental capital expenditure on property, plant, equipment and IT software.
- A total of nearly \$1 million for Crown capital expenditure on forestry assets and the New Zealand Walking Access Commission.

Crown Revenue and Capital Receipts

The Ministry expects to collect over \$116 million of Crown revenue and capital receipts in 2009/10, made up as follows:

- A total of over \$110 million for the sale of logs from Crown forests.
- A total of over \$5 million from forestry encouragement loan interest and loan repayments.
- A total of nearly \$1 million from emissions trading scheme fees and levies payable under the Dairy Industry Restructuring Act.

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

Government Priorities	Government Outcomes	Appropriations
<p>Driving Goal: To grow the New Zealand economy in order to deliver greater prosperity, security and opportunities for all New Zealanders.</p> <p>Priorities:</p> <ul style="list-style-type: none"> • Agriculture and forestry sector competitiveness and innovation. • Animal welfare. • Climate change. • Water policy and infrastructure. • Rural proofing. • Trade. • New Zealand's integrity and global reputation. • Māori participation in agriculture and forestry. 	<p>End Outcome - Sustainable economic growth and prosperity for New Zealanders through:</p> <ul style="list-style-type: none"> • Implementing research, development, and innovation initiatives to support New Zealand's food and pastoral industries. • Business sustainability and capitalising on commercial opportunities. • Maintained and/or enhanced market access for New Zealand goods and services. 	Agriculture and Forestry Policy Advice
	The sustainable commercialisation of indigenous forestry species.	Administration of Indigenous Forestry Provisions
	Maintained and/or enhanced market access for New Zealand goods and services due to our ability to adapt to changing consumer demand and ethics in key markets.	Animal Welfare
	Business sustainability and capitalising on commercial opportunities associated with the global focus on climate change. Implementation of an Emissions Trading Scheme.	Climate Change
	Effective stewardship of the Crown's forestry and related assets.	Contract, Grant and Asset Management
	The provision of cost-effective information management, financial and procurement, contract and payroll services to other agencies.	Support Services and Infrastructure to Other Agencies
	End Outcome - A vibrant rural community by means of ensuring that the circumstances and needs of the rural community (people and businesses) are taken into account when developing and implementing policy.	Agriculture and Forestry Policy Advice
	End Outcome - Maintained and enhanced economic, social and cultural benefits for New Zealanders from the environment through a viable indigenous forestry sector based on the sustainable management of indigenous forests.	Administration of Indigenous Forestry Provisions
	Seeking long-term solutions to reduce animal methane emissions, and to aim for world leadership in this area of science. Lowering greenhouse gas emissions and New Zealand's carbon footprint. Implementation of the plan of action on sustainable land management and climate change to improve the environmental performance of our land-based industries and to assist them to adapt to climate change.	Climate Change

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	86,998	89,411	98,650	130,245	168,297	153,005	83,113	95,008	178,121	151,669	153,556	141,089
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	770	770	1,100	1,430	1,760
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	50,707	22,522	13,850	14,602	18,810	14,049	-	53,711	53,711	63,949	73,726	93,475
Capital Expenditure	7,058	26,859	19,967	11,039	756,350	754,621	15,530	800	16,330	15,030	13,730	13,330
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	144,763	138,792	132,467	155,886	943,457	921,675	98,643	150,289	248,932	231,748	242,442	249,654
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	81,594	81,549	88,179	87,844	99,654	97,400	N/A	113,365	113,365	99,570	101,861	82,634
Capital Receipts	9,399	2,015	1,959	2,154	706,566	706,566	N/A	2,950	2,950	2,870	3,630	3,310
Total Crown Revenue and Capital Receipts	90,993	83,564	90,138	89,998	806,220	803,966	N/A	116,315	116,315	102,440	105,491	85,944

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
Primary growth partnership to drive economic growth and sustainability in the primary and food sectors through research and innovation.	Primary Growth Partnership (M2) Non-Departmental Other Expense	-	30,000	40,000	50,000	70,000
Transfer of Timberlands West Coast Limited operations to MAF.	Management of Crown Forestry Assets (M2) Non-Departmental Output Expense Crown Forestry Assets (M2) Non-Departmental Capital Expenditure	-	16,000 300	-	-	-
Implementation of free trade agreements.	Agriculture and Forestry Policy Advice (M2) Departmental Output Expense	-	370	355	-	-
Rural veterinarians bonding scheme.	Rural Veterinarians Bonding Scheme (M2) Benefits and Other Unrequited Expenses Agriculture and Forestry Policy Advice (M2) Departmental Output Expense Climate Change (M2) Departmental Output Expense Contract, Grant and Asset Management (M2) Departmental Output Expense East Coast Afforestation Grants (M2) Non-Departmental Other Expense Sustainable Farming Fund (M2) Non-Departmental Other Expense	-	770 (100)	1,100 (100)	1,430 (221) (39) (3)	1,760 (221) (39) (3) (222) (444)
Wind up of the New Zealand Fast Forward Fund.	New Zealand Fast Forward Fund Crown Capital Receipt	(700,000)	-	-	-	-
Value for money review savings and reprioritisation.	Administration of Indigenous Forestry Provisions (M2) Departmental Output Expense Agriculture and Forestry Policy Advice (M2) Departmental Output Expense	-	(4) 204	(2) 245	(2) 409	(2) 409

