

Vote Foreign Affairs and Trade

APPROPRIATION MINISTER(S): Minister of Foreign Affairs (M34)

APPROPRIATION ADMINISTRATOR: Ministry of Foreign Affairs and Trade

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

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2015/16		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Administration of Diplomatic Privileges and Immunities (M34) This appropriation is limited to the administration of diplomatic and consular privileges and immunities under the Diplomatic Privileges and Immunities Act 1968 and the Consular Privileges and Immunities Act 1971.	2,000	-	2,000
Consular Services (M34) The purchase of consular policy advice, consular services for New Zealanders abroad and notarial services.	19,265	(979)	18,286
Pacific Security Fund (M34) This appropriation is limited to the purchase of goods and services to support the security of Pacific Island countries.	2,759	-	2,759
Policy Advice and Representation - International Institutions (M34) The purchase of policy advice and representation activities related to the management of New Zealand's membership of, and foreign and trade interests in, international institutions.	70,378	1,949	72,327
Policy Advice and Representation - Other Countries (M34) This appropriation is limited to the purchase of policy advice and representation directed to the management of New Zealand's foreign trade relations with other countries, bilaterally and in regional organisations, including using New Zealand's international connections to facilitate the flow of trade, investment, skills, and technology and improving the competitiveness of New Zealand business.	234,388	(5,643)	228,745
Policy Advice and Representation - Other Countries PLA (M34) This appropriation is limited to meeting the costs, as set out in section 11 of the Foreign Affairs Act 1988, of superannuation for local staff employed by overseas posts to help with the management of New Zealand's foreign and trade relations with other countries.	20	-	20
Promotional Activities - Other Countries (M34) The purchase of promoting New Zealand to other countries as an attractive market for trade and investment.	175	-	175
Services for Other New Zealand Agencies Overseas (M34) The purchase of accommodation and support services by other New Zealand agencies.	7,509	277	7,786
Total Departmental Output Expenses	336,494	(4,396)	332,098
Departmental Capital Expenditure			
Ministry of Foreign Affairs and Trade - Capital Expenditure PLA (M34) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Foreign Affairs and Trade, as authorised by section 24(1) of the Public Finance Act 1989.	76,525	(3,563)	72,962
Total Departmental Capital Expenditure	76,525	(3,563)	72,962

Titles and Scopes of Appropriations by Appropriation Type	2015/16		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Non-Departmental Output Expenses			
Antarctic Research and Support (M34) Provision of management and logistic support for New Zealand activities in the Antarctic. The provider is the New Zealand Antarctic Institute.	15,280	230	15,510
Pacific Broadcasting Services (M34) This appropriation is limited to the provision of New Zealand-sourced television content and other media services and related technical support to countries in the Pacific.	-	921	921
Pacific Cooperation Foundation (M34) The promotion of mutual understanding and constructive linkages between New Zealanders and the other countries and people of the Pacific. The provider is the Pacific Cooperation Foundation of New Zealand.	1,400	-	1,400
Promotion of Asian Skills and Relationships (M34) This appropriation is limited to the provision of services that build and sustain New Zealanders' knowledge and understanding of and relationships with Asia.	4,000	-	4,000
Total Non-Departmental Output Expenses	20,680	1,151	21,831
Non-Departmental Other Expenses			
Disbursements Made and Exemptions from Taxation PLA (M34) Refund of New Zealand local body rates for offices and residential premises of overseas diplomatic missions and consular posts pursuant to section 21 of the Diplomatic Privileges and Immunities Act 1968.	1,600	-	1,600
Subscriptions to International Organisations (M34) This appropriation is limited to non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as a signatory to international treaties and conventions.	49,866	6,889	56,755
Total Non-Departmental Other Expenses	51,466	6,889	58,355
Total Annual and Permanent Appropriations	485,165	81	485,246

Capital Injection Authorisations

	2015/16		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Foreign Affairs and Trade - Capital Injection (M34)	-	-	-

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2015/16				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	357,174	(4,396)	1,151	(3,245)	353,929
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	51,466	-	6,889	6,889	58,355
Capital Expenditure	76,525	(3,563)	-	(3,563)	72,962
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	485,165	(7,959)	8,040	81	485,246
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Consular Services (M34)

Scope of Appropriation

The purchase of consular policy advice, consular services for New Zealanders abroad and notarial services.

