

# *Performance Information for Appropriations*

## *Vote Primary Industries*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Primary Industries (M87)

ADMINISTERING DEPARTMENT: Ministry for Primary Industries

MINISTER RESPONSIBLE FOR MINISTRY FOR PRIMARY INDUSTRIES: Minister for Primary Industries

# Part 1 - Summary of the Vote

## Part 1.1 - Overview of the Vote

The Minister for Primary Industries is responsible for appropriations in the Vote for the 2012/13 financial year covering the following:

- a total of just over \$148 million (22% of the Vote) on departmental output expenses for the development and implementation of policy advice
- a total of just over \$142 million (22% of the Vote) on departmental output expenses for border and domestic biosecurity risk management
- a total of over \$31 million (5% of the Vote) on departmental output expenses for implementation of the Emissions Trading Scheme and indigenous forestry provisions of the Forests Act 1949, administration of grants and programmes, animal welfare education and enforcement, administration and management of Crown forestry assets, provision of accommodation to other agencies, and South Pacific Regional Fisheries Management Organisation interim secretariat costs
- a total of nearly \$146 million (22% of the Vote) on non-departmental output expenses for purchasing forest management and wood production services from sector contractors for Crown forests, for the Crown's contribution to implementation of the Bovine Tuberculosis National Pest Management Strategy, for climate change research, and for the operation of the NZ Walking Access Commission
- a total of \$1.760 million for the operation of the Rural Veterinarians Bonding Scheme
- a total of just over \$170 million (26% of the Vote) for non-departmental other expenses, notably for the Primary Growth Partnership, a Government-industry initiative that invests in significant programmes of research and innovation to boost economic growth and sustainability across the primary sectors, and for settlement of the Crown's aquaculture new space obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004, and
- a total of nearly \$18 million (3% of the Vote) for departmental capital expenditure.

### Crown Revenue and Capital Receipts

The Ministry expects to collect just over \$169 million of Crown revenue and capital receipts in 2012/13, made up as follows:

- a total of just over \$127 million for the sale of logs from Crown forests
- a total of over \$34 million in cost recoveries from the fishing industry
- a total of just over \$3 million from forestry encouragement loan interest and loan repayments
- a total of just over \$1 million in fines imposed under the Biosecurity Act and Fisheries Act
- a total of \$750,000 from the Emissions Trading Scheme fees and levies payable under the Dairy Industry Restructuring Act 2001, and
- a total of nearly \$3 million from other revenue, including deemed values applied to catch in excess of fishing quota and forfeitures for fisheries offences.

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 Goals:</p> <ul style="list-style-type: none"> <li>• Build a more competitive and productive economy</li> <li>• Delivering better public services within tight fiscal constraints</li> </ul> <p>Priorities:</p> <ul style="list-style-type: none"> <li>• Rural water management</li> <li>• MAF restructuring</li> <li>• Fisheries management</li> <li>• Border sector restructuring</li> <li>• Biosecurity</li> <li>• Climate change and forestry</li> <li>• Technology transfer</li> <li>• Māori agribusiness</li> <li>• Passage of the Dairy Industry Restructuring Bill and implementation of Fonterra's Trading Amongst Farmers scheme</li> </ul>	<p>Long-Term Outcome</p> <p>Maximise export opportunities</p>	<p>Agriculture and Forestry Policy Advice, Biosecurity Policy Advice, Fisheries Policy Advice, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Animal Welfare Education and Enforcement, Border Biosecurity Systems Development and Maintenance</p>
	<p>Long-Term Outcome</p> <p>Improved sector productivity</p>	<p>Agriculture and Forestry Policy Advice, Biosecurity Policy Advice, Fisheries Policy Advice, Operational Advice on Sustainability and Management Controls in Fisheries, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Aquaculture, Fisheries Enforcement and Monitoring, Fisheries Management, Administration and Management of Crown Forestry Assets, Administration of Grants and Programmes, Implementation of the Emissions Trading Scheme and Indigenous Forestry, Interim Secretariat South Pacific Regional Fisheries Management Organisation</p>
	<p>Long-Term Outcome</p> <p>Increase sustainable resource use</p>	<p>Agriculture and Forestry Policy Advice, Fisheries Policy Advice, Operational Advice on Sustainability and Management Controls in Fisheries, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Aquaculture, Fisheries Enforcement and Monitoring, Fisheries Management, Administration and Management of Crown Forestry Assets, Administration of Grants and Programmes, Implementation of the Emissions Trading Scheme and Indigenous Forestry, Interim Secretariat South Pacific Regional Fisheries Management Organisation</p>
	<p>Long-Term Outcome</p> <p>Protect from biological risk</p>	<p>Biosecurity Policy Advice, Implementation of Biosecurity Policy Advice, Administration of Grants and Programmes, Border Biosecurity Systems Development and Maintenance, Border Biosecurity Monitoring and Clearance, Domestic Biosecurity Surveillance, Biosecurity Incursion Response and Long Term Pest Management</p>
	<p>Objective</p> <p>The provision of cost-effective support services to their agencies, including financial, personnel and information technology services and subleasing of surplus accommodation</p>	<p>Support Services and Infrastructure to other Agencies</p>

## Objectives of the Vote

The Government's priority is to build a more competitive and productive economy. Growing New Zealand's economy depends on the success of the primary sector. The work undertaken within Vote Primary Industries has a critical role to play in facilitating the improved economic performance of New Zealand's primary sector. Vote Primary Industries encompasses all government work across the agricultural, horticultural, fisheries and aquaculture, food and forestry industries, as well as biosecurity.

The objectives of Vote Primary Industries are to improve primary sector performance through:

- supporting innovation in the primary sectors, and deliver effective policies to improve the uptake of more productive and value-add practices by producers
- ensuring recent legislative reforms help to unlock the potential of the aquaculture industry
- advance Māori primary sector productivity through improving the governance and capability of Māori primary sector interests
- providing advice on legislation to allow Fonterra to change its capital structure to permit dairy farmers to trade their shares among themselves
- supporting the development of sustainable limits to natural resource use, and allocation approaches that better reflect the costs of using those resources
- supporting irrigation initiatives to improve productivity and sustainable use of water resources
- providing advice on settings in the Emissions Trading Scheme for the best ways to address forestry and agriculture
- continuing development of the Joint Border Management System to provide the information systems needed to improve trade and travel across the border while managing risk appropriately
- delivering the National Animal Identification and Traceability (NAIT) project to establish traceability of livestock and improve responsiveness to biosecurity events and provide assurances to export markets, and
- working with industry to develop Government-Industry Agreements on how to prepare for and respond to harmful pests or diseases.

## Part 1.3 - Trends in the Vote

### Summary of Financial Activity

	2007/08	2008/09	2009/10	2010/11	2011/12		2012/13			2013/14	2014/15	2015/16
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	-	-	-	-	-	-	321,930	145,672	467,602	427,426	424,023	400,826
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	1,760	1,760	1,650	1,650	1,650
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	170,446	170,446	117,527	117,327	179,356
Capital Expenditure	-	-	-	-	-	-	17,775	-	17,775	17,775	17,775	17,775
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
<b>Total Appropriations</b>	-	-	-	-	-	-	339,705	317,878	657,583	564,378	560,775	599,607
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	166,775	166,775	143,859	138,177	133,911
Capital Receipts	-	-	-	-	-	-	N/A	2,316	2,316	1,816	1,686	1,686
<b>Total Crown Revenue and Capital Receipts</b>	-	-	-	-	-	-	N/A	169,091	169,091	145,675	139,863	135,597

In addition to what is in the preceding table, the table following includes for the years 2007/08 to 2011/12 all amounts relating to appropriations, revenue and receipts that were in those years in Vote Agriculture and Forestry, Vote Biosecurity, and Vote Fisheries but from 2012/13 are in Vote Primary Industries.

	2007/08	2008/09	2009/10	2010/11	2011/12		2012/13			2013/14	2014/15	2015/16
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	399,626	433,363	435,555	431,058	454,962	440,159	321,930	145,672	467,602	427,426	424,023	400,826
Benefits and Other Unrequited Expenses	-	99	461	600	1,030	1,030	N/A	1,760	1,760	1,650	1,650	1,650
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	85,675	55,367	28,314	54,720	95,731	91,940	-	170,446	170,446	117,527	117,327	179,356
Capital Expenditure	11,039	753,480	8,244	20,833	18,808	18,808	17,775	-	17,775	17,775	17,775	17,775
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>496,340</b>	<b>1,242,309</b>	<b>472,574</b>	<b>507,211</b>	<b>570,531</b>	<b>551,937</b>	<b>339,705</b>	<b>317,878</b>	<b>657,583</b>	<b>564,378</b>	<b>560,775</b>	<b>599,607</b>
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	133,226	137,661	167,672	165,817	156,766	156,766	N/A	166,775	166,775	143,859	138,177	133,911
Capital Receipts	2,154	723,211	5,424	6,240	16,550	16,550	N/A	2,316	2,316	1,816	1,686	1,686
<b>Total Crown Revenue and Capital Receipts</b>	<b>135,380</b>	<b>860,872</b>	<b>173,096</b>	<b>172,057</b>	<b>173,316</b>	<b>173,316</b>	<b>N/A</b>	<b>169,091</b>	<b>169,091</b>	<b>145,675</b>	<b>139,863</b>	<b>135,597</b>

## New Policy Initiatives

Policy Initiative	Appropriation	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	Administration and Management of Crown Forestry Assets Departmental Output Expense	(16)	(16)	(16)	(16)	(16)
	Administration of Grants and Programmes Departmental Output Expense	(97)	(97)	(97)	(97)	(97)
	Animal Welfare Education and Enforcement Departmental Output Expense	(44)	(44)	(44)	(44)	(44)
	Border Biosecurity Risk Management MCOA Departmental Output Expense	(524)	(524)	(524)	(524)	(524)
	Development of Policy Advice MCOA Departmental Output Expense	(232)	(232)	(232)	(232)	(232)
	Domestic Biosecurity Risk Management MCOA Departmental Output Expense	(490)	(490)	(490)	(490)	(490)
	Implementation of Policy Advice MCOA Departmental Output Expense	(183)	(183)	(183)	(183)	(183)
	Implementation of the Emissions Trading Scheme and Indigenous Forestry Departmental Output Expense	(115)	(115)	(115)	(115)	(115)
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	Administration and Management of Crown Forestry Assets Departmental Output Expense	-	(69)	(69)	(68)	(68)
	Administration of Grants and Programmes Departmental Output Expense	-	(338)	(338)	(335)	(334)
	Animal Welfare Education and Enforcement Departmental Output Expense	-	(190)	(191)	(190)	(189)
	Border Biosecurity Risk Management MCOA Departmental Output Expense	-	(3,799)	(3,764)	(3,764)	(3,726)
	Development of Policy Advice MCOA Departmental Output Expense	-	(2,353)	(2,335)	(2,367)	(2,366)
	Domestic Biosecurity Risk Management MCOA Departmental Output Expense	-	(1,993)	(1,964)	(2,015)	(2,056)
	Implementation of Policy Advice MCOA Departmental Output Expense	-	(2,695)	(2,672)	(2,702)	(2,702)

Policy Initiative	Appropriation	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
	Implementation of the Emissions Trading Scheme and Indigenous Forestry Departmental Output Expense	-	(450)	(426)	(411)	(411)
	Interim Secretariat South Pacific Regional Fisheries Management Organisation Departmental Output Expense	-	(4)	(3)	(4)	(4)
Settlement of Crown's aquaculture new space obligations under the Māori Aquaculture Claims Settlement Act 2004	Aquaculture Settlements Non-Departmental Other Expense	-	55,500	9,500	9,500	-
Total Initiatives		(1,701)	41,908	(3,963)	(4,057)	(13,557)

## Analysis of Significant Trends

Vote Primary Industries will be formed on 1 July 2012 by combining Vote Biosecurity, Vote Fisheries and Vote Agriculture and Forestry.

