

Performance Information for Appropriations

Vote Primary Industries

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 2013/14 financial year covering:

- a total of just over \$131 million (20% of the Vote) on the departmental output expense for the development and implementation of policy advice
- a total of nearly \$144 million (22% of the Vote) on departmental output expenses for border and domestic biosecurity risk management
- a total of just over \$27 million (4% 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, and administration and management of Crown forestry assets
- a total of nearly \$136 million (21% 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 New Zealand Walking Access Commission
- a total of \$1.650 million for the operation of the Rural Veterinarians Bonding Scheme
- a total of nearly \$183 million (28% 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
- a total of just over \$30 million (5% of the Vote) for departmental capital expenditure.

Crown Revenue and Capital Receipts

The Ministry expects to collect just over \$157 million of Crown revenue and capital receipts in 2013/14, made up as follows:

- a total of nearly \$116 million for the sale of logs from Crown forests
- a total of just over \$3 million for the sale of Crown Forestry Assets
- a total of just over \$31 million in cost recoveries from the fishing industry
- a total of over \$2 million from forestry encouragement loan interest and loan repayments
- a total of just over \$1 million in fines imposed under the Biosecurity Act 1993 and Fisheries Act 1996
- a total of \$750,000 from the Emissions Trading Scheme fees and levies payable under the Dairy Industry Restructuring Act 2001
- 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"> • Build a more competitive and productive economy • Delivering better public services within tight fiscal constraints <p>Priorities:</p> <ul style="list-style-type: none"> • Biosecurity • Water management reform • Technology transfer • Increasing exports • Fisheries management • Primary sector leadership and MPI capability 	<p>Long-Term Outcome 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 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 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 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>

Objectives of the Vote

Vote Primary Industries has an integral role in delivering on the Government's Business Growth Agenda (BGA) goal to increase the ratio of exports to gross domestic product from the current 30% to 40% by 2025. The value of New Zealand's primary sector exports has grown steadily in recent years and is currently around 70% of merchandise exports. The continued growth of the primary sector - a doubling of primary sector exports earnings over this period - is therefore critical to achieving the Government's BGA goal.

While export earnings are generated by the primary industries, government's influence in the biosecurity, food safety and primary production systems are significant enablers of primary sector exports. The challenge is to better use the instruments available to government to ensure that the systems managed enable an increase in real export earnings from the primary sector in a sustainable way. The objectives of Vote Primary Industries are to improve primary sector performance through:

- better regulation to support business growth and lower costs for businesses
- new assurances around the integrity, safety and reputation of New Zealand's primary products to maximise commercial benefits including market premium and share
- better management of existing water resources and providing water for agriculture through water infrastructure
- working more effectively with Māori to grow their primary sector assets and the productive base of Māori freehold land
- 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

	2008/09	2009/10	2010/11	2011/12	2012/13		2013/14			2014/15	2015/16	2016/17
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	-	-	-	-	448,408	434,534	302,444	135,995	438,439	432,521	405,379	402,170
Benefits and Other Unrequited Expenses	-	-	-	-	1,400	1,400	N/A	1,650	1,650	1,650	1,650	1,650
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	94,124	77,798	-	183,077	183,077	126,861	118,586	100,341
Capital Expenditure	-	-	-	19,971	22,808	22,808	30,213	-	30,213	15,000	15,000	15,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	-	-	-	19,971	566,740	536,540	332,657	320,722	653,379	576,032	540,615	519,161
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	162,166	162,166	N/A	152,347	152,347	142,354	129,320	130,321
Capital Receipts	-	-	-	-	2,970	2,970	N/A	4,879	4,879	1,886	1,686	1,686
Total Crown Revenue and Capital Receipts	-	-	-	-	165,136	165,136	N/A	157,226	157,226	144,240	131,006	132,007

In addition to what is in the preceding table, the table following includes for the years 2008/09 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.