Expenses and Revenue

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	19,265	(979)	18,286
Revenue from the Crown	18,815	(1,044)	17,771
Revenue from Others	450	65	515

Reasons for Change in Appropriation

This appropriation decreased by \$979,000 to \$18.286 million for 2015/16 due to:

- an increase of \$521,000 from foreign exchange and overseas inflation, and
- a decrease of \$1.500 million from a final budget reprioritisation.

Policy Advice and Representation - International Institutions (M34)

Scope of Appropriation

The purchase of policy advice and representation activities related to the management of New Zealand's membership of, and foreign and trade interests in, international institutions.

Expenses and Revenue

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	70,378	1,949	72,327
Revenue from the Crown	70,378	1,949	72,327
Revenue from Others	-	-	-

Reasons for Change in Appropriation

This appropriation increased by \$1.949 million to \$72.27 million for 2015/16 due to:

- an increase of \$3 million from a final budget reprioritisation
- an increase of \$567,000 from foreign exchange and overseas inflation
- an increase of \$17,000 for an expense transfer from 2014/15 to 2015/16 for the New Zealand Institute of Pacific Excellence
- an increase of \$10,000 for an expense transfer from 2014/15 to 2015/16 for ASEAN-Australia-New Zealand Free Trade Agreement commitments
- a decrease for carry forwards of \$49,000 from 2015/16 to 2017/18 and \$49,000 from 2015/16 to 2018/19 for World War One Centenary Programme legacy projects
- a decrease for a carry forward of \$229,000 of underspend to 2016/17 for Dubai Expo 2020 preparations
- a decrease for a carry forward of \$471,000 to 2018/19 for Russia-Belarus-Kazakhstan Free Trade Agreement funding for agricultural cooperation when negotiations are concluded
- a decrease for carry forwards of \$424,000 from 2015/16 to 2017/18 and \$423,000 from 2015/16 to 2018/19 for Korea-New Zealand Free Trade Agreement Cooperation Activities.

Policy Advice and Representation - Other Countries (M34)*Scope of Appropriation*

This appropriation is limited to the purchase of policy advice and representation directed to the management of New Zealand's foreign trade relations with other countries, bilaterally and in regional organisations, including using New Zealand's international connections to facilitate the flow of trade, investment, skills, and technology and improving the competitiveness of New Zealand business.

Expenses and Revenue

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	234,388	(5,643)	228,745
Revenue from the Crown	234,173	(5,578)	228,595
Revenue from Others	215	(65)	150

Reasons for Change in Appropriation

This appropriation decreased by \$5.643 million to \$228.745 million for 2015/16 due to:

- an increase of \$5.277 million from foreign exchange and overseas inflation
- an increase of \$4.192 million for a retention of underspends from 2014/15

- an increase of \$487,000 for a higher capital charge arising from an unrealised derivative gain not repaid to the Crown
- an increase of \$433,000 for an expense transfer from 2014/15 for the New Zealand Institute of Pacific Excellence
- an increase of \$25,000 for an expense transfer from 2014/15 for ASEAN-Australia-New Zealand Free Trade Agreement commitments
- a decrease for a one-off transfer of \$230,000 to Non-Departmental Output Expense Antarctic Research and Support in 2015/16 only for logistic support
- a decrease for a carry forward of \$500,000 underspend from 2015/16 to 2016/17 for Protective Safety Requirements
- a decrease for a carry forward of \$500,000 underspend from 2015/16 to 2016/17 for hosting of the Asia-Pacific Economic Cooperation meeting in 2021
- a decrease for a carry forward of \$500,000 from 2015/16 to 2016/17 for a centre of excellence for China research and skills
- a decrease of \$826,000 for share of costs for Budget 2015 whole-of-government initiatives
- a decrease for carry forwards of \$451,000 from 2015/16 to 2017/18 and \$451,000 from 2015/16 to 2018/19 for World War One Centenary Programme legacy projects
- a decrease for a carry forward of \$1.196 million from 2015/16 to 2018/19 for Russia-Belarus-Kazakhstan Free Trade Agreement funding for agricultural cooperation when negotiations are concluded
- a decrease for a carry forward of \$1.500 million underspend from 2015/16 to 2016/17 for System Enhancements
- a decrease of \$1.500 million from a final budget reprioritisation
- a decrease for a carry forward of \$1.500 million underspend from 2015/16 to 2016/17 for Health and Safety Legislation
- a decrease for a carry forward of \$1.721 million underspend from 2015/16 to 2016/17 for Dubai Expo 2020 preparations
- a decrease for carry forwards of \$1.076 million from 2015/16 to 2017/18 and \$1.077 million from 2015/16 to 2018/19 for Korea-New Zealand Free Trade Agreement Cooperation Activities
- a decrease for a carry forward of \$3.029 million underspend from 2015/16 to 2016/17 for Korea New Zealand Free Trade Agreement Cooperation Activities.