Significant changes in appropriations and Crown Revenue and Capital Receipts, which are detailed in the Summary of Financial Activity table above, are discussed briefly below.

### *Other Expenses*

The increase in other expenses from 2009/10 to 2011/12 was mainly due to: the staged implementation of the Primary Growth Partnership new initiative; the Crown's contribution towards an industry-led programme for the kiwifruit disease *Pseudomonas syringae* pv. *actinidiae* (Psa); and settlement of Crown's pre-commencement aquaculture space obligations to iwi.

### *Capital Expenditure*

The increase in capital expenditure in 2008/09 was mainly due to 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 Ltd and Matariki Forests.

The Walking Access Commission was established in September 2008 and is a Crown entity administered by the Ministry for Primary Industries. Through the period 2008/09 to 2010/11 the Walking Access Commission received capital funding of \$1.150 million.

Over the period 2010/11 to 2012/13 the Ministry has been provided with capital funding of nearly \$20 million to design and develop the National Animal Identification and Traceability application (\$7 million), New Zealand FarmsOnline application (\$3 million), implement the trans-Tasman transfer of x-ray images of checked-in baggage initiative (\$2 million), wine e-certification capability (\$950,000), and the Joint Border Management System with New Zealand Customs Service (\$7 million).

### *Capital Receipts*

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



*Crown Revenue and Capital Receipts*

	2011/12		2012/13	Description of 2012/13 Crown Revenue or Capital Receipt item.
	Budgeted	Estimated Actual	Budgeted	
Crown Revenue or Capital Receipt item	\$000	\$000	\$000	Description of 2012/13 Crown Revenue or Capital Receipt item.
Biosecurity Act Fines	1,100	1,100	1,000	Infringement fines imposed on persons entering New Zealand at ports of entry with undeclared goods, under the Biosecurity Act 1993.
Conservation Levy	1,865	1,865	1,053	Revenue from the costs of Government approved conservation services that is able to be recovered from the commercial fishing sector.
Cost Recovery from Fishing Industry	28,599	28,599	33,273	Revenue from the costs of Government approved fisheries services that is able to be recovered from the commercial fishing sector.
Dairy Industry Levy	250	250	250	Levy to fund the Commerce Commission's dispute resolution and regulatory enforcement functions under the Dairy Industry Restructuring Act 2001.
Deemed Value for Over-fishing	6,365	6,365	2,500	Revenue forecast to be paid by quota holders who have over-fished.
Fisheries Act Infringement Notices	231	231	125	Revenue relating to the issue of Infringement Notices under the Fisheries Act 1996.
Forestry Encouragement Loan Interest	842	842	773	Interest earned on forestry encouragement loans.
Forestry Encouragement Loan Repayments	1,553	1,553	2,316	Forestry encouragement loan repayments.
Forfeitures for Fisheries Offences	150	150	150	Revenue from forfeit property, whether by sale or through redemption fees.
NZ Emissions Trading Scheme Fees	500	500	500	Fees received from forest landowners joining the New Zealand Emissions Trading Scheme.
Sale of Crown Forestry Assets	14,997	14,997	-	Proceeds from sale of Crown forestry assets.
Sale of Forest Produce	115,646	115,646	127,001	Revenue from the sale of forest produce from Crown forests.
Sale of Quota Shares & ACE	973	973	100	Revenue from the sale of Crown-owned quota and Annual Catch Entitlement (ACE).
Other Revenue	245	245	50	Miscellaneous revenues.
Total Crown Revenue and Capital Receipts	173,316	173,316	169,091	

## Part 1.4 - Reconciliation of Changes in Appropriation Structure

From 1 July 2012 the former Votes Agriculture and Forestry, Biosecurity, and Fisheries have been merged into Vote Primary Industries.

The first table below provides a highlevel analysis of the funding transferred to the new structure for Vote Primary Industries for 2012/13, and the corresponding comparative figures for 2011/12, for each of the former Votes.

Former Vote from which transfers are made	Total amount shown as transferred for 2012/13 (\$000)	Total amount of appropriations for 2011/12 (\$000)
Agriculture and Forestry	224,472	221,487
Biosecurity	182,269	192,190
Fisheries	165,266	111,797
Total	572,007	525,474

The following table provides a detailed analysis of the appropriation restructure. In the table below:

- The two left-hand columns show the structure of appropriations in Vote Primary Industries for 2012/13 and the amount of each appropriation (and component output class of a multi-class output expense appropriation (MCOA)).
- The third and fourth columns show the appropriations (and component output classes of MCOAs) in the three former Votes that correspond to the appropriations (and component output classes of MCOAs) in Vote Primary Industries for 2012/13 against which they are shown.
- The fifth column shows the amount transferred where the full amount of the previous appropriation (or component output class of an MCOA) is being transferred to a single appropriation (or component output class of an MCOA) in Vote Primary Industries for 2012/13.
- The sixth column shows the amount transferred where the amount of the previous appropriation (or component output class of an MCOA) is being split among several appropriations (or component output classes of an MCOA) in Vote Primary Industries for 2012/13.
- The seventh column shows the 2011/12 amounts for each of the appropriations (or component output classes of MCOAs) in the three former Votes.

Vote Primary Industries: 2012/13 Structure	2012/13 (\$000)	Former Vote from which transfers made	Appropriation/output class in the former Vote from which transfers made	Full amount of one-to-one transfer 2012/13 (\$000)	Part amount of one-to-several transfer 2012/13 (\$000)	Corresponding 2011/12 amount
<b>Departmental Output Expenses</b>						
Administration and Management of Crown Forestry Assets	1,877	Agriculture and Forestry	Administration and Management of Crown Forestry Assets	1,877		2,025
Administration of Grants and Programmes	10,158	Agriculture and Forestry	Administration of Grants and Programmes	10,158		10,125
Animal Welfare Education and Enforcement	5,136	Agriculture and Forestry	Animal Welfare Education and Enforcement	5,136		5,555
Border Biosecurity Risk Management MCOA	91,339	Biosecurity	Border Biosecurity Risk Management MCOA	91,339		86,803
Border Biosecurity Monitoring and Clearance	79,523		Border Biosecurity Monitoring and Clearance	79,523		71,079
Border Biosecurity Systems Development and Maintenance	11,816		Border Biosecurity Systems Development and Maintenance	11,816		15,724
Development of Policy Advice MCOA	71,475					
Agriculture and Forestry Policy Advice	17,974	Agriculture and Forestry	Policy Advice MCOA: Agriculture and Forestry Policy Advice		12,962	13,976
		Agriculture and Forestry	Policy Advice MCOA: Animal Welfare Policy Advice		876	1,014
		Agriculture and Forestry	Policy Advice MCOA: Climate Change Policy Advice		4,136	4,206
Biosecurity Policy Advice	3,823	Biosecurity	Biosecurity Policy Advice		3,823	4,969
Fisheries Policy Advice	10,832	Fisheries	Development of Fisheries Policy		975	955
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Aquaculture		394	457
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Fisheries enforcement and monitoring		3,549	3,560

Vote Primary Industries: 2012/13 Structure	2012/13 (\$000)	Former Vote from which transfers made	Appropriation/output class in the former Vote from which transfers made	Full amount of one-to-one transfer 2012/13 (\$000)	Part amount of one-to-several transfer 2012/13 (\$000)	Corresponding 2011/12 amount
Departmental Output Expenses - cont'd						
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Operational advice on sustainability and management controls in fisheries		5,914	5,830
Operational Advice on Sustainability and Management Controls in Fisheries	38,846	Fisheries	Development of Fisheries Policy		3,496	2,838
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Aquaculture		1,414	1,356
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Fisheries enforcement and monitoring		12,726	10,578
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Operational advice on sustainability and management controls in fisheries		21,210	17,321
Domestic Biosecurity Risk Management MCOA	50,876	Biosecurity	Domestic Biosecurity Risk Management MCOA	50,876		55,228
Biosecurity Incursion Response and Long Term Pest Management	13,084		Biosecurity Incursion Response and Long Term Pest Management	13,084		12,441
Domestic Biosecurity Surveillance	37,792		Domestic Biosecurity Surveillance	37,792		42,787
Implementation of Policy Advice MCOA	76,779					
Aquaculture	2,897	Fisheries	Development of Fisheries Policy		261	203

Vote Primary Industries: 2012/13 Structure	2012/13 (\$000)	Former Vote from which transfers made	Appropriation/output class in the former Vote from which transfers made	Full amount of one-to-one transfer 2012/13 (\$000)	Part amount of one-to-several transfer 2012/13 (\$000)	Corresponding 2011/12 amount
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Aquaculture		105	97
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Fisheries enforcement and monitoring		949	755
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Operational advice on sustainability and management controls in fisheries		1,582	1,237
Fisheries Enforcement and Monitoring	32,359	Fisheries	Development of Fisheries Policy		2,912	2,764
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Aquaculture		1,178	1,321
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Fisheries enforcement and monitoring		10,601	10,302
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Operational advice on sustainability and management controls in fisheries		17,668	16,869

Vote Primary Industries: 2012/13 Structure	2012/13 (\$000)	Former Vote from which transfers made	Appropriation/output class in the former Vote from which transfers made	Full amount of one-to-one transfer 2012/13 (\$000)	Part amount of one-to-several transfer 2012/13 (\$000)	Corresponding 2011/12 amount
<b>Departmental Output Expenses - cont'd</b>						
Fisheries Management	23,549	Fisheries	Development of Fisheries Policy		2,119	2,030
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Aquaculture		857	970
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Fisheries enforcement and monitoring		7,715	7,568
		Fisheries	Implementation of New Zealand Fisheries Policies MCOA: Operational advice on sustainability and management controls in fisheries		12,858	12,393
Implementation of Agriculture and Forestry Policy Advice	14,423	Agriculture and Forestry	Policy Advice MCOA: Agriculture and Forestry Policy Advice		10,401	10,808
		Agriculture and Forestry	Policy Advice MCOA: Animal Welfare Policy Advice		703	784
		Agriculture and Forestry	Policy Advice MCOA: Climate Change Policy Advice		3,319	3,252
Implementation of Biosecurity Policy Advice	3,551	Biosecurity	Biosecurity Policy Advice		3,551	4,326
Implementation of the Emissions Trading Scheme and Indigenous Forestry	13,244	Agriculture and Forestry	Implementation of the Emissions Trading Scheme and Indigenous Forestry	13,244		14,915
Interim Secretariat South Pacific Regional Fisheries Management Organisation	148	Fisheries	Interim Secretariat South Pacific Regional Fisheries Management Organisation	148		410