	2008/09	2009/10	2010/11	2011/12	2012/13		2013/14			2014/15	2015/16	2016/17
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	433,363	435,555	431,058	425,671	448,408	434,534	302,444	135,995	438,439	432,521	405,379	402,170
Benefits and Other Unrequited Expenses	99	461	600	736	1,400	1,400	N/A	1,650	1,650	1,650	1,650	1,650
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	55,367	28,314	54,720	73,823	94,124	77,798	-	183,077	183,077	126,861	118,586	100,341
Capital Expenditure	753,480	8,244	20,833	19,971	22,808	22,808	30,213	-	30,213	15,000	15,000	15,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	1,242,309	472,574	507,211	520,201	566,740	536,540	332,657	320,722	653,379	576,032	540,615	519,161
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	137,661	167,672	165,817	161,021	162,166	162,166	N/A	152,347	152,347	142,354	129,320	130,321
Capital Receipts	723,211	5,424	6,240	18,909	2,970	2,970	N/A	4,879	4,879	1,886	1,686	1,686
Total Crown Revenue and Capital Receipts	860,872	173,096	172,057	179,930	165,136	165,136	N/A	157,226	157,226	144,240	131,006	132,007

New Policy Initiatives

Policy Initiative	Appropriation	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	Administration and Management of Crown Forestry Assets Departmental Output Expense	(80)	-	32	104	76
	Administration of Grants and Programmes Departmental Output Expense	(241)	-	108	181	88
	Animal Welfare Education and Enforcement Departmental Output Expense	(241)	-	109	183	89
	Border Biosecurity Risk Management MCOA Departmental Output Expense	(1,670)	-	1,919	3,218	1,562
	Development of Policy Advice MCOA Departmental Output Expense	(6,643)	-	874	1,467	712
	Domestic Biosecurity Risk Management MCOA Departmental Output Expense	(1,700)	-	771	1,292	627
	Implementation of Policy Advice MCOA Departmental Output Expense	(7,706)	-	1,392	2,346	1,350
	Implementation of the Emissions Trading Scheme and Indigenous Forestry Departmental Output Expense	(977)	-	217	364	177
Reduction of the Climate Research Fund that obtains science, research, technology, capacity and capability in climate change related to the primary land-based sectors; to be returned to the crown for reinvestment in higher priority areas	Climate Change Research Non-Departmental Output Expense	-	(2,000)	(3,750)	(4,250)	-
Total Initiatives		(19,258)	(2,000)	1,672	4,905	4,681

Analysis of Significant Trends

Vote Primary Industries was 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.

Output Expenses

Departmental

The change in output expenses in part reflects the level of third party-funded activity operated on a full cost recovery basis. Memorandum accounts are used to keep track of the accumulated surpluses and deficits to enable the Ministry to take a long-run perspective to fee setting and cost recovery.

Changes in output expenses also reflect decisions by the Government on outputs that are revenue Crown-funded. Putting aside the effect of expense transfers and retention of underspends, the significant baseline change was to realise efficiency savings of \$13.500 million from 2012/13 from the merger of the New Zealand Food Safety Authority and Ministry of Agriculture and Forestry in 2010/11 and subsequent merger of Ministry of Fisheries in 2011/12 to form the Ministry for Primary Industries, and removal of central funding for employer superannuation contributions.

Non-Departmental

In line with government policy, Crown Forestry is continuing to actively dispose of forestry assets. Crown Forestry commercial operations, non-departmental expenditure and revenue reflect prevailing management plans, harvesting strategies and log prices.

Baseline funding for Control of Tb vectors reduces from \$30 million to \$7.256 million from 2015/16.

Other Expenses

The increase in other expenses from 2009/10 to 2012/13 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); funding provided in Budget 2011 to support the development of irrigation infrastructure proposals to the 'investment-ready' prospectus stage; and remaining funding for settlement of Crown's pre-commencement aquaculture space obligations to iwi (the last significant expense was incurred in 2008/09).

The increase in projected other expenses from 2012/13 to 2013/14 is mainly due to the decision in Budget 2012 to appropriate \$74.500 million for settlement of the Crown's aquaculture new space obligations to iwi.

Capital Expenditure

Capital expenditure in 2008/09 was mainly for \$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. From 2008/09 to 2010/11 the Walking Access Commission received capital funding of \$1.150 million.

Over the period 2008/09 to 2013/14, the Ministry was provided with capital funding of nearly \$19 million to: develop a Climate Change Information System (\$1 million); develop a farm-level greenhouse gas reporting programme (\$800,000); maintain border inspection capability (\$109,000); develop a National Animal Identification and Traceability application (\$7 million), develop New Zealand FarmsOnline application (\$3 million), implement the trans-Tasman transfer of x-ray images of checked-in baggage initiative (\$2 million), develop wine e-certification capability (\$1 million), and develop the Joint Border Management System with New Zealand Customs Service (\$4 million).