Policy Initiative	Appropriation	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Value for money review savings and reprioritisation - cont'd.	Animal Welfare (M2)	-	600	-	-	-
	Departmental Output Expense					
	Climate Change (M2)	(1,600)	(2,730)	(2,700)	(1,700)	(1,700)
	Departmental Output Expense					
	Contract, Grant and Asset Management (M2)	-	(14)	(7)	(7)	(7)
	Departmental Output Expense					
	East Coast Afforestation Grants (M2)	(6,000)	(1,278)	(1,278)	(1,278)	(1,056)
	Non-Departmental Other Expense					
	Afforestation Grants Scheme (M2)	(3,600)	(3,000)	(3,000)	(3,000)	(3,000)
	Non-Departmental Other Expense					
	Sustainable Farming Fund (M2)	-	(1,000)	(1,000)	(1,000)	(1,000)
Non-Departmental Other Expense						
New Zealand Walking Access Commission (M2)	-	(1,000)	-	-	-	
Non-Departmental Other Expense						
Purchase of Matahi and Oponare forests.	Management of Crown Forestry Assets (M2)	125	125	125	125	125
	Non-Departmental Output Expense					
	Crown Forestry Assets (M2)	11,830	-	-	-	-
Non-Departmental Capital Expenditure						
Transfer of Timberlands West Coast Limited operations to MAF.	Management of Crown Forestry Assets (M2)	10,000	-	-	-	-
	Non-Departmental Output Expense					
	Purchase of Assets from Timberlands West Coast Limited (M2)	30,000	-	-	-	-
	Non-Departmental Capital Expenditure					
	Contract, Grant and Asset Management (M2)	200	200	200	200	200
Departmental Output Expense						
New Zealand Emissions Trading Scheme.	Climate Change (M2)	1,100	800	300	300	300
	Departmental Output Expense					
	Departmental Capital Injection	1,000	-	-	-	-
Total Initiatives		(656,945)	39,799	33,794	44,770	65,100

Analysis of Significant Trends

Total Vote: All Appropriations

Significant changes in departmental and non-departmental appropriations in Vote Agriculture and Forestry, which are detailed in the Summary of Financial Activity table above, are discussed briefly below.

Output Expenses

Output expense increases between 2004/05 and 2006/07 were due mainly to increased harvesting operations in Crown forests and the transfer of animal welfare appropriations from Vote Biosecurity in 2005/06. The baseline increases in 2007/08 and 2008/09 were largely due to funding for climate change initiatives and continued increased harvesting activity in Crown forests. The increase between 2008/09 and 2009/10 is mainly due to the transfer of Timberlands West Coast Limited's forestry operations to the Ministry of Agriculture and Forestry (MAF).

Other Expenses

Other expenses increased in 2004/05 and 2005/06 due to Government support to the agricultural sector following floods in the lower North Island and Bay of Plenty. The baseline increases in 2007/08 and 2008/09 were largely due to climate change initiatives. The increase in 2009/10 is due to funding for the primary growth partnership.

Capital Expenditure

The increase in 2008/09 was due to a one-off funding of \$700 million to establish the New Zealand Fast Forward Fund and \$41 million to purchase forestry assets from Timberlands West Coast Limited and Matariki Forests. Funding in 2009/10 funds departmental capital expenditure and Crown forestry capital expenditure.

Crown Non-Tax Revenue

Non-tax revenue mainly relates to the sale of logs from Crown forests administered by MAF. The forecast increase in 2009/10 revenue is mainly due to the transfer of Timberlands West Coast Limited's forestry operations to MAF.

Crown Capital Receipts

The \$700 million increase in 2008/09 is due to the wind-up of the New Zealand Fast Forward Fund and disestablishment of the two Fast Forward companies (Fast Forward Fund Limited and Fast Forward Limited). Capital receipts in other years mainly relate to repayment of forestry encouragement loans.

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>Immediate Outcome or Impact</p> <p>Stakeholders, the public and other interest groups receive timely and quality feedback or information in response to agriculture and forestry-related issues raised with the Minister or the Government.</p> <p>Operational policy advice that supports the sustainable development (environmental and economic) of the agriculture, food, forestry and related sectors in New Zealand.</p> <p>New Zealanders increasingly engage in regulatory-focused activities and initiatives, and voluntarily change their behaviour to comply with regulatory frameworks.</p> <p>New Zealand gains, maintains or improves quantitative market access for its agriculture, food, forestry and related products.</p> <p>New Zealand's interests in international agricultural trade disputes are protected.</p> <p>Full and transparent implementation of World Trade Organisation commitments by member countries.</p> <p>Public sector organisations apply a 'rural proofing' lens during operational policy development and implementation.</p> <p>Rural communities have access to new generation communications technologies.</p> <p>Intermediate Outcomes</p> <p>Market access for New Zealand's animal and plant products is maintained and enhanced.</p> <p>New Zealand's reputation for consistent and principled application of international trade, sanitary and phytosanitary rules is maintained and/or enhanced.</p> <p>A business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high performance.</p> <p>Enhanced prosperity for Māori engaged in the agriculture, food, forestry and related sectors.</p> <p>Connected and resilient rural communities.</p> <p>The sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p> <p>End Outcome</p> <p>Sustainable economic growth and prosperity for New Zealanders.</p> <p>A vibrant rural community.</p> <p>Maintained and enhanced economic, social and cultural benefits for New Zealanders from the environment.</p>	<p>Agriculture and Forestry Policy Advice (M2)</p>

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p>Immediate Outcome or Impact</p> <p>Animals are treated in a humane and ethical manner.</p> <p>New Zealand's animal welfare framework is updated and further developed to reflect domestic and international societal expectations regarding the ethical and humane treatment of production and domestic animals.</p> <p>Increased awareness of MAF's programmes, initiatives and regulatory framework associated with Animal Welfare.</p> <p>New Zealanders increasingly appreciate their duty of care obligations under the Animal Welfare Act 1999, and voluntarily change their behaviour to comply with regulatory frameworks.</p> <p>Compliance with New Zealand animal welfare legislative framework (stemming from the enforcement of regulatory provisions for non-compliance).</p> <p>Intermediate Outcomes</p> <p>Market access for New Zealand's animal and plant products is maintained and enhanced.</p> <p>New Zealand's reputation for consistent and principled application of international trade, sanitary and phytosanitary rules and regulations is maintained and/or enhanced.</p> <p>New Zealanders are informed and involved participants in MAF's regulatory systems.</p> <p>End Outcomes</p> <p>Sustainable economic growth and prosperity for New Zealanders.</p>	Animal Welfare (M2)
<p>Immediate Outcome or Impact</p> <p>Indigenous forests are managed sustainably and wood is milled and exported legally.</p> <p>Increased awareness amongst industry participants of MAF's programmes, initiatives and regulatory framework associated with Indigenous Forestry.</p> <p>Compliance with aspects of New Zealand indigenous forestry legislative framework (stemming from the enforcement of regulatory provisions for non-compliance).</p> <p>Intermediate Outcomes</p> <p>New Zealanders are informed and involved participants in MAF's regulatory systems.</p> <p>Sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p> <p>A business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high performance.</p> <p>End Outcomes</p> <p>Sustainable economic growth and prosperity for New Zealanders.</p> <p>Maintained and enhanced economic, social and cultural benefits for New Zealanders from the environment.</p>	Administration of Indigenous Forestry Provisions (M2)
<p>Intermediate Outcomes/Objectives</p> <p>Effective stewardship of the Crown's forestry assets.</p> <p>The effective and efficient administration of the Sustainable Farming Fund and the East Coast Forestry Project.</p> <p>A business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high performance.</p> <p>Enhanced prosperity for Māori engaged in the agriculture, food, forestry and related sectors.</p> <p>Sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p> <p>Connected and resilient rural communities.</p> <p>End Outcome</p> <p>Sustainable economic growth and prosperity for New Zealanders.</p> <p>Vibrant Rural Communities.</p> <p>Maintained and enhanced economic, social and cultural benefits for New Zealanders from the environment.</p>	Contract, Grant and Asset Management (M2)
<p>Objective</p> <p>The provision of cost-effective information management, financial, procurement, contract management and payroll services to other agencies (ie, the New Zealand Food Safety Authority).</p>	Support Services and Infrastructure to Other Agencies (M2)