Vote Primary Industries: 2012/13 Structure	2012/13 (\$000)	Former Vote from which transfers made	Appropriation/output class in the former Vote from which transfers made	Full amount of one-to-one transfer 2012/13 (\$000)	Part amount of one-to-several transfer 2012/13 (\$000)	Corresponding 2011/12 amount
Support Services and Infrastructure to Other Agencies RDA	898	Agriculture and Forestry	Support Services and Infrastructure to Other Agencies RDA	898		608
Non-Departmental Output Expenses						
Climate Change Research	9,200	Agriculture and Forestry	Climate Change Research	9,200		9,200
Control of TB Vectors	30,850	Biosecurity	Control of TB Vectors	30,850		30,762
Management of Crown Forestry Assets	103,833	Agriculture and Forestry	Management of Crown Forestry Assets	103,833		94,803
Support for Walking Access	1,789	Agriculture and Forestry	Support for Walking Access	1,789		1,789
Benefits and Other Unrequited Expenses						
Rural Veterinarians Bonding Scheme	1,760	Agriculture and Forestry	Rural Veterinarians Bonding Scheme	1,760		1,030
Non-Departmental Other Expense						
Adverse Climatic Events	526	Agriculture and Forestry	Adverse Climatic Events	526		526
Afforestation Grants Scheme	5,869	Agriculture and Forestry	Afforestation Grants Scheme	5,869		6,208
Aquaculture Settlements	55,500	Fisheries	Settlements	55,500		10,848
Community Irrigation Fund and Schemes	1,332	Agriculture and Forestry	Community Irrigation Fund and Schemes	1,332		2,000
East Coast Afforestation Grants	5,050	Agriculture and Forestry	East Coast Afforestation Grants	5,050		5,349
Fisheries Quota Shares and ACE Administration Costs	24	Fisheries	Quota Shares/ACE Administration Costs	24		24
Hill Country Erosion Fund	2,200	Agriculture and Forestry	Hill Country Erosion Fund	2,200		2,200
Provision for Write Downs	711	Fisheries	Provision for Write Downs	711		711
Response to the Kiwifruit disease Pseudomonas Syringae pv. Actinidiae	1,500	Biosecurity	Response to the Kiwifruit disease Pseudomonas Syringae pv. Actinidiae	1,500		9,772

Vote Primary Industries: 2012/13 Structure	2012/13 (\$000)	Former Vote from which transfers made	Appropriation/output class in the former Vote from which transfers made	Full amount of one-to-one transfer 2012/13 (\$000)	Part amount of one-to-several transfer 2012/13 (\$000)	Corresponding 2011/12 amount
Departmental Output Expenses - cont'd						
Subscriptions to International Organisations	3,158	Agriculture and Forestry	Subscriptions to International Organisations	2,428		1,856
		Biosecurity	Subscriptions to International Organisations	330		330
		Fisheries	Contributions to International Organisations	400		400
Sustainable Farming Fund	9,000	Agriculture and Forestry	Sustainable Farming Fund	9,000		10,450
Departmental Capital Expenditure						
Ministry for Primary Industries Capital Expenditure PLA	17,775	Agriculture and Forestry	Ministry for Primary Industries Capital Expenditure PLA	17,775		18,808
Total amount transferred	572,007			423,753	148,254	525,474

Policy advice appropriations have been reorganised around a common definition for policy advice provided by Treasury and applied by all government departments.

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-6.



## 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
Long-term outcome: Maximise export opportunities	
Medium-term outcome: Export success is enhanced by the integrity of primary sector products and increasing the awareness of New Zealand's unique culture and brand	Agriculture and Forestry Policy Advice, Biosecurity Policy Advice, Fisheries Policy Advice, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Animal Welfare Education and Enforcement, Border Biosecurity Systems Development and Maintenance
Medium-term outcome: Exporters have improved access to fast growing and high value markets, and benefit from new export opportunities	Agriculture and Forestry Policy Advice, Biosecurity Policy Advice, Fisheries Policy Advice, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Border Biosecurity Systems Development and Maintenance
Long-term outcome: Improve sector productivity	
Medium-term outcome: Improved generation of new ideas and their adoption and adaptation by the primary industries, including Māori, is supported by government actions	Agriculture and Forestry Policy Advice, Biosecurity Policy Advice, Fisheries Policy Advice, Operational Advice on Sustainability and Management Controls in Fisheries, Implementation of Agriculture and Forestry Policy Advice, Administration of Grants and Programmes
Medium-term outcome: The primary industries, including Māori, have greater access to capital, and have the skills needed to grow and innovate	Agriculture and Forestry Policy Advice, Operational Advice on Sustainability and Management Controls in Fisheries, Implementation of Agriculture and Forestry Policy Advice, Aquaculture
Medium-term outcome: The primary sector, including Māori, maximises the use and productivity of natural resources within environmentally sustainable limits and is resilient to adverse climatic and biosecurity events	Agriculture and Forestry Policy Advice, Fisheries Policy Advice, Operational Advice on Sustainability and Management Controls in Fisheries, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Aquaculture, Fisheries Enforcement and Monitoring, Fisheries Management, Administration and Management of Crown Forestry Assets, Administration of Grants and Programmes, Implementation of the Emissions Trading Scheme and Indigenous Forestry, Interim Secretariat South Pacific Regional Fisheries Management Organisation
Long-term outcome: Increase sustainable resource use	
Medium-term outcome: The primary sector, including Māori, maximises the use and productivity of natural resources within environmentally sustainable limits and is resilient to adverse climatic and biosecurity events	Agriculture and Forestry Policy Advice, Fisheries Policy Advice, Operational Advice on Sustainability and Management Controls in Fisheries, Implementation of Agriculture and Forestry Policy Advice, Implementation of Biosecurity Policy Advice, Aquaculture, Fisheries Enforcement and Monitoring, Fisheries Management, Administration and Management of Crown Forestry Assets, Administration of Grants and Programmes, Implementation of the Emissions Trading Scheme and Indigenous Forestry, Interim Secretariat South Pacific Regional Fisheries Management Organisation
Long-term outcome: Protect from biological risk	
Medium-term outcome: The primary sector is protected from biological risks through the effective operation of the biosecurity and food safety systems	Biosecurity Policy Advice, Implementation of Biosecurity Policy Advice, Administration of Grants and Programmes, Border Biosecurity Systems Development and Maintenance, Border Biosecurity Monitoring and Clearance, Domestic Biosecurity Surveillance, Biosecurity Incursion Response and Long Term Pest Management

For further information on the intended impacts, outcomes and objectives of the departmental output expense appropriations please see the Statement of Intent for the Ministry for Primary Industries.

## Administration and Management of Crown Forestry Assets (M87)

### *Scope of Appropriation*

This appropriation is limited to administration and management of the Crown's interest in forests and forestry-related assets.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	1,877
Revenue from Crown	-	-	1,872
Revenue from Other	-	-	5

In 2011/12 this appropriation was budgeted for \$2.025 million under Vote Agriculture and Forestry.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Management of Crown Forests</b>			
Crown Forestry manages 35 forests and 11 forestry leases. Crown Forestry's objectives are to: <ul style="list-style-type: none"> <li>prudently manage and administer the government's portfolio of forestry assets to achieve the best return for stakeholders whilst meeting contractual and other legal obligations, and</li> <li>to divest the Crown's interest in commercial forestry operations so the Crown exits the industry in accordance with Crown Policy over time and as opportunities permit.</li> </ul>			
Number of hectares and percentage of the Crown forestry managed estate surrendered or sold	8,000 (14%)	8,000 (14%)	2,000 (4%)
Number of known breaches of statutes, lease agreements, forestry rights and other contractual arrangements brought or upheld against Crown Forestry since the last annual independent review	0	0	0
Average stumpage (net profit) per cubic metre of logs sold	\$32	\$32	\$35

### 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 MPI financial policies and internal processes. This will be verified by independent management reviews/audits of each forest managed by MPI 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 MPI 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 MPI financial policies and internal processes.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(69)	(69)	(68)	(68)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(16)	(16)	(16)	(16)	(16)
<b>Previous Government</b>						
Timberlands West Coast	2008/09	200	200	200	200	200

## Administration of Grants and Programmes (M87)

### *Scope of Appropriation*

This appropriation is limited to the administration of government approved schemes, grants and assistance to the land-based sectors.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	10,158
Revenue from Crown	-	-	10,131
Revenue from Other	-	-	27

In 2011/12 this appropriation was budgeted for \$10.125 million under Vote Agriculture and Forestry.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Administration of Grants and Programmes</b>			
The activities undertaken by the Ministry of Primary Industries to administer grants and programmes includes application assessment, advice to applicants and independent assessors, and monitoring of project reporting and compliance requirements			
Applications processed from receipt to notification of decision within agreed timeframes	100%	100%	100%
Payments made in accordance with agreed schedule	100%	100%	100%

Note: The Grants and Programmes administered under this appropriation are:

- Adverse Climatic Events Recovery Assistance.
- Afforestation Grants Scheme.
- Community Irrigation Fund and Schemes.
- East Coast Forestry Grants.
- Primary Growth Partnership.
- Sustainable Farming Fund.

*Conditions on Use of Appropriation*

Reference	Conditions
Administration of 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 Ministry for Primary Industries policies and internal processes

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(338)	(338)	(335)	(334)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(97)	(97)	(97)	(97)	(97)
<b>Previous Government</b>						
Building rural capacity to respond to adverse events	2007/08	190	190	190	190	190
Climate Change Plan of Action	2007/08	1,441	1,441	1,441	1,403	1,400
Sustainable land management programme	2007/08	300	300	300	300	300

**Animal Welfare Education and Enforcement (M87)***Scope of Appropriation*

This appropriation is limited to education and enforcement intended to improve animal welfare in New Zealand.

*Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	5,136
Revenue from Crown	-	-	5,136
Revenue from Other	-	-	-

In 2011/12 this appropriation was budgeted for \$5.555 million under Vote Agriculture and Forestry.