Over the period 2013/14 to 2016/17, the Ministry has budgeted to spend \$20 million to build a replacement enhanced physical containment level 3 (PC3+) laboratory.

Capital Receipts

The capital receipt in 2008/09 was 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

	2012/13		2013/14	Description of Crown Revenue or Capital Receipt item
		Estimated		
	Budgeted	Actual	Budgeted	
Crown Revenue or Capital Receipt item	\$000	\$000	\$000	
Biosecurity Act Fines	1,500	1,500	1,000	Infringement fines imposed on persons entering New Zealand at ports of entry with undeclared goods, under the Biosecurity Act 1993.
Conservation Levy	1,500	1,500	1,100	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	29,600	29,600	30,000	Revenue from the costs of Government approved fisheries services that is able to be recovered from the commercial fishing sector.
Dairy Industry Levy	800	800	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	2,500	2,500	2,500	Revenue forecast to be paid by quota holders who have over-fished.
Fisheries Act Infringement Notices	200	200	150	Revenue relating to the issue of Infringement Notices under the Fisheries Act 1996.
Forestry Encouragement Loan Interest	757	757	652	Interest earned on forestry encouragement loans.
Forestry Encouragement Loan Repayments	2,012	2,012	1,811	Forestry encouragement loan repayments.
Forfeitures for Fisheries Offences	150	150	150	Revenue from forfeit property, whether by sale or through redemption fees.
New Zealand Emissions Trading Scheme Fees	400	400	500	Fees received from forest landowners joining the New Zealand Emissions Trading Scheme.
Sale of Crown Forestry Assets	958	958	3,068	Proceeds from sale of Crown forestry assets.
Sale of Forest Produce	124,358	124,358	115,895	Revenue from the sale of forest produce from Crown forests.
Sale of Quota Shares and ACE	100	100	100	Revenue from the sale of Crown-owned quota and Annual Catch Entitlement (ACE).
Other Revenue	301	301	50	Miscellaneous revenues.
Total Crown Revenue and Capital Receipts	165,136	165,136	157,226	

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,097	2,095	2,196
Revenue from Crown	2,083	2,081	2,182
Revenue from Other	14	14	14

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Management of Crown Forests			
Crown Forestry manages 35 forests and 11 forestry leases. Crown Forestry's objectives are to: <ul style="list-style-type: none"> 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 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. 			
Number of hectares and percentage of the Crown forestry managed estate surrendered or sold (see Note 1)	2,000 (4%)	2,000 (4%)	2,000 (4%)
Average stumpage (net profit) per cubic metre of logs sold	\$35	\$35	\$35
Percentage of forest management activities comply with all statutory requirements, lease agreements and other contractual arrangements as assessed by annual independent review of a sample of forests	New measure	New measure	100%
Percentage of costs and revenues are consistent with industry norms as assessed by annual independent review of a sample of forests	New measure	New measure	100%

Note 1 - This measure combines several different categories, including leased Māori land which is surrendered back to the land owners' post-harvest, Crown-owned land which is transferred to iwi within Treaty of Waitangi settlements and other land-based forestry assets which are sold as opportunities arise.

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 Ministers 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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(80)	-	32	104	76
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)	(68)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(16)	(16)	(16)	(16)	(16)
Previous Government						
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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,343	8,621	9,981
Revenue from Crown	9,325	8,603	9,963
Revenue from Other	18	18	18

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Administration of Grants and Programmes			
The activities undertaken by the Ministry for Primary Industries to administer grants and programmes includes application assessment, advice to applicants and independent assessors, and monitoring of project reporting and compliance requirements			
Percentage of applications processed within agreed standards and timeframes	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

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(241)	-	108	181	88
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)	(334)
Efficiency savings from merger of New Zealand Food Safety Authority and Ministry of Agriculture and Forestry	2011/12	(97)	(97)	(97)	(97)	(97)

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,649	3,623	3,760
Revenue from Crown	3,611	3,585	3,722
Revenue from Other	38	38	38