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p>Immediate Outcome or Impact</p> <p>Policy advice and initiatives that support the Government's response to climate change and its potential impact on the activities of the agriculture, food and forestry sectors.</p> <p>A consistent approach to climate change policy development across government.</p> <p>Information on emissions reduction/sink establishment is available and understood by land owners.</p> <p>Increased awareness of MAF's programmes, initiatives and regulatory framework associated with climate change.</p> <p>New Zealanders increasing engage in regulatory-focused activities and initiatives, and voluntarily change their behaviour to comply with regulatory frameworks.</p> <p>The establishment of permanent indigenous and exotic forests.</p> <p>Intermediate Outcomes</p> <p>New Zealanders are informed and involved participants in MAF's regulatory systems.</p> <p>Forests and forestry products are widely used in adapting to, and reducing, the impacts of climate change.</p> <p>New Zealand is recognised as a world leader in the development of practical technologies and management practices for farmers to measure and reduce agricultural emissions.</p> <p>A business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high performance.</p> <p>Sectors are positioned to take better advantage of the economic opportunities arising from climate change and changing consumer preferences.</p> <p>Enhanced prosperity for Māori engaged in the agriculture, food, forestry and related sectors.</p> <p>Connected and resilient rural communities.</p> <p>End Outcomes</p> <p>Sustainable economic growth and prosperity for New Zealanders.</p> <p>A vibrant rural community.</p> <p>Maintained and enhanced economic, social and cultural benefits for New Zealanders from the environment.</p>	<p>Climate Change (M2)</p>

Administration of Indigenous Forestry Provisions (M2)

Scope of Appropriation

Administration of the indigenous forestry provisions of the Forests Act 1949, with the purpose of promoting the sustainable forest management of indigenous forest land.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,064	2,044	1,969
Revenue from Crown	2,002	1,982	1,907
Revenue from Other	62	62	62

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Promotion of Sustainable Management of Indigenous Forestry			
Approval of draft sustainable forest management plans and review of registered sustainable forest management plans.	10	1	5
Approval of sustainable forest management permit applications.	30	26	25
Registration of sawmills.	200	200	200
Issuing of other milling statements.	200	180	200
Approval of annual logging plans.	50	46	45
Approval and monitoring of indigenous timber export consignments.	75	50	50
Hectares of land covered by sustainable management plans and permits.	NA	122,000	122,000
Cubic metres of indigenous timber approved for milling in sustainable forest management plans and permits.	NA	80,000	80,000
Cubic metres of indigenous timber approved for export.	NA	1,000	1,000
Percentage of annual logging plans inspected that comply.	NA	80	80
Percentage of sawmills inspected that comply.	NA	80	80
Enforcement of New Zealand's Indigenous Forestry Regulations			
Percentage of complaints received and investigated in priority order and in accordance with the MAF Compliance and Enforcement priority grading framework.	NA	100	100
Investigations of Alleged Breaches of New Zealand's Indigenous Forestry Legislative Framework			
Category I - Enforcement intervention requiring statutory action for lower threshold criminal behaviours (usually acknowledgement of culpability or no offence identified).	NA	5	5
Category II - Enforcement intervention requiring criminal investigation response resulting in formal warning (completion in an eight month time period).	NA	5	5
Category III - Enforcement intervention addressing organised illegal activity enforcement responses requiring proactive criminal investigation (ie, intelligence gathering, surveillance) and pursuit of deterrent outcomes (usually completion in a 12 month time period).	NA	4	4
Prosecution of Alleged Breaches of New Zealand's Indigenous Forestry Legislative Framework			
Category I - Prosecution response required from enforcement intervention requiring statutory action (including warnings).	NA	5	5
Category II - Prosecution intervention requiring preparation for lower threshold criminal behaviours (usually completion in an eight month time period where offender behaviour recognises culpability).	NA	6	6
Category III - Prosecution strategy and preparedness for proactive criminal investigation involving organised illegal activity requiring deterrent outcomes (usually completed in a 12 month time period).	NA	3	3
Percentage of cases lodged with the Court that incurred adverse judicial comment.	-	-	-

Conditions on Use of Appropriation

Reference	Conditions
Approval of draft sustainable forest management plans, permits and annual logging plans. Registration of sawmills and issuing milling statements and other approvals to enable the milling of indigenous timber. Monitoring, compliance and inspection of indigenous forestry operations. Inspection, approval and audit of indigenous forest produce export consignments. Investigation of alleged breaches of Part 3A of the Forest Act, 1949.	Commensurate with Part 3A of the Forest Act, 1949.
Prosecution of alleged breaches.	Prosecutions commenced through the Court process will be well researched, legally sound, led by legally qualified staff and reach the prima facie threshold.