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Enforcement of New Zealand's Animal Welfare Regulatory Framework</b>			
Percentage of the milestones met for the review and development of Codes of Welfare in accordance with the National Animal Welfare Advisory Committee (NAWAC) work programme agreed by the Minister	80%	80%	80%
Percentage of the milestones met of the work programme for the Safeguarding our Animals project as agreed with the Animal Welfare Sector Chief Executives Forum	New measure	New measure	80%
<b>Investigations of Alleged Breaches of the Animal Welfare Act 1999</b>			
Percentage of complaints (alleged breaches) correctly evaluated and categorised within the required timeframe	90%	90%	90%
Percentage of lower threshold criminal behaviour investigations completed according to the requisite investigation process within 6 months and either closed or forwarded for prosecution	75%	75%	75%
Percentage of higher criminal behaviour investigations completed according to the requisite investigation process within 18 months and either closed or forwarded for prosecution	75%	75%	75%
<b>Prosecution of Cases of Alleged Breaches of the Animal Welfare Act 1999</b>			
Percentage of cases lodged with the Court that incur adverse judicial comment	Less than 5%	Less than 5%	Less than 5%
Percentage of prosecutions dismissed for not disclosing a prima facie case	0%	0%	0%

*Conditions on Use of Appropriation*

Reference	Conditions
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

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(190)	(191)	(190)	(189)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(44)	(44)	(44)	(44)	(44)
Baseline funding increase for Animal Welfare	2010/11	1,650	1,700	1,700	1,700	1,700

### Border Biosecurity Risk Management MCOA (M87)

#### Scope of Appropriation

#### **Border Biosecurity Monitoring and Clearance**

This output class is limited to biosecurity monitoring and clearance programmes that manage the biosecurity risk associated with international trade and travel.

#### **Border Biosecurity Systems Development and Maintenance**

This output class is limited to the development and maintenance of standards and systems that manage biosecurity risk associated with imports and exports.

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

This multi-class output appropriation contains output classes that contribute to preventing harmful organisms from crossing New Zealand's borders, with the assurance that trade and tourism are maintained.

#### Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	-	-	91,339
Border Biosecurity Monitoring and Clearance	-	-	79,523
Border Biosecurity Systems Development and Maintenance	-	-	11,816
Revenue from Crown	-	-	56,368
Border Biosecurity Monitoring and Clearance	-	-	47,752
Border Biosecurity Systems Development and Maintenance	-	-	8,616
Revenue from Other	-	-	34,971
Border Biosecurity Monitoring and Clearance	-	-	31,771
Border Biosecurity Systems Development and Maintenance	-	-	3,200

In 2011/12 this appropriation was budgeted for \$86.803 million under Vote Biosecurity.

### Reasons for Change in Appropriation

This appropriation will increase by \$4.536 million in 2012/13 mainly due to increased funding provided in Budget 2010 for the development of the Joint Border Management System (JBMS).

### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Border Biosecurity Monitoring and Clearance</b>			
International passengers, vessels, mail and goods arriving in New Zealand expose our community and environment to a range of biosecurity risks. MPI maintains an effective biosecurity system that prevents the introduction and establishment of serious notifiable organisms through manageable pathways			
<b>Border Clearance</b>			
The number of incursions of notifiable organisms through pathways that can be managed	0	0	0
<b>Passenger Clearance</b>			
Percentage of passengers that comply with biosecurity requirements across New Zealand airports (see Note 1)	98.5% of 4.7-5.3 million passengers	98.5% of 4.7-5.3 million passengers	98.5% of 4.7-5.3 million passengers
Percentage of passengers and crew processed at Auckland Airport in less than 25 minutes	85%	85%	85%
<b>Goods Clearance</b>			
Percentage of import clearance processes completed within agreed service standards	75%	75%	75%
Percentage of import consignments inspected by MPI where biosecurity risks are identified and mitigated	Between 20% and 23%	Between 20% and 23%	Between 20% and 23%
Percentage of importers and transitional facility operators rating satisfaction with overall service as 4 or better on a scale where 1 represents poor performance and 5 represents excellent performance	70%	70%	70%
<b>Mail Clearance</b>			
Percentage of mail that complies with biosecurity requirements (see Note 2)	98.5%	98.5%	98.5% (of 35-39 million items)
Percentage of mail companies rating satisfaction with overall service as 4 or better	75%	75%	75%
Number of complaints upheld where MPI did not follow proper procedure	25	25	25
Percentage of scheduled facility assessments against required standard completed	90%	90%	90%
Percentage of facility audits resulting in a 'pass'	70%	70%	90%
Percentage rating satisfaction with overall service as 4 or better where 1 represents poor performance and 5 represents excellent performance	70%	70%	70%
<b>Border Biosecurity Systems Development and Maintenance</b>			
<b>Imports Systems</b>			
The number of incursions of notifiable pests that occurred because of an inaccurate or unclear standard	0	0	0



Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Exports Systems</b>			
Percentage of export certificates meeting importing country requirements as specified by the overseas competent authority	95%	95%	95%
Percentage of milestones met for the Sanitary and Phytosanitary Standards Market Access Programme, as agreed with key meat, dairy, seafood and horticulture sector stakeholders	New measure	New measure	75%
Percentage of the milestones met of the Sanitary and Phytosanitary Standards Market Access Programme, as agreed with key meat, dairy, seafood and horticulture sector stakeholders	NA	NA	75%
Animal Feeds Risk Management Programme is agreed with key poultry, pork and dairy sector stakeholders	Achieved	Achieved	NA
Percentage of OIE, IPPC and Codex standards that are accepted by New Zealand	90%	90%	90%
<b>Biosecurity Enforcement</b>			
Percentage of complaints received that are correctly evaluated and categorised within the required timeframes	90%	90%	90%
Percentage of lower threshold criminal behaviour investigations completed according to the requisite investigation process within 6 months and either closed or forwarded for prosecution	75%	75%	75%
Percentage of higher threshold criminal behaviour investigations completed according to the requisite investigation process within 18 months and either closed or forwarded for prosecution	75%	75%	75%
Percentage of cases lodged with the Court that incurred adverse judicial comment	0-5%	0-5%	0-5%
Percentage of prosecutions dismissed for not disclosing a prima facie case	0%	0%	0%

Note 1 - The percentage of passengers that comply with biosecurity requirements is based on a random sample of passengers taken post-MPI intervention. That is, a second inspection process is undertaken by staff once a year to ensure that MPI's interventions continue to meet compliance requirements.

Note 2 - The percentage of mail items that comply with biosecurity requirements is based on a random sample of items taken post-MPI intervention. That is, a second inspection process is undertaken daily at the Mail Centre to ensure that MPI's interventions continue to meet compliance requirements.

### *Conditions on Use of Appropriation*

Reference	Conditions
Development of export assurance standards. Development of import health standards. Development of border clearance standards. Development of surveillance standards. Development of pest management standards. Development of standards associated with third-party providers (ie, approved transitional facilities).	Biosecurity Act, 1993. MPI Biosecurity New Zealand standards development process and procedure guidelines (including risk analysis and statistical monitoring processes). Monitoring/data collection and evaluation activity will be effective and efficient in providing relevant, accurate, comparable and useful data and information across the Biosecurity System. Standards developed will comply with the requirements of the Biosecurity Act 1993. Standards to be completed as agreed with the Minister in the 2009/10 output plan (including any subsequent agreed amendments).
Issuance of approvals for export certification.	Commensurate with the Biosecurity Act 1993 and the Customs and Excise Act 1996.

*Memorandum Account*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Phytosanitary Exports Account</b>			
Opening Balance at 1 July	1,199	1,199	1,468
Revenue	2,225	2,225	2,225
Expenses	(1,956)	(1,956)	(1,950)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	1,468	1,468	1,743
<b>Border Biosecurity Clearance Fees Account</b>			
Opening Balance at 1 July	(2,722)	(2,722)	(1,308)
Revenue	24,381	24,381	24,381
Expenses	(22,967)	(22,967)	(22,903)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(1,308)	(1,308)	170

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(3,799)	(3,764)	(3,764)	(3,726)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(524)	(524)	(524)	(524)	(524)
Reprioritisation savings through budget alignment process	2010/11	(963)	(965)	(965)	(965)	(965)
Joint Border Management System	2010/11	7,073	8,263	8,302	8,556	8,556
Value for money review savings	2009/10	(176)	(176)	(176)	(176)	(176)
<b>Previous Government</b>						
Effective Border Management	2007/08	7,066	7,066	7,066	7,066	7,066

## Development of Policy Advice MCOA (M87)

### *Scope of Appropriation*

#### **Agriculture and Forestry Policy Advice**

This output class is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to agriculture and forestry, animal welfare and climate change.

#### **Biosecurity Policy Advice**

This output class is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to biosecurity.

#### **Fisheries Policy Advice**

This output class is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to the development of standards and guidelines for the sustainable and efficient utilisation of New Zealand's fisheries and promotion of New Zealand's interests in an international context.

#### **Operational Advice on Sustainability and Management Controls in Fisheries**

This output class is limited to operational advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to operational advice on sustainability and management controls for New Zealand's fisheries.

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

This multi-class output appropriation contains output classes that contribute to the development of policy advice across the primary industries portfolio.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	-	-	71,475
Agriculture and Forestry Policy Advice	-	-	17,974
Biosecurity Policy Advice	-	-	3,823
Fisheries Policy Advice	-	-	10,832
Operational Advice on Sustainability and Management Controls in Fisheries	-	-	38,846
<b>Revenue from Crown</b>	-	-	69,879
Agriculture and Forestry Policy Advice	-	-	17,974
Biosecurity Policy Advice	-	-	3,823
Fisheries Policy Advice	-	-	10,832
Operational Advice on Sustainability and Management Controls in Fisheries	-	-	37,250

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Revenue from Other	-	-	1,596
Agriculture and Forestry Policy Advice	-	-	-
Biosecurity Policy Advice	-	-	-
Fisheries Policy Advice	-	-	-
Operational Advice on Sustainability and Management Controls in Fisheries	-	-	1,596

### *Reasons for Change in Appropriation*

This is a new appropriation in 2012/13.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Agriculture and Forestry Policy Advice</b>			
Percentage of policy work programme milestones completed	New measure	New measure	85%
NZIER's mean rating of MPI policy advice on a scale of 1 to 10 (see Note 1)	7	7	7
The Minister's rating of the quality of policy advice on a scale of 1 to 5 (see Note 2)	4	4	4
NAWAC members' rating of the quality of administrative support and scientific policy and legal advice provided by MPI on a scale of 1 to 5 (see Note 3)	3	3	3
<b>Biosecurity Policy Advice</b>			
Percentage of policy work programme milestones completed	New measure	New measure	85%
NZIER's mean rating of MPI policy advice on a scale of 1 to 10 (see Note 1)	7	7	7
The Minister's rating of the quality of policy advice on a scale of 1 to 5 (see Note 2)	4	4	4
<b>Fisheries Policy Advice</b>			
Percentage of policy work programme milestones completed	New measure	New measure	85%
NZIER's mean rating of MPI policy advice on a scale of 1 to 10 (see Note 1)	New measure	New measure	7
The Minister's rating of the quality of policy advice on a scale of 1 to 5 (see Note 2)	New measure	New measure	4
Quarterly assessment of international engagement outcomes against set criteria to ensure they maintain or advance New Zealand's interest	At least 70% yes rating	At least 70% yes rating	70% yes rating

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Operational Advice on Sustainability and Management Controls in Fisheries</b>			
Fisheries Management Planning - Annual Operating Plans (AOP) specifying services to meet objectives are developed for the 5 national fisheries plans	AOP developed by 30 June 2012, then maintained annually	AOP developed by 30 June 2012, then maintained annually	AOP maintained annually
Research projects commissioned	Completed research projects for which objectives are fully achieved exceed 95%	Completed research projects for which objectives are fully achieved exceed 95%	Completed research projects for which objectives are fully achieved exceed 95%
All research	All completed science research projects in the 2011-12 year are assessed by expert review and against the Ministry Research and Science Information Standard	All completed science research projects in the 2011-12 year are assessed by expert review and against the Ministry Research and Science Information Standard	All completed science research projects in the 2012-13 year are assessed by expert review and against the Ministry Research and Science Information Standard
Input & participation in managing fisheries - Forum Fisheries plans / Iwi Fisheries plans delivered	At least 40% of iwi have submitted an iwi or forum fisheries plan to the Ministry by 30 June 2012	At least 40% of iwi have submitted an iwi or forum fisheries plan to the Ministry by 30 June 2012	At least 60% of iwi have submitted an iwi or forum fisheries plan to the Ministry by 30 June 2013
Mid-year and end of year science research plenary reports delivered	Reports delivered by December 2011 (mid-year) and June 2012 (end-of-year)	Reports delivered by December 2011 (mid-year) and June 2012 (end-of-year)	Reports delivered by December 2012 (mid-year) and June 2013 (end-of-year)

Note 1 - For Independent assessment of the quality of this advice, MPI will submit a sample of work to the New Zealand Institute of Economic Research (NZIER) for review at least once a year.