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Enforcement of New Zealand's Animal Welfare Regulatory Framework			
Overall compliance rates are increasing (average)	90%	Increase on the 2011/12 baseline	90%
Percentage of persons/companies previously issued a warning who continue non-compliant behaviour resulting in further action is declining	22%	Decrease on the 2011/12 baseline	22%
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%
Less than 5% of prosecutions incur adverse judicial comment regarding MPI's investigation process	0-5%	0-5%	0-5%

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 and prosecution of alleged breaches	Commensurate with the Animal Welfare Act 1999

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(241)	-	109	183	89
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)	(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	1,700	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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	97,416	96,289	91,172
Border Biosecurity Monitoring and Clearance	79,518	78,418	72,894
Border Biosecurity Systems Development and Maintenance	17,898	17,871	18,278
Revenue from Crown	67,198	66,071	60,934
Border Biosecurity Monitoring and Clearance	54,236	53,136	47,592
Border Biosecurity Systems Development and Maintenance	12,962	12,935	13,342
Revenue from Other	30,218	30,218	30,238
Border Biosecurity Monitoring and Clearance	25,282	25,282	25,302
Border Biosecurity Systems Development and Maintenance	4,936	4,936	4,936

Reasons for Change in Appropriation

This appropriation will decrease by \$6.244 million from 2012/13 to 2013/14 mainly due to changes under output class Border Biosecurity Monitoring and Clearance. The appropriation for this output class was higher in 2012/13 than in 2013/14 due to the carry forward of funding from 2011/12 for the Joint Border Management System (\$5.200 million) and for merger of the Ministry of Fisheries and the Ministry of Agriculture and Forestry (\$1 million).

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Border Biosecurity Monitoring and Clearance			
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			
Percentage of international air passengers that comply with biosecurity requirements by the time they leave the airport (see Note 1)	98.5%	98.5%	98.5%
Percentage of international mail that complies with biosecurity requirements by the time it leaves the International Mail Centre (see Note 2)	99%	99%	99%
Percentage of import clearance processes completed within agreed timeframes thereby facilitating the wider supply chain	80%	80%	80%
Number of imported goods inspected by MPI where biosecurity risks are identified and mitigated	10,000-12,000 (of 49-52,000 inspections)	10,000-12,000 (of 49-52,000 inspections)	9,000-11,000 (of 49-52,000 inspections)
Percentage rating satisfaction of cost recovered external stakeholders (goods importers/exporters) with overall service as 4 or better on a scale where 1 represents very dissatisfied and 5 represents very satisfied	80%	80%	80%

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Border Biosecurity Systems Development and Maintenance			
Percentage of milestones met for the Sanitary and Phytosanitary Standards Market Access Programme, as agreed with key meat, dairy, seafood and horticulture sector stakeholders	75%	75%	75%
Percentage of OIE, IPPC and Codex standards that are accepted by New Zealand	90%	75%	75%

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	Biosecurity Act 1993
Development of import health standards	MPI Biosecurity New Zealand standards development process and procedure guidelines (including risk analysis and statistical monitoring processes)
Development of border clearance standards	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
Development of surveillance standards	
Development of pest management standards	Standards developed will comply with the requirements of the Biosecurity Act 1993
Development of standards associated with third-party providers (ie, approved transitional facilities)	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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Phytosanitary Exports Account			
Opening Balance at 1 July	1,379	1,379	1,338
Revenue	1,807	1,807	1,807
Expenses	(1,848)	(1,848)	(1,848)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	1,338	1,338	1,297
Border Biosecurity Clearance Fees Account			
Opening Balance at 1 July	(1,772)	(1,772)	(1,102)
Revenue	24,091	24,091	30,138
Expenses	(23,421)	(23,421)	(30,259)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(1,102)	(1,102)	(1,223)

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(1,670)	-	1,919	3,218	1,562
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)	(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	(965)	(965)	(965)	(965)	(965)
Joint Border Management System	2010/11	8,263	8,302	8,556	8,556	8,556
Value for money review savings	2009/10	(176)	(176)	(176)	(176)	(176)