Services for Other New Zealand Agencies Overseas (M34)

Scope of Appropriation

The purchase of accommodation and support services by other New Zealand agencies.

Expenses and Revenue

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,509	277	7,786
Revenue from the Crown	-	-	-
Revenue from Others	7,509	277	7,786

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2015/16		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Expiring measure			
Percentage of respondents rating the Ministry's service performance as 4 or better on a scale of 1-5	90%	Expired	Expired
Replacement measure			
Average satisfaction score on the Ministry's service provision on a five point scale (see Note 1)	New Measure	New Measure	3.5

Note 1 - Based on surveys of NZ Inc secondees and head office contacts.

Reasons for Change in Appropriation

The appropriation increased by \$277,000 to \$7.786 million for 2015/16 due to an increase in demand of services provided to New Zealand government departments and agencies co-located with the Ministry at overseas posts.

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry of Foreign Affairs and Trade - Capital Expenditure PLA (M34)

Scope of Appropriation

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

Capital Expenditure

	2015/16		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Forests/Agricultural	-	-	-
Land	3,000	(1,500)	1,500
Property, Plant and Equipment	68,975	(18,302)	50,673
Intangibles	4,550	16,239	20,789
Other	-	-	-
Total Appropriation	76,525	(3,563)	72,962

Reasons for Change in Appropriation

This appropriation decreased by \$3.563 million to \$72.962 million for 2015/16 due to delays in starting some capital projects and slower than expected progress with some others.

Capital Injections and Movements in Departmental Net Assets

Ministry of Foreign Affairs and Trade

Details of Net Asset Schedule	2015/16 Main Estimates Projections \$000	2015/16 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2015/16
Opening Balance	580,910	586,998	Supplementary Estimates opening balance reflects the audited results as at 30 June 2015.
Capital Injections	-	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	580,910	586,998	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Antarctic Research and Support (M34)

Scope of Appropriation

Provision of management and logistic support for New Zealand activities in the Antarctic. The provider is the New Zealand Antarctic Institute.

Expenses

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	15,280	230	15,510

Reasons for Change in Appropriation

This appropriation increased by \$230,000 to \$15.510 million for 2015/16 due to a transfer from the Ministry for additional logistic support.

Pacific Broadcasting Services (M34)

Scope of Appropriation

This appropriation is limited to the provision of New Zealand-sourced television content and other media services and related technical support to countries in the Pacific.

Expenses

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	921	921

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve diverse and relevant New Zealand television, radio and on-line content, meeting appropriate content standards, available to Pacific audiences.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2015/16		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Provision of New Zealand-sourced television content and other media services to Pacific Island countries that are part of this initiative	New Measure	Up to 8 hours per day	Up to 8 hours per day
Training for Pacific free to air broadcasters	New Measure	Training undertaken; internship programme created	Training undertaken; internship programme created

Reasons for Change in Appropriation

This new appropriation was established in 2015/16 to fund an expanded broadcasting service to the Pacific Islands previously funded through Vote Arts, Culture and Heritage Non-Departmental Output Expense: Public Broadcasting Services.

3.4 - Non-Departmental Other Expenses**Subscriptions to International Organisations (M34)***Scope of Appropriation*

This appropriation is limited to non-discretionary payments required as formal obligations arising from New Zealand's membership of international organisations, and as a signatory to international treaties and conventions.

Expenses

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	49,866	6,889	56,755

Reasons for Change in Appropriation

This appropriation increased by \$6.889 million to \$56.755 million for 2015/16. This movement arises from higher payments to the United Nations for its regular budget assessment and for United Nations peacekeeping missions mandated by the Security Council and a weaker New Zealand dollar against the US Dollar.