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
Staff remuneration	2005/06	98	132	165	165	165

Agriculture and Forestry Policy Advice (M2)*Scope of Appropriation*

Policy advice in regard to the agricultural, forestry and horticultural sectors, and ministerial services.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	27,197	24,863	24,816
Revenue from Crown	26,868	25,118	24,487
Revenue from Other	329	245	329

Reasons for Change in Appropriation

The reduction in this appropriation is mainly due to the completion of a four-year programme to support a generic forestry market development programme.

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Development and Provision of Agriculture, Horticulture and Forestry-related Policy Advice			
Number of ministerial briefing papers or reports provided.	NA	560	560
The Minister rates the quality of policy advice provided as 4 or better on a scale of 1 to 5 where 1 represents poor and 5 represents excellent (poor, sub-standard, adequate, good, excellent).	NA	4	4
Provision of Ministerial Services			
Number of ministerial letters prepared.	NA	330	330
Number of official information request responses provided.	NA	120	120
Number of parliamentary question responses provided.	NA	235	235
The Minister rates the quality of ministerial services as 4 or better on a scale of 1 to 5 where 1 represents poor and 5 represents excellent (poor, sub-standard, adequate, good, excellent).	NA	4	4
Percentage of ministerial correspondence completed within 15 working days.	NA	90	95
Percentage of ministerial correspondence completed within 20 working days.	NA	100	100
Percentage of ministerial correspondence accepted without amendments.	NA	95	95
Percentage of OIA requests completed within 15 working days.	NA	50	95
Percentage of OIA requests completed within 20 working days.	NA	80	100
Coordinating the Sanitary and Phytosanitary Chapter Components of Free Trade Agreement Negotiations			
Number of free trade agreements where MAF coordinates the negotiation of the sanitary and phytosanitary charter.	NA	5	4
Provision of Input into Briefings and Participation in the Negotiation of Non-Sanitary and Phytosanitary Components of Free Trade Agreements			
Number of free trade agreements under negotiation.	NA	5	4
Input into Briefing, and Participation in the Negotiation and Regular Sessions of the World Trade Organisation			
Number of forums covered.	NA	7	7

Conditions on Use of Appropriation

Reference	Conditions
Quality standards for analysis and advice	
Purpose	The objective for the advice will be clearly stated; it will answer any financial and economic issues raised by the Minister and demonstrate a clear understanding of the desired outcome(s) of the Government and/or Minister.
Problem definition	Any public policy problem, including the underlying causes, size and materiality of issues, will be defined and supported by data or other evidence.
Context	It will be 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 will be used. Assumptions behind the advice will be explicit and the argument will be logical and supported by facts.
Accuracy	All material facts presented will be accurate. Known gaps that could significantly affect the conclusions will be identified and the range of uncertainty stated. Forecasts will be credible at the time they are produced and will take into account all relevant information.
Options	A range of options will be presented that provides clearly differentiated choices and these will be rigorously evaluated against the analytical framework. Costs, benefits, consequences and risks/opportunities of the options will be assessed as part of the analysis. Where it is not appropriate to use a range of options, the reasons will be clearly stated.
Recommendations	Recommendations will be clear, logical and action oriented and should stand alone from the rest of the advice. They will be 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 will be presented, and their views, including objections, will be incorporated as appropriate.
Practicality	Issues of implementation, technical feasibility, practicality and timing will be considered and advice will accurately identify compliance, transitional, political, legislative, revenue, expense and administrative implications and costs (quantified where possible).
Communication	Guidance will be 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 will be presented to suit the target audience and: <ul style="list-style-type: none"> • Will be 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. • Will use appropriate language and style. • Will use empirical evidence. • Will avoid clichés and technical jargon (or where the latter is not possible, it will be used appropriately for a general audience). • Will be consistent with departmental and Cabinet Office presentation requirements.
Monitoring and evaluation	Policy analysis and advice will be assessed by using a ministerial rating; independent third-party review; evaluation results; agency/stakeholder feedback and/or internal peer review 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
Value for money review savings and reprioritisation	2009/10	-	204	245	409	409
Inter-agency resource needs for trade agreements	2008/09	150	370	355	-	-
Fonterra capital structure review	2007/08	730	-	-	-	-
Sustainable land management programme	2007/08	2,300	3,900	2,500	2,500	2,500
Building rural capacity to respond to adverse events	2007/08	430	360	360	360	360
Policy advice capability	2006/07	600	600	600	600	600
Organic sector advisory programme	2006/07	50	-	-	-	-
Water programme of action	2006/07	190	100	-	-	-
Sustainable water development	2005/06	444	444	444	444	444
Development of walking access policy	2005/06	200	100	100	100	100
Pursuing trade agreements and maximising gains	2005/06	1,350	1,350	1,350	1,350	1,350
Design innovation and excellence for timber products scheme	2005/06	595	267	142	-	-
Generic forestry market development	2005/06	3,140	80	-	-	-
Staff remuneration	2005/06	1,339	1,845	2,295	2,295	2,295

Animal Welfare (M2)

Scope of Appropriation

Setting of animal welfare standards and investigations and prosecutions of breaches of the Animal Welfare Act 1999.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,907	2,877	3,200
Revenue from Crown	2,847	2,847	3,140
Revenue from Other	60	30	60

Reasons for Change in Appropriation

The increase in this appropriation for 2009/10 funds an expected increase in the level of animal welfare investigations arising from drought conditions.