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	60,469	55,115	55,064
Agriculture and Forestry Policy Advice	18,181	16,800	19,953
Biosecurity Policy Advice	3,022	2,944	2,955
Fisheries Policy Advice	3,910	3,830	3,872
Operational Advice on Sustainability and Management Controls in Fisheries	35,356	31,541	28,284
Revenue from Crown	58,781	53,427	53,731
Agriculture and Forestry Policy Advice	17,738	16,357	19,510
Biosecurity Policy Advice	3,004	2,926	2,937
Fisheries Policy Advice	3,699	3,619	3,661
Operational Advice on Sustainability and Management Controls in Fisheries	34,340	30,525	27,623
Revenue from Other	1,688	1,688	1,333
Agriculture and Forestry Policy Advice	443	443	443
Biosecurity Policy Advice	18	18	18
Fisheries Policy Advice	211	211	211
Operational Advice on Sustainability and Management Controls in Fisheries	1,016	1,016	661

Reasons for Change in Appropriation

This appropriation will decrease by \$5.405 million from 2012/13 to 2013/14 mainly due to changes in the Operational Advice on Sustainability and Management Controls in Fisheries output class. The appropriation for this output class was higher in 2012/13 than in 2013/14 due to the carry forward of funding from 2011/12 for fisheries research (\$4 million) and for merger of the Ministry of Fisheries and the Ministry of Agriculture and Forestry (\$1.600 million).

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Agriculture and Forestry Policy Advice			
Percentage of policy work programme milestones completed	85%	85%	85%
Technical quality assessment of MPI policy advice on a scale of 1 to 10 (see Note 1)	7	7	7
The Minister for Primary Industries rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months (see Note 2)	8	8	8
Total cost of MPI policy advice	New measure	New measure	\$13.5m
Biosecurity Policy Advice			
Percentage of policy work programme milestones completed	85%	85%	85%
Technical quality assessment of MPI policy advice on a scale of 1 to 10 (see Note 1)	7	7	7
The Minister for Primary Industries rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months (see Note 2)	8	8	8
Total cost of MPI policy advice	New measure	New measure	\$2.8m
Fisheries Policy Advice			
Percentage of policy work programme milestones completed	85%	85%	85%
Technical quality assessment of MPI policy advice on a scale of 1 to 10 (see Note 1)	7	7	7
The Minister for Primary Industries rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months (see Note 2)	8	8	8
Total cost of MPI policy advice	New measure	New measure	\$8.1m
Quarterly assessment of international engagement outcomes against set criteria to ensure they maintain or advance New Zealand's interest	70% yes rating	70% yes rating	70% yes rating
Operational Advice on Sustainability and Management Controls in Fisheries			
Percentage of research projects completed	95%	95%	95%
Percentage of research projects meet MPI research and science information standard	100%	100%	95%

Note 1 - For independent assessment of the quality of this advice, MPI will submit a sample of work for technical assessment for review at least once a year.

Note 2 - The Minister is asked to assess advice received on a 10-point scale where 1 represents poor and 10 represents excellent.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(6,643)	-	874	1,467	712
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)	(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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	51,204	50,933	52,518
Biosecurity Incursion Response and Long Term Pest Management	26,373	26,125	28,066
Domestic Biosecurity Surveillance	24,831	24,808	24,452
Revenue from Crown	49,759	49,488	51,073
Biosecurity Incursion Response and Long Term Pest Management	25,097	24,849	26,790
Domestic Biosecurity Surveillance	24,662	24,639	24,283

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Revenue from Other	1,445	1,445	1,445
Biosecurity Incursion Response and Long Term Pest Management	1,276	1,276	1,276
Domestic Biosecurity Surveillance	169	169	169

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Domestic Biosecurity Surveillance			
MPI expects to receive between 10,000-12,000 calls annually reporting suspected 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			
Percentage of key cost recovered industry customers satisfied with the process, and timeframes for receiving a response from laboratory services (see Note 1)	80%	80%	80%
Percentage of incursion investigations reaching an 'Investigation Outcome Decision' within 30 days	80%	80%	85%
Percentage of surveillance programmes that meet international standard or best practice	100%	100%	100%
Biosecurity Incursion Response and Long Term Pest Management			
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			
Industry sign-up of Government Industry Agreements (GIAs) deeds	New measure	New measure	7
Percentage of Responses that achieve required outcomes	90%	90%	95%