Note 2 - The Minister is asked to assess advice received on a five-point scale (poor, sub-standard, adequate, good, excellent) where 1 represents poor and 5 represents excellent.

Note 3 - Members of the National Animal Welfare Advisory Committee (NAWAC) are asked to assess support received on a five point scale (where 1 represents poor performance and 5 represents excellence).

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(2,353)	(2,335)	(2,367)	(2,366)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(232)	(232)	(232)	(232)	(232)

## Domestic Biosecurity Risk Management MCOA (M87)

### *Scope of Appropriation*

#### **Biosecurity Incursion Response and Long Term Pest Management**

This output class is limited to the assessment, containment and possible eradication of suspected risk organisms within New Zealand.

#### **Domestic Biosecurity Surveillance**

This output class is limited to domestic surveillance activities.

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

This multi-class output appropriation contains output classes that contribute to reducing the unwanted harm caused by organisms already established in New Zealand.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	-	-	50,876
Biosecurity Incursion Response and Long Term Pest Management	-	-	13,084
Domestic Biosecurity Surveillance	-	-	37,792
<b>Revenue from Crown</b>	-	-	47,976
Biosecurity Incursion Response and Long Term Pest Management	-	-	12,984
Domestic Biosecurity Surveillance	-	-	34,992
<b>Revenue from Other</b>	-	-	2,900
Biosecurity Incursion Response and Long Term Pest Management	-	-	100
Domestic Biosecurity Surveillance	-	-	2,800

In 2011/12 this appropriation was budgeted for \$55.228 million under Vote Biosecurity.

### *Reasons for Change in Appropriation*

This appropriation will decrease by \$4.352 million in 2012/13 mainly due to additional funding in 2011/12 for work on the National Animal Identification Traceability project, and efficiency savings from 2012/13.

## Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Domestic Biosecurity Surveillance</b>			
MPI expects to receive between 10,000 & 12,000 calls annually reporting suspect exotic pests or diseases from the public, operators within agricultural and horticultural industries and the scientific community. Where an organism is suspected of carrying or being infected with a potential biosecurity risk, samples will be collected and tested			
NZS/ISO/IEC 17025 accreditation maintained and all processing, testing and reporting is carried out in accordance with laboratory standard operating procedures	Accreditation Maintained	Accreditation Maintained	Accreditation Maintained
Percentage of key industry customers satisfied with the process, and timeframes for receiving a response from laboratory services (see Note 1)	70%	70%	70%
Percentage of Initial assessments of risk and decisions as to whether to 'Open an Investigation's made within 24 hours of notification	100%	100%	100%
Percentage of Animal Health Laboratory (AHL) exotic disease investigations and response submissions that are closed within 20 working days of receiving samples	50%	50%	50%
Percentage of Plant Health Environment Laboratory (PHEL) testing reports issued within timeframes agreed in MPI's standard operating procedures	80%	80%	80%
Percentage of investigations reaching an 'Investigation Outcome Decision' within 30 days	95% (of 550-650 investigations)	95% (of 550-650 investigations)	95% (of 550-650 investigations)
All surveillance programmes are based on best practice and/or meet relevant international standards or requirements (ie, World Organisation for Animal Health (OIE), International Plant Protection Convention (IPPC) standards)	Achieved	Achieved	Achieved
<b>Biosecurity Incursion Response and Long Term Pest Management</b>			
MPI is responsible for leading and coordinating all biosecurity and food responses to mitigate the adverse impacts of risk organisms. Each response is undertaken following a business case that identifies its primary objective (preferably eradication) and milestones. However in some cases the primary objective may (during the response) change if circumstances change			
Percentage of Long Term Management programmes' objectives and milestones achieved	100%	100%	100%
Percentage of Response Programmes that have overall status 'on track' to deliver agreed outcomes	80%	80%	80%
Percentage of Responses that achieve their primary objective	80%	80%	80%
Percentage of programme partners satisfied with the programme, MPI's leadership of the programme, and the relationships between partners	75%	75%	75%

Note 1 - Key industry customers comprise largest customers, new customers and a selection of other users to form a sample of 80% of the population.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(1,993)	(1,964)	(2,015)	(2,056)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(490)	(490)	(490)	(490)	(490)
Review of the Elimination Programme for the Mediterranean Fanworm	2010/11	(541)	(562)	-	-	-
Reprioritisation of savings through budget alignment process	2010/11	(1,046)	(1,049)	(1,049)	(1,049)	(1,049)
Transfer of National Saltmarsh Surveillance Programme from Vote Health	2010/11	1,300	1,300	1,300	1,300	1,300
Government response to phytophthora affecting kauri trees	2009/10	766	749	335	-	-
Value for money savings	2009/10	(281)	(326)	(326)	(326)	(326)
<b>Previous Government</b>						
Mediterranean fanworm in Lyttleton Harbour	2008/09	541	562	-	-	-
National Animal Identification Traceability and New Zealand Farm Online systems	2008/09	4,490	3,490	3,490	3,490	3,490
Effective border management	2007/08	681	681	681	681	681

**Implementation of Policy Advice MCOA (M87)***Scope of Appropriation***Aquaculture**

This output class is limited to implementing, supporting and monitoring the aquaculture strategy, and ministerial servicing.

**Fisheries Enforcement and Monitoring**

This output class is limited to informing, assisting, directing and enforcing adherence to New Zealand fisheries laws, and ministerial servicing.

**Fisheries Management**

This output class is limited to implementing ministerial decisions on sustainability and management controls for New Zealand fisheries, and ministerial servicing.

**Implementation of Agriculture and Forestry Policy Advice**

This output class is limited to implementing policy decisions, operational policy, and administering legislation relating to agriculture and forestry, animal welfare and climate change matters, and ministerial servicing.

**Implementation of Biosecurity Policy Advice**

This output class is limited to implementing policy decisions, operational policy, and administering legislation relating to biosecurity matters, and ministerial servicing.



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

This multi-class output appropriation contains output classes that contribute to the implementation of policy advice across the primary industries portfolio.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	-	-	76,779
Aquaculture	-	-	2,897
Fisheries Enforcement and Monitoring	-	-	32,359
Fisheries Management	-	-	23,549
Implementation of Agriculture and Forestry Policy Advice	-	-	14,423
Implementation of Biosecurity Policy Advice	-	-	3,551
<b>Revenue from Crown</b>	-	-	75,549
Aquaculture	-	-	2,897
Fisheries Enforcement and Monitoring	-	-	31,589
Fisheries Management	-	-	23,549
Implementation of Agriculture and Forestry Policy Advice	-	-	14,123
Implementation of Biosecurity Policy Advice	-	-	3,391
<b>Revenue from Other</b>	-	-	1,230
Aquaculture	-	-	-
Fisheries Enforcement and Monitoring	-	-	770
Fisheries Management	-	-	-
Implementation of Agriculture and Forestry Policy Advice	-	-	300
Implementation of Biosecurity Policy Advice	-	-	160

### *Reasons for Change in Appropriation*

This is a new appropriation in 2012/13.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Aquaculture</b>			
Delivery, approval and achievement of Aquaculture Strategy and Plan and according milestones	Delivery and approval of an aquaculture strategy and action plan, and the first annual work plan, by 30 June 2012	Delivery and approval of an aquaculture strategy and action plan, and the first annual work plan, by 30 June 2012	90% of MPI milestones in the annual work plan are achieved by 30 June 2013

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Fisheries Enforcement and Monitoring</b>			
Perception survey on the probability of detection for non-commercial illegal activity	Improvement over 2010/11 baseline	Improvement over 2010/11 baseline	Improvement over 2011/12 baseline
Non-commercial compliance rates	Issued infringement notice numbers are stable or decreasing from a 2010 baseline	Issued infringement notice numbers are stable or decreasing from a 2010 baseline	Issued infringement notice numbers are stable or decreasing from a 2011 baseline
Delivery of commercial vessel inspections	Number of vessel inspections delivered each year according to Annual Operating Plans with a +/-10% variance	Number of vessel inspections delivered each year according to Annual Operating Plans with a +/-10% variance	Number of vessel inspections delivered each year according to Annual Operating Plans with a +/-10% variance
Delivery of Licensed Fish Receiver inspections	Number of Licensed Fish Receiver inspections delivered each year according to Annual Operating Plans with a +/-10% variance	Number of Licensed Fish Receiver inspections delivered each year according to Annual Operating Plans with a +/-10% variance	Number of Licensed Fish Receiver inspections delivered each year according to Annual Operating Plans with a +/-10% variance
Percentage of commercial fishing returns that are: furnished on time	At least 92%	At least 92%	At least 92%
Percentage of commercial fishing returns that are: to the required standard	Baseline to be established 2011/12	Baseline to be established 2011/12	At least 92%
Delivery of observer days consistent with the Ministry's Fish Plans (and associated Annual Operating plans), and third party requirements	90% of required days are delivered	90% of required days are delivered	90% of required days are delivered
Cost efficiency of delivering observer days	To be within \$450 per day for deepwater fisheries	To be within \$450 per day for deepwater fisheries	To be within \$450 per day for deepwater fisheries
Number of complaints upheld against Compliance and Response relating to undertaking their activities	Nil	Nil	Nil
Percentage of prosecutions dismissed for not disclosing a prima facie case	0%	0%	0%
Obligations to iwi under individual settlements contained in protocols or other redress agreements are delivered	100% of obligations met	100% of obligations met	100% of obligations met
<b>Fisheries Management</b>			
Percentage of correspondence completed within 20 working days	New measure	New measure	95%
Percentage of ministerial correspondence accepted without amendments	New measure	New measure	95%
Percentage of parliamentary questions completed within specified timeframes	New measure	New measure	100%
Percentage of OIA requests actioned within 20 working days	New measure	New measure	100%
The Minister's rating of the quality of ministerial services on a scale of 1 to 5 (see Note 1)	New measure	New measure	4
<b>Implementation of Agriculture and Forestry Policy Advice</b>			
Percentage of correspondence completed within 20 working days	95%	95%	95%
Percentage of ministerial correspondence accepted without amendments	95%	95%	95%