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Development and Provision of Animal Welfare Related Policy Advice			
The Minister rates the quality of policy advice provided as 4 or better on a scale of 1 to 5 where 1 represents poor and 5 represents excellent (poor, sub-standard, adequate, good, excellent).	NA	4	4
Number of issues of <i>Welfare Pulse</i> issued.	NA	1-2	2
Provision of Ministerial Services			
The Minister rates the quality of ministerial servicing as 4 or better on a scale of 1 to 5 where 1 represents poor and 5 represents excellent (poor, sub-standard, adequate, good, excellent).	NA	4	4
Enforcement of New Zealand's Animal Welfare Regulatory Framework			
Percentage of complaints received and investigated in priority order and in accordance with the MAF Compliance and Enforcement priority grading framework.	NA	100	100
Investigations of Alleged Breaches of the Animal Welfare Act 1999			
Category I - Enforcement intervention requiring statutory action regulatory response.	700	800-1000	800-1000
Category II - Enforcement intervention requiring investigation response for lower threshold criminal behaviours (including section 130 instructions acknowledgement of culpability, and warnings, search warrants, court enforcement orders, (usually completion in a six month time period).	NA	180	180
Category III - Enforcement intervention involving large scale mitigation of animal suffering and investigation, establishing criminal liability (usually completion in a 12-18 month time period).	NA	5	5
Prosecution of Cases of Alleged Breaches of the Animal Welfare Act 1999	10	5	14
Category I - Prosecution response required from enforcement intervention requiring statutory action.	NA	5	5
Category II - Prosecution intervention requiring preparation for lower threshold criminal behaviours (usually completion in a six month time period where offender behaviour recognises.	NA	10	10
Category III - Prosecution strategy and preparedness for proactive criminal investigation involving organised illegal activity requiring deterrent outcomes (usually completion in a 12 - 18 month time period).	NA	5	5
Percentage of cases lodged with the Court that incurred adverse judicial comment.	-	-	-

Conditions on Use of Appropriation

Reference	Conditions
Development and provision of policy advice.	See conditions of use under Agriculture and Forestry Policy Advice output expense above.
Development, review and promulgation/communication of codes of animal welfare. Implementation of surveillance and recording of complaints. Investigation of alleged breaches.	Commensurate with the Animal Welfare Act 1999.
Prosecution of alleged breaches.	Prosecutions commenced through the Court process will be well researched, legally sound, led by legally qualified staff and reach the prima facie threshold.

Climate Change (M2)

Scope of Appropriation

Policy advice and implementation, operational costs and fulfilling international obligations to support the Government's commitment on climate change under the Kyoto Protocol.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	37,752	30,614	38,041
Revenue from Crown	37,482	30,944	37,699
Revenue from Other	270	270	342

Reasons for Change in Appropriation

The increase in this appropriation mainly relates to the plan of action for sustainable land management and climate change and implementation of the New Zealand emissions trading scheme.

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Development and Provision of Climate Change Related Policy Advice			
Number of ministerial briefing papers or reports provided.	NA	60	60
The Minister rates the quality of policy advice provided as 4 or better on a scale of 1 to 5 where 1 represents poor and 5 represents excellent (poor, sub-standard, adequate, good, excellent).	NA	4	4
Provision of Ministerial Services			
Number of ministerial letters prepared.	NA	40	50
Number of official information request responses provided.	NA	15	20
Number of parliamentary question responses provided.	NA	15	20
The Minister rates the quality of ministerial servicing as 4 or better on a scale of 1 to 5 where 1 represents poor and 5 represents excellent (poor, sub-standard, adequate, good, excellent).	NA	4	4
Percentage of ministerial correspondence completed within 15 working days.	NA	60	95
Percentage of ministerial correspondence completed within 20 working days.	NA	85	100
Percentage of ministerial correspondence accepted without amendments.	NA	95	95
Percentage of OIA requests completed within 15 working days.	NA	30	95
Percentage of OIA requests completed within 20 working days.	NA	70	100
Percentage of parliamentary questions completed within specified timeframes.	NA	100	100
Implementation of the New Zealand Emissions Trading Scheme			
The emissions trading scheme is currently under review. New performance measures will be developed once the review is completed and legislation changes are introduced.	-	-	-
Implementation of the Permanent Forest Sink Initiative			
Number of new covenants signed.	NA	20	50
Hectares covered by covenants.	NA	4,700	10,000

Conditions on Use of Appropriation

Reference	Conditions
Development and provision of policy advice.	Refer Agriculture and Forestry Policy Advice output expense above.

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
Value for money review savings	2008/09	(1,600)	(2,730)	(2,700)	(1,700)	(1,700)
Implementation of the New Zealand emissions trading scheme	2007/08	6,175	5,535	3,770	3,780	4,060
International leadership on climate change research in agriculture and forestry	2007/08	1,000	1,300	1,000	1,000	1,000
Permanent forest sink	2007/08	253	72	-	-	-
Sustainable land management and climate change plan of action	2006/07	27,138	32,497	28,432	27,575	27,626

Contract, Grant and Asset Management (M2)*Scope of Appropriation*

Management of the Crown's ownership interest in forests established on Crown-Owned and leased Māori land. Management of the Sustainable Farming Fund, East Coast Forestry Project and flood relief programmes.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,877	3,720	3,832
Revenue from Crown	3,840	3,833	3,795
Revenue from Other	37	37	37

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Management of Crown Forests			
Number of forests under administration and management.	25	25	39
Number of forestry leases (where the Crown owns the land) under administration and management.	13	13	13
Number of known breaches of statutes, lease agreements, forestry rights and other contractual arrangements brought or upheld against Crown Forestry since the last independent audit.	-	-	-
Contracting, evaluation/auditing and payment of forest managers.	6	6	6
Number of hectares of Crown forestry interests surrendered or sold.	900	900	900
Management Forestry Encouragement Loans			
Number of forestry encouragement loan grantees.	11	11	6
Number of forestry encouragement loans.	31	31	20
Total value of outstanding forestry encouragement loans.	\$24m	\$24m	\$22m
Management of the Sustainable Farming Fund			
Value of Sustainable Farming Fund grants allocated.	\$8.444m	\$6m	\$7m
Percentage of result for Sustainable Farming Fund applications for \$20,000 or less that were announced after 15 April.	NA	-	-
Number of Sustainable Farming Fund applications received for \$20,000 or less.	NA	37	48
Percentage of applicants that were invited to submit a phase-two proposal.	NA	61	45
Total number of funding contracts under management.	NA	277	220
Percentage of result for Sustainable Farming Fund applications over \$20,000 that was announced after 30 June.	NA	-	-
Percentage of non-performing funding contracts that were suspended.	NA	-	-