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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(1,700)	-	771	1,292	627
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)	(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	(562)	-	-	-	-
Reprioritisation of savings through budget alignment process	2010/11	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)
Transfer of National Saltmarsh Mosquito 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	749	335	-	-	-
Value for money savings	2009/10	(326)	(326)	(326)	(326)	(326)
Previous Government						
Mediterranean fanworm in Lyttleton Harbour	2008/09	562	-	-	-	-
National Animal Identification Traceability and New Zealand Farm Online systems	2008/09	3,490	3,490	3,490	3,490	3,490

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	71,360	69,604	76,312
Aquaculture	4,296	3,223	3,141
Fisheries Enforcement and Monitoring	41,876	41,835	44,732
Fisheries Management	9,524	9,435	9,682
Implementation of Agriculture and Forestry Policy Advice	11,687	11,139	13,795
Implementation of Biosecurity Policy Advice	3,977	3,972	4,962
Revenue from Crown	69,563	67,807	74,515
Aquaculture	4,278	3,205	3,123
Fisheries Enforcement and Monitoring	40,498	40,457	43,354
Fisheries Management	9,213	9,124	9,371
Implementation of Agriculture and Forestry Policy Advice	11,618	11,070	13,726
Implementation of Biosecurity Policy Advice	3,956	3,951	4,941
Revenue from Other	1,797	1,797	1,797
Aquaculture	18	18	18
Fisheries Enforcement and Monitoring	1,378	1,378	1,378
Fisheries Management	311	311	311
Implementation of Agriculture and Forestry Policy Advice	69	69	69
Implementation of Biosecurity Policy Advice	21	21	21

Reasons for Change in Appropriation

This appropriation will increase by \$4.952 million from 2012/13 to 2013/14 mainly due to the carry forward of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17.

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Aquaculture			
Percentage of project milestones for the annual aquaculture plan met	90%	90%	90%
Fisheries Enforcement and Monitoring			
Overall compliance rates are increasing (average)	90%	Increase on 2011/12 baseline	90%
Percentage of persons/companies previously issued a warning who continue non-compliance behaviour resulting in further action is declining	22%	Decrease on 2011/12 baseline	22%
Less than 5% of prosecutions incur adverse judicial comment regarding MPI's investigation process	0-5%	0-5%	0-5%
Percentage of the Crown's obligations to Māori is delivered	100%	100%	100%
Fisheries Management			
The Minister's rating of the quality of ministerial services on a scale of 1 to 10 (see Note 1)	8	8	8
Percentage of ministerial requests from the Minister for Primary Industries completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%
Implementation of Agriculture and Forestry Policy Advice			
The Minister's rating of the quality of ministerial services on a scale of 1 to 10 (see Note 1)	8	8	8
Percentage of ministerial requests from the Minister for Primary Industries completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%
Implementation of Biosecurity Policy Advice			
The Minister's rating of the quality of ministerial services on a scale of 1 to 10 (see Note 1)	8	8	8
Percentage of ministerial requests from the Minister for Primary Industries completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%

Note 1 - The Minister is asked to assess advice provided on a ten-point scale where 1 represents poor and 10 represents excellent.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(7,706)	-	1,392	2,346	1,350
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)	(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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	10,877	10,191	11,441
Revenue from Crown	10,831	10,145	11,395
Revenue from Other	46	46	46

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Implementation of the New Zealand Emissions Trading Scheme			
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 draft sustainable forest management plans and sustainable forest management permit applications that are processed within 90 days	100%	100%	100%
Percentage of post-harvest inspections that comply with harvest limits and management prescriptions under approved Annual Logging Plans	80%	80%	80%
Percentage of registered sawmills inspected that comply with Part 3A of the Forests Act 1949 and the Forestry (Indigenous Timber Milling) Regulations	80%	80%	80%

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 and prosecution of alleged breaches of the Forest Act 1949	Commensurate with Part 3A of the Forest Act 1949

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	(977)	-	217	364	177
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)	(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	1,477	761	320	375	375
ETS implementation	2010/11	1,100	1,500	1,500	1,500	1,500

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 access culture and heritage is improved (Walking Access Commission outcome)	Support for Walking Access
Medium-term outcome: Enhanced access opportunities in the outdoors (Walking Access Commission impact)	Support for Walking Access
Medium-term outcome: Strengthened access culture and heritage in New Zealand (Walking Access Commission impact)	Support for Walking Access