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of parliamentary questions completed within specified timeframes	100%	100%	100%
Percentage of OIA requests actioned within 20 working days	100%	100%	100%
The Minister's rating of the quality of ministerial services on a scale of 1 to 5 (see Note 1)	4	4	4
<b>Implementation of Biosecurity Policy Advice</b>			
Percentage of correspondence completed within 20 working days	95%	95%	95%
Percentage of ministerial correspondence accepted without amendments	95%	95%	95%
Percentage of parliamentary questions completed within specified timeframes	100%	100%	100%
Percentage of OIA requests actioned within 20 working days	100%	100%	100%
The Minister's rating of the quality of ministerial services on a scale of 1 to 5 (see Note 1)	4	4	4

Note 1 - The Minister is asked to assess advice provided on a five-point scale (poor, sub-standard, adequate, good, excellent) where 1 represents poor and 5 represents excellent.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(2,695)	(2,672)	(2,702)	(2,702)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(183)	(183)	(183)	(183)	(183)

## Implementation of the Emissions Trading Scheme and Indigenous Forestry (M87)

### *Scope of Appropriation*

This appropriation is limited to the implementation of the agriculture and forestry provisions of the Climate Change Response Act 2002 and the indigenous forestry provisions of the Forests Act 1949.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	13,244
Revenue from Crown	-	-	13,204
Revenue from Other	-	-	40

In 2011/12 this appropriation was budgeted for \$14.915 million under Vote Agriculture and Forestry.

### *Reasons for Change in Appropriation*

This appropriation will decrease by \$1.671 million in 2012/13 mainly due to reprioritisation of ETS funding to address Field Measurement Approach & other budget pressures in 2011/12, and efficiency savings from 2012/13.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Implementation of the New Zealand Emissions Trading Scheme</b>			
MPI is responsible for the implementation of regulatory policies that incentivise land-based sustainable economic and environmental outcomes, especially afforestation. This includes sector engagement on operational matters relating to the Emissions Trading Scheme, the promotion of participation in a range of schemes and programmes, and investigations and prosecutions into breaches of the legislation			
Percentage of emissions returns that include all required information will be processed from receipt to notification of decision within agreed timeframes	100%	100%	100%
Percentage of payments made in accordance with agreed schedule	100%	100%	100%
Percentage of applicants that participate in the customer satisfaction survey give the quality of MPI's ETS service delivery a rating of at least 4 out of 5 (where 1 represents poor performance and 5 represents excellent performance)	75%	75%	75%

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Administration of the Permanent Forest Sink Initiative</b>			
Percentage of applications to the PFSI that include all required information will be processed from receipt to notification of decision within agreed timeframes	100%	100%	100%
Percentage of draft covenants sent to eligible applicants within 90 days of receipt of all information needed to process the draft covenant	75%	75%	75%
<b>Promotion of Sustainable Management of Indigenous Forestry</b>			
Percentage of applications that include all required information will be processed from receipt to notification of decision within agreed timeframes	100%	100%	100%
Payments will be made in accordance with agreed schedule	100%	100%	100%
Percentage of annual logging plans inspected that comply with post-harvest forest inspections	80%	80%	80%
Percentage of sawmills inspected that comply with government regulations	80%	80%	80%
<b>Enforcement of New Zealand's Indigenous Forestry Regulations</b>			
Percentage of complaints (alleged breaches) correctly evaluated and categorised within the required timeframes	90%	90%	90%
Percentage of lower threshold criminal behaviour investigations completed according to the requisite investigation process within 6 months and either closed or forwarded for prosecution	75%	75%	75%
Percentage of higher threshold criminal behaviour investigations completed according to the requisite investigation process within 18 months and either closed or forwarded for prosecution	75%	75%	75%
<b>Prosecution of Alleged Breaches of New Zealand's Indigenous Forestry Legislative Framework</b>			
Percentage of cases lodged with the Court that incur adverse judicial comment	Less than 5%	Less than 5%	Less than 5%
Percentage of prosecutions dismissed for not disclosing a prima facie case	0%	0%	0%

### *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	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(450)	(426)	(411)	(411)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(115)	(115)	(115)	(115)	(115)
Reprioritisation of funding for Emissions Trading Scheme (ETS) implementation	2010/11	2,357	1,477	761	320	375
ETS implementation	2010/11	1,900	1,100	1,500	1,500	1,500
<b>Previous Government</b>						
ETS implementation	2007/08	3,780	4,060	3,390	3,390	3,390
Climate Change Plan of Action	2007/08	1,415	1,415	1,415	1,415	1,415

**Interim Secretariat South Pacific Regional Fisheries Management Organisation (M87)***Scope of Appropriation*

This appropriation is limited to administrative support for the interim secretariat of the South Pacific Regional Fisheries Management Organisation.

*Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	148
Revenue from Crown	-	-	148
Revenue from Other	-	-	-

In 2011/12 this appropriation was budgeted for \$410,000 under Vote Fisheries.

*Reasons for Change in Appropriation*

The 2011/12 appropriation includes funding from third parties. Third party funding for 2012/13 has yet to be determined.

### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Oversight of New Zealand's financial contribution to the interim Secretariat of the South Pacific Regional Fisheries Management Organisation (SPRFMO) Commission	Expenditure and contribution reviewed through: Quarterly review  SPRFMO's Interim Secretariat financial report to the Commission's preparation conference	Expenditure and contribution reviewed through: Quarterly review  SPRFMO's Interim Secretariat financial report to the Commission's preparation conference	Expenditure and contribution reviewed through: Quarterly review  SPRFMO's Interim Secretariat financial report to the Commission's preparation conference

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Efficiency savings including estimated savings from merger of Ministry of Agriculture and Forestry and Ministry of Fisheries, and allowing for removal of central funding for KiwiSaver and State Sector Retirement Savings Scheme (SSRSS)	2012/13	-	(4)	(3)	(4)	(4)

## Support Services and Infrastructure to Other Agencies RDA (M87)

### *Scope of Appropriation*

This appropriation is limited to providing support services to other agencies, including financial, personnel and information technology services and sub-leasing of surplus accommodation.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	898
Revenue from Crown	-	-	-
Revenue from Other	-	-	898

In 2011/12 this appropriation was budgeted for \$608,000 under Vote Agriculture and Forestry.

### *Reasons for Change in Appropriation*

The increase in this revenue dependent appropriation reflects a full year's rental from Ministry of Culture and Heritage through sub-lease of the former Ministry of Fisheries' headquarters building in Wellington. Revenue dependent appropriations are limited by the amount of revenue that is earned during the period of the appropriation.

### *Conditions on Use of Appropriation*

Reference	Conditions
Subleasing of surplus accommodation.	Management and accounting for rent received will be in accordance with Government policy, legislation, regulations and MPI 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
Long-term outcome: Improve sector productivity	
Medium-term outcome: Improved generation of new ideas and their adoption and adaptation by the primary industries, including Māori, is supported by government actions	Climate Change Research
Medium-term outcome: The primary sector, including Māori, maximises the use and productivity of natural resources within environmentally sustainable limits and is resilient to adverse climatic and biosecurity events	Climate Change Research, Management of Crown Forestry Assets
Long-term outcome: Increase sustainable resource use	
Medium-term outcome: The primary sector, including Māori, maximises the use and productivity of natural resources within environmentally sustainable limits and is resilient to adverse climatic and biosecurity events	Climate Change Research, Management of Crown Forestry Assets
Long-term outcome: Protect from biological risk	
Medium-term outcome: The primary sector is protected from biological risks through the effective operation of the biosecurity and food safety systems	Control of TB Vectors
Long-term outcome: Free, certain, enduring and practical walking access to the outdoors is enhanced in New Zealand and our heritage is maintained (Walking Access Commission Outcome)	
Medium-term outcome: Enhanced access opportunities in the outdoors (Walking Access Commission Outcome)	Support for Walking Access
Medium-term outcome: Strengthened access culture on New Zealand (Walking Access Commission Outcome)	

For further information on the intended impacts, outcomes and objectives of the non- departmental output expense appropriation Support for Walking Access please see the Statement of Intent for the New Zealand Walking Access Commission.

### Climate Change Research (M87)

#### *Scope of Appropriation*

This appropriation is limited to obtaining science, research, technology, capacity and capability in climate change related to the primary land-based sectors.

#### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	9,200

#### *Reasons for Change in Appropriation*

In 2011/12 this appropriation was budgeted for \$9.200 million under Vote Agriculture and Forestry.

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The objective of the Sustainable Land Management and Climate Change (SLMACC) research fund is to increase our knowledge of agricultural and forestry emissions, mitigation practices and technologies and business opportunities			
Percentage of research projects funded that are completed to contracted quality standard	95%	95%	95%
Percentage of research projects funded that are completed within contracted timeframes	85%	85%	85%
Percentage of annual SLMACC research fund committed in each year	95%	95%	95%

*Conditions on Use of Appropriation*

Reference	Conditions
Payment of research funding	Amounts paid and work completed will be in accordance with Government policy, legislation, regulations and MPI 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	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Climate Change Plan of Action reprioritisation of funding	2010/11	(500)	(500)	(800)	(1,200)	(1,200)
<b>Previous Government</b>						
Climate Change Plan of Action	2008/09	9,700	9,700	9,700	9,950	9,950

**Control of TB Vectors (M87)***Scope of Appropriation*

This appropriation is limited to the Crown's contribution to the implementation of the Bovine Tuberculosis National Pest Management Strategy.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	30,850

*Reasons for Change in Appropriation*

In 2011/12 this appropriation was budgeted for \$30.762 million under Vote Biosecurity.

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of vector control operations completed as specified in the Animal Health Board approved Vector Control Programme, except where prevented by circumstances outside the control of the Animal Health Board, or where the Crown has been notified of any such variation	100%	100%	100%
Annual period prevalence of infected cattle and deer herds as a % of herds	0.3%	0.3%	0.3%

*Conditions on Use of Appropriation*

Reference	Conditions
	<p>The Animal Health Board will provide ad hoc reports where reasonably required by the Crown in accordance with the vector funding agreement.</p> <p>The Animal Health Board will facilitate the carrying out of audits of the Board by the Crown for the purpose of verifying the accuracy and completeness of any information provided to the Crown under the vector control funding agreement, or ascertaining compliance with the vector control funding agreement, or the vector management standard.</p>

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Review of the Biosecurity (National Bovine Tuberculosis Pest Management Strategy) Order 1998	2011/12	4,714	5,923	22,440	22,440	-

## Management of Crown Forestry Assets (M87)

### Scope of Appropriation

This appropriation is limited to the purchase of forestry operations, management services, research and related forest asset expenditure.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	103,833

### Reasons for Change in Appropriation

In 2011/12 this appropriation was budgeted for \$94.803 million under Vote Agriculture and Forestry. This appropriation varies from year to year due to the nature of Crown forestry operations (progressive management and harvesting plans) which are reforecast each baseline update.

### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Hectares of net stocked forest (ha)	57,719	57,719	47,130
Hectares of silviculture tending (ha)	10,685	10,685	9,521
Log volume supplied in cubic metres (m <sup>3</sup> )	1,417,519	1,417,519	1,415,800
Average stumpage price per cubic metre of logs sold (\$)	32	32	35
Management fee (per net stocked hectare) exclusive of harvesting and re-investment fees (\$)	18	18	21
Fixed cost per net stocked hectare (\$)	33	33	35
Hectares lost from fire attributable to the quality of Crown Forestry's response and systems	0	0	0

### Conditions on Use of Appropriation

Reference	Conditions
Management of forestry assets on behalf of the Crown	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.
Management of forestry assets on behalf of the Crown	Completed work is audited using accepted sampling procedures and a quality management system.
Management of forestry assets on behalf of the Crown	Forests are independently audited on a four-yearly cycle to review management performance.

## Support for Walking Access (M87)

### *Scope of Appropriation*

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

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	1,789

### *Reasons for Change in Appropriation*

In 2011/12 this appropriation was budgeted for \$1.789 million under Vote Agriculture and Forestry.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Providing information and advice on access</b>			
Average number of unique users daily to the Walking Access Mapping System (WAMS)	200	200	220
Percentage of time WAMS is available to the public	99%	99%	99%
Percentage of users that choose to rate the WAMS that rate it as easy to use or very easy to use	81%	81%	85%
Percentage of users that choose to rate the information provided by the WAMS that rate it as useful or very useful	89%	89%	90%
Number of fact sheets updated/added to the WAMS	8	8	3
<b>Maintaining and enhancing access opportunities</b>			
Resolution of access disputes results in enhanced access	20	20	20
Number of Enhanced Access Fund grants successfully negotiated to contracts signed	16	16	15
Number of walkways to enhance access opportunities	43	43	44
<b>Responding to access enquiries</b>			
Number of new access enquiries received	New measure	New measure	350
Percentage of enquiries for information responded to within 10 working days	New measure	New measure	100%
<b>Building collaboration with access stakeholders</b>			
Number of national and local forums held	5	5	5
Percentage of negative feedback from stakeholder meetings	0%	0%	0%

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Informing the public about access</b>			
The school-based education programme "both sides of the fence" is available as a resource by 30 September 2012	New measure	New measure	Achieved
Number of unique users to the school-based education programme	New measure	New measure	20
A 5% increase in unique visitors to the Commission's website is achieved (from 20,000 to 21,000)	New measure	New measure	Achieved
A 2% increase in electronic subscribers to the Commission's electronic newsletter is achieved	New measure	New measure	Achieved

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Walking Access (appropriation establishment)	2008/09	1,789	1,789	1,789	1,789	1,789

### **Summary of Service Providers for Non-Departmental Outputs**

Provider	2011/12 Budgeted \$000	2011/12 Estimated Actual \$000	2012/13 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Climate Change Research (M87)	9,200	9,200	9,200	Section 32A Report	
Landcare Research			1,000		
Scion			1,000		
Massey University			99		
Other providers			7,101		
<b>Crown Forestry Asset Management (M87)</b>				Section 32A Report	
<b>Non-Government Organisations</b>					Annual Contracts with 1-3 month termination
NZ Forest Managers	34,950	34,950	43,640		
PF Olsen Ltd	23,024	23,024	38,618		
Northland Forest Managers	6,456	6,456	2,735		
Fortus Forestry Limited	12,168	12,168	3,648		
Ngati Porou Whanui Forests Limited	249	249	746		
Taitokerau Forests Limited	177	177	241		

Provider	2011/12 Budgeted \$000	2011/12 Estimated Actual \$000	2012/13 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Support for Walking Access (M87)					
Crown Entity				Providers Annual Report	
New Zealand Walking Access Commission	1,789	1,789	1,789		Ongoing
Control of TB Vectors (M87)					
Non-Government Organisations					
Animal Health Board	30,762	30,762	30,850	Section 32A Report	Ongoing

The above table summarises funding to be allocated through Vote Primary Industries 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
Long-term outcome: Improve sector productivity	
Medium-term outcome: The primary industries, including Māori, have greater access to capital, and have the skills needed to grow and innovate	Rural Veterinarians Bonding Scheme

#### Rural Veterinarians Bonding Scheme (M87)

##### 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

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	1,760

##### Reasons for Change in Appropriation

In 2011/12 this appropriation was budgeted for \$1.030 million under Vote Agriculture and Forestry. The increase in appropriation is due to return of savings to Crown in 2011/12 (\$400,000) for lower than expected take up of scheme, and incremental baseline funding increase in 2012/13 reflecting the nature of the scheme that commenced during 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"> <li>Rural area (less than 30,000 people).</li> <li>Where there are a low number of veterinarians to livestock units compared with the rest of New Zealand.</li> </ul> <p>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 12 months of applying for the scheme (except in the initial transition year when graduates since 2005 will be eligible).

##### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current Government						
Rural Vet Bonding Scheme establishment	2009/10	1,430	1,760	1,650	1,650	1,650



# 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
Long-term outcome: Maximise export opportunities	
Medium-term outcome: Exporters have improved access to fast growing and high value markets, and benefit from new export opportunities	Subscriptions to International Organisations
Long-term outcome: Improve sector productivity	
Medium-term outcome: Improved generation of new ideas and their adoption and adaptation by the primary industries, including Māori, is supported by government actions	Global Research Alliance on Agricultural Greenhouse Gases, Primary Growth Partnership
Medium-term outcome: The primary industries, including Māori, have greater access to capital, and have the skills needed to grow and innovate	Water Storage and Irrigation Investment Proposals, Primary Growth Partnership, Sustainable Farming Fund
Medium-term outcome: The primary sector, including Māori, maximises the use and productivity of natural resources within environmentally sustainable limits and is resilient to adverse climatic and biosecurity events	Adverse Climatic Events, Afforestation Grants Scheme, Community Irrigation Fund and Schemes, Water Storage and Irrigation Investment Proposals, East Coast Afforestation Grants, Global Research Alliance on Agricultural Greenhouse Gases, Hill Country Erosion Fund, Primary Growth Partnership, Subscriptions to International Organisations, Sustainable Farming Fund
Long-term outcome: Increase sustainable resource use	
Medium-term outcome: The primary sector, including Māori, maximises the use and productivity of natural resources within environmentally sustainable limits and is resilient to adverse climatic and biosecurity events	Adverse Climatic Events, Afforestation Grants Scheme, Community Irrigation Fund and Schemes, Water Storage and Irrigation Investment Proposals, East Coast Afforestation Grants, Global Research Alliance on Agricultural Greenhouse Gases, , Hill Country Erosion Fund, Primary Growth Partnership, Subscriptions to International Organisations, Sustainable Farming Fund
Long-term outcome: Protect from biological risk	
Medium-term outcome: The primary sector is protected from biological risks through the effective operation of the biosecurity and food safety systems	Response to Kiwifruit Disease <i>Pseudomonas Syringae</i> pv. <i>Actinidae</i>
Objective: Provision for non-departmental debt write-offs	Provisions for write Downs
Objective: Administration costs associated with the sale of Crown Quota Shares and Annual Catch Entitlement	Fisheries Quota Shares/ ACE Administration Costs
Objective: Recognition of settlements negotiated under the Māori Aquaculture Commercial Claims Settlement Act 2004	Aquaculture Settlements

## Adverse Climatic Events (M87)

### Scope of Appropriation

This appropriation is limited to providing recovery assistance to the primary sector in the aftermath of adverse climatic events and assistance to rural support trusts.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	526

In 2011/12 this appropriation was budgeted for \$526,000 under Vote Agriculture and Forestry.

### Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of regions with active rural support trusts or similar entities	14	14	14

### Conditions on Use of Appropriation

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

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Previous Government						
Building rural capacity to respond to adverse events	2007/08	170	170	170	170	170

## Afforestation Grants Scheme (M87)

### Scope of Appropriation

This appropriation is limited to Afforestation Grant Scheme grants.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	5,869

In 2011/12 this appropriation was budgeted for \$6.208 million under Vote Agriculture and Forestry.

*Reasons for Change in Appropriation*

This is the final year of funding for the Afforestation Grants Scheme.

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Total area afforested since initial implementation of the scheme (ha)	4,900	4,900	12,015

*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 MPI 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	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Afforestation Grants Scheme reprioritisation of funding	2011/12	(2,000)	(2,000)	(2,000)	-	-
<b>Previous Government</b>						
Value for money review savings	2008/09	(3,000)	(3,000)	(3,000)	-	-
Climate Change Plan of Action	2008/09	10,000	10,000	5,000	-	-

## Aquaculture Settlements (M87)

### Scope of Appropriation

This appropriation is limited to the recognition of settlements negotiated under the Māori Aquaculture Commercial Claims Settlement Act 2004.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	55,500

In 2011/12 this appropriation was budgeted for \$10.848 million under Vote Fisheries. The 2011/12 appropriation was to settle the Crown's pre-commencement aquaculture space obligations to iwi. The 2012/13 appropriation is for settlement of Crown's aquaculture new space obligations to iwi.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Settlement of Crown's aquaculture new space obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004	2012/13	-	55,500	9,500	9,500	-

## Community Irrigation Fund and Schemes (M87)

### Scope of Appropriation

This appropriation is limited to Community Irrigation Fund grants and operating and maintaining Crown irrigation schemes.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	1,332

In 2011/12 this appropriation was budgeted for \$2 million under Vote Agriculture and Forestry. The appropriation for Community Irrigation Fund grants ceases in 2013/14.

### Expected Results

The objective of the Irrigation Acceleration Fund (IAF) is to influence the development of proposed irrigation and rural water infrastructure schemes so that they are established on a strong commercial footing and are able to attract investment.

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Maintain a council adoption rate for CIF funded Water Strategies of 75%	Achieved	Achieved	Achieved
Maintain progression rate of 70% for CIF and investor funded proposals to the detailed engineering stage	Achieved	Achieved	Achieved
Maintain progression rate of 75% for CIF funded designs to the building and completion stage	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 MPI 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	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Extending the scope of the Community Irrigation Fund	2010/11	600	(500)	(347)	(565)	(188)
<b>Previous Government</b>						
Climate Change Plan of Action - Community Irrigation Fund	2008/09	1,036	785	547	565	188

## **East Coast Afforestation Grants (M87)**

### *Scope of Appropriation*

This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 1992.
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### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	5,050

In 2011/12 this appropriation was budgeted for \$5.349 million under Vote Agriculture and Forestry.

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant funding (\$000) approved for the year	5,286	5,286	4,500
Annual area treated (ha)	1,500	1,500	4400
Total area afforested since initial implementation of the scheme (ha)	37,200	37,200	41,000

*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	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current Government						
Value for money review savings	2008/09	(1,278)	(1,056)	(1,056)	(1,056)	(1,056)

**Fisheries Quota Shares and ACE Administration Costs (M87)***Scope of Appropriation*

This appropriation is limited to the administration of the sale of Crown Quota Shares and Annual Catch Entitlement (ACE).