Conditions on Use of Appropriation

Reference	Conditions
Contracting, evaluation/auditing and payment of forest managers.	Forest managers will be contracted and evaluated based on pre-determined sets of qualifying criteria. Payment will be made to contractors at the agreed rates upon delivery of services following verification by audits as specified in a quality management system. Amounts paid and work completed will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes. This will be verified by independent management reviews/audits of each forest managed by MAF Crown Forestry (at four-year intervals).
Leasing of Crown forest land.	Management and accounting for rent received will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes. Completion of rent reviews will be in accordance with the process required under the individual lease agreements.
Sale and surrender of Crown forestry assets.	The sale or surrender of forestry assets will be in accordance with individual lease variations or negotiated sales approved by the Minister(s) of Finance, Forestry and Cabinet. Valuations and negotiations will be performed in accordance with Crown policy and, in the case of Māori leases, as requested by lessors.
Administration and management of forestry encouragement loans.	Management, valuation and recording of loans will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes.
Administration of the Sustainable Farming Fund.	Commensurate with processes and procedures agreed with the Minister.
Administration of East Coast forestry grants.	Commensurate with statutory framework.
Payment of East Coast forestry grants.	Amounts paid and work completed will be in accordance with Government policy, the Forestry (East Coast) Grants Regulations 2000 and MAF 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
Transfer of Timberlands West Coast Limited operations to MAF	2008/09	200	200	200	200	200
Purchase of Matahi and Oponae forests	2008/09	125	125	125	125	125
Staff remuneration	2005/06	163	218	267	267	267

Support Services and Infrastructure to Other Agencies RDA (M2)

Scope of Appropriation

This appropriation is limited to the provision of support services to other agencies, including financial, personnel and information technology services and subleasing of surplus accommodation.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,255	11,550	11,255
Revenue from Crown	-	-	-
Revenue from Other	11,255	11,550	11,255

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of respondents that rated the information management services provided by MAF as 4 or higher on a scale of 1 to 5.	85	85	85
Percentage of respondents that rated the financial and procurement services provided by MAF as 4 or higher on a scale of 1 to 5.	85	85	85
Percentage of respondents that rated contract management services provided by MAF as 4 or higher on a scale of 1 to 5.	85	85	85
Percentage of respondents that rated payroll services provided by MAF as 4 or higher on a scale of 1 to 5.	85	85	85

Conditions on Use of Appropriation

Reference	Conditions
Information management, financial, procurement, contract management and payroll services.	In accordance with Government policy, legislation, regulations and MAF financial policies and internal processes.
Subleasing of surplus accommodation.	Management and accounting for rent received will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes. Completion of rent reviews will be in accordance with the process required under the individual lease agreements.

Part 2.2 - Non-Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
The effective and efficient management (ie, cultivation, pruning, harvesting) of the Crown's forests.	Management of Crown Forestry Assets (M2)

Management of Crown Forestry Assets (M2)

Scope of Appropriation

Payments for forest and asset management of Crown forests established on both Crown-Owned and leased Māori land and 13 leases of Crown-Owned land to other parties for forestry purposes.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	83,245	77,337	95,008

Reasons for Change in Appropriation

The increased appropriation for 2009/10 is mainly due to the transfer of Timberlands West Coast Limited's operations to MAF, with effect from 1 January 2009.

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Hectares of net stocked forest.	33,887	63,128	63,128
Hectares of silviculture tending.	6,400	5,000	11,900
Log volume supplied in cubic metres.	1,288,200	1,190,000	1,400,000
Average stumpage price per cubic metre of logs sold.	\$31	\$28	\$26
Management fee (per net stocked hectare) exclusive of harvesting and re-investment fees.	\$20	\$15	\$20
Fixed cost per net stocked hectare.	\$50	\$29	\$38
Hectares lost from fire attributable to the quality of Crown Forestry's response and systems.	NA	-	-

Conditions on Use of Appropriation

Reference	Conditions
Management of forestry assets on behalf of the Crown.	<p>Management, silvicultural and timber production work programmes, as required by lease agreements and management plans, are completed under contracts which clearly prescribe work methods, acceptable standards and costs.</p> <p>Completed work is audited using accepted sampling procedures and a quality management system.</p> <p>Forests are independently audited on a four-yearly cycle to review management performance.</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
Transfer of Timberlands West Coast Limited assets to MAF	2008/09	10,000	16,000	-	-	-
Purchase of Matahi and Oponae forests	2008/09	125	125	125	125	125

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
Non-government organisations					
NZ Forest Managers Limited	38,327	40,167	41,191	Section 32A report	Annual contracts with 1-3 month termination
P F Olsen Limited	10,180	18,909	25,965		
Northland Forest Managers Limited	4,181	3,010	4,950		
Fortus Forestry Limited	10,414	5,867	8,449		
Ngāti Porou Limited	275	226	374		
Taitokerau Forest Limited	144	131	292		
• Management of Crown Forestry Assets					

The above table summarises funding to be allocated through Vote Agriculture and Forestry 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 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Veterinary professionals are available in difficult to staff rural areas.	Rural Veterinarians Bonding Scheme (M2)

Rural Veterinarians Bonding Scheme (M2)

Scope of Appropriation

This appropriation is limited to the provision of payments to veterinary professionals agreeing to work in understaffed, rural areas, in accordance with government approved criteria and guidelines.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	770

Reasons for Change in Appropriation

This is a new appropriation for 2009/10.