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	24

In 2011/12 this appropriation was budgeted for \$24,000 under Vote Fisheries.

## Global Research Alliance on Agricultural Greenhouse Gases (M87)

### Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<i>Global Research Alliance on Agricultural Greenhouse Gases (M87)</i>	Original Appropriation	38,253
This appropriation is limited to the Global Research Alliance on Agricultural Greenhouse Gases.	Adjustments to 2010/11	-
	Adjustments for 2011/12	-
Commences: 1 July 2012	Adjusted Appropriation	38,253
Expires: 30 June 2016	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	-
	Estimated Actual for 2012/13	8,600
	Estimated Appropriation Remaining	29,653

### Reasons for Change in Appropriation

This appropriation is the residual of original \$42.278 million 5 year multi-year appropriation established on 1 July 2011 under Vote Agriculture and Forestry. The budgeted expenditure in 2011/12 is \$4.025 million. Approval has been obtained to increase the multi-year appropriation by any cost savings in 2011/12.

### Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The Minister rates the effectiveness of activities undertaken by the Ministry for Primary Industries in relation to the Global Research Alliance, including: <ul style="list-style-type: none"> <li>MPI's leadership of scientific input and development of the Alliance on behalf of NZ</li> <li>MPI's administration of the NZ Fund for Global Partnerships in Livestock Emissions Research</li> <li>MPI's administration of Two fellowship schemes - Livestock Emissions Abatement Research Network (LEARN) and the Global Research Alliance Senior Scientist (GRASS) awards.</li> </ul> Activities are rated 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) via discussion with MPI officials every 6 months	4	4	4
New Zealand's Alliance programme expenditure is within the multi-year financial profile of the appropriation	Achieved	Achieved	Achieved
Percentage of Alliance research projects funded with the NZ budget are completed within contracted timeframes	85%	85%	85%
Percentage of Alliance research projects funded with the NZ budget are completed to contracted quality standards (see Note 1)	95%	95%	95%

Note 1 - MPI administers Alliance funds (and associated contracts) allocated to it by Cabinet but also outsources some contract responsibilities to the NZAGRC via its legal entity the Crown Research Institute and AgResearch.

## Hill Country Erosion Fund (M87)

### Scope of Appropriation

This appropriation is limited to projects that protect erosion-prone hill country.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	2,200

In 2011/12 this appropriation was budgeted for \$2.200 million under Vote Agriculture and Forestry.

### Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of farm plans developed through regional initiatives	132	132	125

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Previous Government						
Sustainable land management programme	2007/08	2,200	2,200	2,200	2,200	2,200

## Primary Growth Partnership (M87)

### Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<i>Primary Growth Partnership (M87)</i>	Original Appropriation	352,380
This appropriation is limited to primary, food and forestry sector investment in education and skills development, research and development, product development, commercialisation, market development and technology transfer, in partnership with relevant industry groups, including research related to greenhouse gases via the Centre for Agricultural Greenhouse Gas Research.	Adjustments to 2010/11	-
	Adjustments for 2011/12	-
	Adjusted Appropriation	352,380
Commences: 1 July 2012	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	-
Expires: 30 June 2017	Estimated Actual for 2012/13	70,476
	Estimated Appropriation Remaining	281,904



### *Reasons for Change in Appropriation*

In 2011/12 this was an annual appropriation and was budgeted for \$38.532 million under Vote Agriculture and Forestry. Approval has been obtained to increase the multi-year appropriation by any cost savings in 2011/12. This appropriation will revert to an annual appropriation from 2017/18.

### *Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of quarterly reports reviewed and signed off by Programme Steering Group.	85%	85%	85%
Percentage of annual business plans reviewed and accepted in accordance with specific PGP agreements.	85%	85%	85%
Percentage of approved invoices processed within agreed timeframes.	85%	85%	85%
The Annual General Meeting is held in accordance with Independent Assessment Panel (IAP) Terms of Reference.	Achieved	Achieved	Achieved
Percentage of quarterly reports reviewed and signed off by the chair of the New Zealand Agricultural Greenhouse Gas Research Centre (NZAGRC) Steering Group.	85%	85%	85%
Percentage of NZAGRC research funds that are committed each year.	95%	95%	95%

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Primary Growth Partnership establishment	2009/10	38,532	70,476	70,476	70,476	70,476

### **Provision for Write Downs (M87)**

#### *Scope of Appropriation*

This appropriation is limited to non-departmental debt write-offs.
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#### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	711

In 2011/12 this appropriation was budgeted for \$711,000 under Vote Fisheries.

## Response to the Kiwifruit disease *Pseudomonas Syringae* pv. *Actinidiae* (M87)

### *Scope of Appropriation*

This appropriation is limited to supporting an industry-led programme for the kiwifruit disease *pseudomonas syringae* pv. *actinidiae*.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	1,500

### *Reasons for Change in Appropriation*

In November 2010, the Government approved \$25 million in Crown funding under Vote Biosecurity, including MAF's direct response costs (excluding staff time), to support the kiwifruit industry-led programme for responding to the kiwifruit disease *Pseudomonas syringae* pv. *actinidiae*. A transfer of \$2.500 million was made to departmental output expense Domestic Biosecurity Risk Management MCOA to cover MAF's direct response costs in 2010/11. The remaining \$22.500 million is payable to the body established by industry "Kiwifruit Vine Health Inc" (KVH) as costs are incurred. In 2010/11 \$11.228 million costs were incurred, and \$11.272 million funding was transferred to 2011/12. An expense transfer of \$1.500 million funding has been made to 2012/13 making the estimated actual expenditure for 2011/12 of \$9.772 million.

### *Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Kiwi Fruit Vine Health Inc will meet the terms and conditions in the Funding Agreement dated 18 February 2011 for Financial Support to the industry-led programme responding to <i>Pseudomonas syringae</i> pv. <i>actinidias</i> (PSA)	Conditions met	Conditions met	Conditions met

## Subscriptions to International Organisations (M87)

### *Scope of Appropriation*

This appropriation is limited to New Zealand's membership of primary industry-related international organisations.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	3,158

### *Reasons for Change in Appropriation*

This is a new appropriation in 2012/13 combining homogeneous appropriations previously budgeted under three Votes - Agriculture and Forestry, Biosecurity, and Fisheries. The total budgeted for 2011/12 was \$2.586 million. The \$472,000 increase in appropriation is due to cost saving in 2011/12 due to strength of NZ\$ relative to currencies in which payments made (\$372,000) and expense transfer to 2012/13 (\$100,000).

### *Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Agriculture and Forestry</b>			
Percentage of input to key international forums that will meet Ministerial expectations as well as domestic and international organisations' time/schedule or notification requirements	100%	100%	100%
Percentage of subscription payments made to international organisations within timeframes to ensure MPI retains membership of international organisations	100%	100%	100%
<b>Biosecurity</b>			
Percentage of input provided that will meet Ministerial expectations, consultation requirements of international organisations, and will be informed by consultation with relevant affected stakeholders	90-100%	90-100%	90-100%
<b>Fisheries</b>			
Payment of New Zealand contribution to meet the Crown's obligations to international fisheries organisations	100%	100%	100%

## **Sustainable Farming Fund (M87)**

### *Scope of Appropriation*

This appropriation is limited to community driven programmes aimed at improving economic and environmental performance.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	9,000

In 2011/12 this appropriation was budgeted for \$10.450 million under Vote Agriculture and Forestry.

### *Reasons for Change in Appropriation*

Expense transfers are required to align the appropriation (baseline of \$8 million per annum) across financial years to cover contractual commitments for grants payable upon completion of project milestones.

### Expected Results

The Sustainable Farming Fund (SFF) invests in projects that deliver economic, environmental and social benefits to New Zealand's land-based primary industries and aquaculture sector.

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of milestones delivered as agreed with the Ministry for Primary Industries	85%	85%	85%
Value of other funding and in-kind support generated.	50% of total project budgets	50% of total project budgets	50% of total project budgets
Percentage of Key Performance Indicators achieved for completed projects	85%	85%	85%
Percentage of projects completed on schedule	85%	85%	85%

### 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 MPI 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	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Value for money review savings	2009/10	(1,444)	(1,444)	(1,444)	(1,444)	(1,444)

### Water Storage and Irrigation Investment Proposals (M87)

#### Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b><i>Water Storage and Irrigation Investment Proposals (M87)</i></b>	Original Appropriation	32,500
This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage.	Adjustments to 2010/11	-
	Adjustments for 2011/12	-
Commences: 1 July 2012	Adjusted Appropriation	32,500
Expires: 30 June 2016	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	-
	Estimated Actual for 2012/13	6,500
	Estimated Appropriation Remaining	26,000

### *Reasons for Change in Appropriation*

This appropriation is the residual of original \$35 million 5 year multi-year appropriation established on 1 July 2011 under Vote Agriculture and Forestry. The budgeted expenditure in 2011/12 is \$2.500 million. Approval has been obtained to increase the multi-year appropriation by any cost savings in 2011/12.

### *Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Irrigation Acceleration Fund (IAF) programme funding is allocated within +/- 10% of IAF funding scheduled for each year	+/- 10%	+/- 10%	+/- 10%
Percentage of IAF programmes funded that are completed within contracted timeframes.	85%	85%	85%
Percentage of IAF proposals that get to prospectus stage that proceed to construction.	75%	75%	75%

### **Reporting Mechanisms**

Appropriation	Reporting Mechanism
Aquaculture Settlements (M87)	Section 32A report
Adverse Climate Events (M87)	Not reported
Afforestation Grants Scheme (M87)	Section 32A report
Community Irrigation Fund and Schemes (M87)	Not reported
East Coast Afforestation Grants (M87)	Not reported
Fisheries Quota Shares and ACE Administrations Costs (M87)	Not reported
Global Research Alliance on Agricultural Greenhouse Gases (M87)	Section 32A report
Hill Country Erosion Fund (M87)	Not reported
Primary Growth Partnership (M87)	Section 32A report
Provision for Write Downs (M87)	Not reported
Response to the Kiwifruit disease <i>Pseudomonas Syringae</i> pv. <i>Actinidiae</i> (M87)	Not reported
Subscriptions to International Organisations (M87)	Not reported
Sustainable Farming Fund (M87)	Section 32A report
Water Storage and Irrigation Investment Proposals (M87)	Section 32A report

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 for Primary Industries - Capital Expenditure PLA (M87)

##### *Scope of Appropriation*

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

##### *Capital Expenditure*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	5,808	5,808	10,425
Intangibles	13,000	13,000	7,350
Other	-	-	-
<b>Total Appropriation</b>	<b>18,808</b>	<b>18,808</b>	<b>17,775</b>

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

The increase in capital expenditure reflects the continued development of the National Animal Identification Traceability (NAIT) system, wine electronic certification system, Joint Border Management System (JBMS) with New Zealand Customs, and system for trans-Tasman transfer of x-ray images of checked-in baggage for which capital injections are provided.