Conditions on Use of Appropriation

Reference	Conditions
Rural veterinarians bonding scheme.	<p>Understaffed rural areas are defined by the following criteria:</p> <ul style="list-style-type: none"> • Rural area (less than 30,000 people). • Where there are a low number of veterinarians to livestock units compared with the rest of New Zealand. • Where veterinary practices have the greatest difficulty recruiting and retaining the number of veterinarians necessary to service livestock-based industry needs. <p>A graduate is defined as someone who has completed their veterinary science qualification within twelve months of applying for the scheme (except in the initial transition year when graduates since 2005 will be eligible).</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
Rural veterinarians bonding scheme	2009/10	-	770	1,100	1,430	1,760

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>Rural communities are prepared should adverse climatic events occur.</p> <p>Sectors and their communities are less vulnerable and better able to adapt to a changing climate.</p> <p>A vibrant rural community characterised by connected and resilient rural communities.</p>	Adverse Climatic Events (M2)
<p>Annual planting or natural regeneration of new indigenous and exotic forests.</p> <p>Sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p> <p>New Zealanders are informed and involved participants in New Zealand's climate change response initiatives.</p> <p>Forests and forest products are widely used in adapting to, and reducing, the impacts of climate change.</p>	Afforestation Grants Scheme (M2)
<p>Effective and efficient operational maintenance of the Beggs irrigation scheme.</p>	Community Irrigation Schemes (M2)
<p>A business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high-performance.</p> <p>New Zealanders are informed and involved participants in New Zealand's climate change response initiatives.</p> <p>New Zealand land-based primary producers can position themselves for longer-term sustainable economic growth and competitive advantage.</p> <p>Sectors and their communities are less vulnerable and better able to adapt to a changing climate.</p> <p>Sectors are positioned to take better advantage of the economic opportunities arising from climate change and changing consumer preferences.</p> <p>Connected and resilient rural communities.</p> <p>Sectors are internationally competitive and land use flexibility is maintained, taking into account the environmental impacts of land use decisions.</p> <p>Sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p>	Community Irrigation Fund (M2)
<p>Severely eroded hill country in the Gisborne district is afforested to stem erosion following cyclone Bola.</p> <p>Forestry is fully integrated into land use decisions to help deliver sustainable land management practices.</p> <p>Forests and forest products are widely used in adapting to, and reducing, the impacts of climate change.</p> <p>Sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p>	East Coast Afforestation Grants (M2)
<p>New Zealand land-based primary producers can position themselves for longer-term sustainable economic growth and competitive advantage.</p> <p>A business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high-performance.</p> <p>Sectors are internationally competitive and land use flexibility is maintained, taking into account the environmental impacts of land use decisions.</p> <p>Sectors are positioned to take better advantage of the economic opportunities arising from climate change and changing consumer preferences.</p>	Primary Growth Partnership (M2)
<p>New Zealand's reputation for consistent and principled application of international trade, SPS, environmental sustainability and climate change rules, regulations and practices is maintained and/or enhanced.</p>	Subscriptions to International Organisations (M2)

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p>Novel production systems. The development of niche crops.</p> <p>A (sustainable) business environment for the agriculture, food, forestry and related sectors that supports innovation, enterprise and high-performance.</p> <p>Sustainable use of resources (and the natural systems on which they are based) by the agriculture, food, forestry and related sectors.</p> <p>Enhanced (sustainable) prosperity for Māori engaged in the agriculture, food, forestry and related sectors.</p> <p>Sectors are internationally competitive and land use flexibility is maintained, taking into account the environmental impacts of land use decisions.</p> <p>New Zealand land-based primary producers can position themselves for longer-term sustainable economic growth and competitive advantage.</p>	Sustainable Farming Fund (M2)
<p>New Zealanders have greater certainty regarding rural walking access. New Zealanders have increased opportunities for recreation and outdoor activities.</p>	New Zealand Walking Access Commission (M2)

Adverse Climatic Events (M2)

Scope of Appropriation

Support to the agriculture and horticulture industries in the aftermath of adverse climatic events.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	736	550	496

Reasons for Change in Appropriation

The decrease in this appropriation is due to one-off funding in 2007/08 and 2008/09 to build capability in rural support groups to assist in the response to adverse events experienced by the rural sector.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of regions with active rural support trusts or similar entities.	NA	13	14

Conditions on Use of Appropriation

Reference	Conditions
Implementation of adverse event recovery measures.	Commensurate with the <i>Adverse Events Recovery Policy guidelines</i> . Funding is applied in an equitable manner, and all legal requirements are met.

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
Building rural capacity to respond to adverse events	2007/08	380	140	-	-	-

Afforestation Grants Scheme (M2)

Scope of Appropriation

Payment of grants under the Afforestation Grants Scheme.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,400	500	7,000

Reasons for Change in Appropriation

The appropriation increases in 2009/10 to fund an expected increase in planting of new forests under the Afforestation Grants Scheme.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Public Tender Rounds			
Hectares formally approved.	NA	3,000	3,000
Average \$/ha grant rate approved.	NA	1,500	1,500
Number of grants approved.	NA	50	50
Percentage of annual funding provided to the public tender pool.	NA	50	50
Regional Council Tender Rounds			
Hectares formally approved.	NA	2,000	3,000
Number of grants approved.	NA	50	75
Average grant rate (\$/ha).	NA	1,500	1,500

Conditions on Use of Appropriation

Reference	Conditions
Payment of grants	Amounts paid and work completed will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes. This will be verified by independent management reviews/audits.

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
Value for money review savings	2008/09	(3,600)	(3,000)	(3,000)	(3,000)	(3,000)
Sustainable land management and climate change plan of action	2008/09	5,000	10,000	10,000	10,000	10,000

Community Irrigation Fund (M2)*Scope of Appropriation*

Payment of grants under the Community Irrigation Fund.
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Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	443	443	881

Reasons for Change in Appropriation

The increase in appropriation for 2009/10 is due to a change in the eligibility and assessment criteria for the Community Irrigation Fund.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Increases in the potential overall area of land irrigated.	Achieved	Achieved	Achieved

Conditions on Use of Appropriation

Reference	Conditions
Support to help promoters of community water storage and irrigation schemes raise investor and community support for their schemes.	Amounts paid and work completed will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes. This will be verified by independent management reviews/audits.

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
Sustainable land management and climate change plan of action.	2008/09	443	881	1,259	1,036	785

Community Irrigation Schemes (M2)*Scope of Appropriation*

Operating and maintaining Crown irrigation schemes.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	17	2	17

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Effective and efficient operational maintenance of the Beggs irrigation scheme.	Achieved	Achieved	Achieved

Conditions on Use of Appropriation

Reference	Conditions
Operational maintenance of the Beggs irrigation scheme.	Management will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes.

East Coast Afforestation Grants (M2)

Scope of Appropriation

Grants to approved private forest growers under the Forestry (East Coast) Grants Regulations 1992.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,803	1,700	4,500

Reasons for Change in Appropriation

The increase in this appropriation is due to operational and administrative changes to the East Coast Forestry Project which are expected to result in increased demand for grants in 2009/10.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Provision of Grant Funding to Approved Forest Growers in the Gisborne District			
Hectares of annual grant area treated.	6,000	900	3,000
Grant funding (\$000) approved for the year.	NA	1,700	4,500
Total hectares of area in the scheme.	NA	33,900	36,900

Conditions on Use of Appropriation

Reference	Conditions
Forestry (East Coast) Grants Regulations 2000.	Subject to the conditions contained in Regulation 4.

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
Value for money review savings	2008/09	(6,000)	(1,278)	(1,278)	(1,278)	(1,278)

New Zealand Walking Access Commission (M2)

Scope of Appropriation

This appropriation is limited to the operation of the New Zealand Walking Access Commission.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,189	2,189	1,789

Reasons for Change in Appropriation

The appropriation decreases in 2009/10 due to savings identified in the value for money review.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Walking access issues resolved	NA	-	20

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
Value for money review savings	2009/10	-	(1,000)	-	-	-
Walking access	2008/09	2,189	2,789	1,789	1,789	1,789

Primary Growth Partnership (M2)

Scope of Appropriation

This appropriation is limited to primary and food sector investment in education and skills development, research and development, product development, commercialisation, market development and technology transfer, in partnership with relevant industry groups.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	30,000

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
Governance arrangements for the Primary Growth Partnership are currently being developed.			
The Primary Growth Partnership will be fully operational.	NA	NA	Achieved

Conditions on Use of Appropriation

Reference	Conditions
Primary Growth Partnership	Governance arrangements for the Primary Growth Partnership are currently being developed.

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
Primary Growth Partnership	2009/10	-	30,000	40,000	50,000	70,000

Subscriptions to International Organisations (M2)

Scope of Appropriation

Membership of various international organisations in particular the Food and Agriculture Organisation of the United Nations (FAO).

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,028	1,915	2,028

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Provision of input to key international forums will meet Ministerial expectations as well as domestic and international organisations' time/schedule or notification requirements.	100%	100%	100%

Conditions on Use of Appropriation

Reference	Conditions
Membership of the Food and Agricultural Organisation of the United Nations and other international organisations.	Refer conditions of use for Agriculture and Forestry Policy Advice output expense.

Sustainable Farming Fund (M2)

Scope of Appropriation

Contestable fund for community driven programmes aimed at improving economic and environmental performance of land-based productive sectors.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,444	6,000	7,000

Reasons for Change in Appropriation

The appropriation decreases in 2009/10 due to savings identified in the value for money review,

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of funding contracts successfully negotiated for \$20,000 or less.	NA	22	28
Number of funding contracts successfully negotiated over \$20,000.	NA	37	30
Value of funding provided.	NA	\$6m	\$7m
Grant funding provided as a proportion of total available funding pool.	NA	100	100

Conditions on Use of Appropriation

Reference	Conditions
Provision of funding.	Amounts paid and work completed will be in accordance with Government policy, legislation, regulations and MAF financial policies and internal processes. This will be verified by independent management reviews/audits.

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
Value for money review savings	2009/10	-	(1,444)	(1,444)	(1,444)	(1,444)

Reporting Mechanisms

Appropriation	Reporting Mechanism
Adverse Climatic Events	Not reported
Afforestation Grants Scheme	Not reported
Community Irrigation Fund	Not reported
Community Irrigation Schemes	Not reported
East Coast Afforestation Grants	Not reported
New Zealand Walking Access Commission	Annual Report of the New Zealand Walking Access Commission
Primary Growth Partnership	Not reported
Subscriptions to International Organisations	Not reported
Sustainable Farming Fund	Not reported

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
Objective - To maintain and upgrade capability through the replacement and development of property, plant, equipment and IT software.	Ministry of Agriculture and Forestry - Capital Expenditure PLA (M2)

Ministry of Agriculture and Forestry - Capital Expenditure PLA (M2)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Agriculture and Forestry, 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	9,300	8,900	7,530
Intangibles	5,000	4,000	8,000
Other	-	-	-
Total Appropriation	14,300	12,900	15,530

Reasons for Change in Appropriation

The increase in departmental capital expenditure reflects the continued development of IT software to support new MAF initiatives, particularly national animal identification traceability and MAF/Bank of New Zealand (BNZ) information management systems.

Part 6.2 - Non-Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Objective - Effective stewardship of the Crown's forestry assets.	Crown Forestry Assets (M2)
New Zealanders have greater certainty regarding rural walking access New Zealanders have increased opportunities for recreation and outdoor activities.	New Zealand Walking Access Commission (M2)

Crown Forestry Assets (M2)

Scope of Appropriation

This appropriation is limited to capital expenditure on Crown forests, including roading, bridges, fencing and fire equipment.

Capital Expenditure

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,900	11,900	300

Reasons for Change in Appropriation

The 2008/09 appropriation was for the purchase of Matahi and Oponae forests and to build a bridge across the Waihua stream to allow mature pine trees to be harvested from Te Manawa-O-Tuhoe forest. The 2009/10 appropriation is for a replacement bridge in Westland to access areas of forest that are scheduled for harvest.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Harvest of mature pine trees in Westland.	NA	NA	Achieved

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
Management of West Coast forests	2009/10	-	300	-	-	-
Purchase of Matahi and Oponae forests	2008/09	11,830	-	-	-	-
Te Manawa-O-Tuhoe forest bridge	2008/09	70	-	-	-	-

New Zealand Walking Access Commission (M2)*Scope of Appropriation*

This appropriation is limited to the establishment of IT infrastructure and facilities for the provision of walking access information and mapping.

Capital Expenditure

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	150	150	500

Reasons for Change in Appropriation

The appropriation increases in 2009/10 for the establishment of IT infrastructure and facilities for the provision of walking access information and mapping.

Reporting Mechanisms

Appropriation	Reporting Mechanism
Crown Forestry Assets	Not reported
New Zealand Walking Access Commission	Annual Report of the New Zealand Walking Access Commission

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