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,472	6,042	7,628

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	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 within contracted timeframes	85%	85%	85%

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 Ministry for Primary Industries 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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Reduction of the Climate Research Fund that obtains science, research, technology, capacity and capability in climate change related to the primary land-based sectors; to be returned to the crown for reinvestment in higher priority areas	2013/14	-	(2,000)	(3,750)	(4,250)	-
Climate Change Plan of Action reprioritisation of funding	2010/11	(500)	(800)	(1,200)	(1,200)	(1,000)
Previous Government						
Climate Change Plan of Action	2008/09	9,700	9,700	9,950	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

Total Appropriation	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
	30,850	29,350	30,000

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Review of the Biosecurity (National Bovine Tuberculosis Pest Management Strategy) Order 1998	2011/12	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

Total Appropriation	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
	99,900	99,900	96,578

Reasons for Change in Appropriation

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	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Hectares of net stocked forest (ha)	47,130	-	47,130
Hectares of silviculture tending (ha)	9,521	-	9,521
Log volume supplied in cubic metres (m3)	1,415,800	-	1,415,800
Average stumpage price per cubic metre of logs sold (\$)	35	-	35
Management fee (per net stocked hectare) exclusive of harvesting and re-investment fees (\$)	21	-	21
Fixed cost per net stocked hectare (\$)	35	-	35
Hectares lost from fire attributable to the quality of Crown Forestry's response and systems (ha)	0	-	0

Conditions on Use of Appropriation

Reference	Conditions
Management of forestry assets on behalf of the Crown	<p>Management, silvicultural and timber production work programmes, as required by lease agreements and management plans, are completed under contracts which clearly prescribe work methods, acceptable standards and costs.</p> <p>Completed work is audited using accepted sampling procedures and a quality management system.</p> <p>Forests are independently audited on a four-yearly cycle to review management performance.</p>

Support for Walking Access (M87)

Scope of Appropriation

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

Expenses

Total Appropriation	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
	1,789	1,789	1,789

Output Performance Measures and Standards

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Providing information and advice on access			
Public awareness of Walking Access Mapping System is increased	New measure	New measure	42,000 unique visitors to the Walking Access Mapping System

Performance Measures	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The Walking Access Mapping System is well used	New measure	New measure	110,000 visitors to the Walking Access Mapping System per annum
The mapping system is available to the public	99% of time system available to the public	99% of time system available to the public	99% of time system available to the public
The Walking Access Mapping System is well regarded by users	New measure	New measure	90% of users choose to rate the Walking Access Mapping System as good
The series of fact sheets will be updated or added	3	2	2
Maintaining and enhancing access opportunities			
Third party information added to Walking Access Mapping System	New measure	New measure	6,000 packets of information from third parties added
Resolution of access disputes results in enhanced access, where a dispute is a disagreement around an action taken or proposed	20	20	40
Enhanced access security through signage	New measure	New measure	5
Enhanced Access Fund grants maintain and enhance access opportunities	New measure	New measure	12
Responding to access enquiries			
People enquire about access to the Commission	350	350	350
People receive a response to their access enquiry	100%	100%	100%
Access enquiries are addressed satisfactorily	New measure	New measure	80% enquirers satisfied with the Commission's action
Building collaboration with access stakeholders			
Meeting with stakeholders and interest groups to understand issues and build collaboration	New measure	New measure	80 meetings/presentations to stakeholders and interest groups
Project to investigate the possibility of integrating the Outdoor Access Code with other stakeholder codes of behaviour	New measure	New measure	Achieved
Informing the public about access			
Public awareness of the school based education programme site is increased	New measure	New measure	1,890 unique visitors to the site per annum
The school based education programme site is well used	New measure	New measure	2,500 visitors to the site per annum
Raise public awareness of the Commission and access issues	New measure	New measure	17,844 unique visitors to the Commission's corporate website
The information on the Commission's corporate website is useful	New measure	New measure	25,000 visitors to the Commission's corporate website
The Commission publishes a successful newsletter	2% increase in electronic subscribers	2% increase in electronic subscribers	2% increase in electronic subscribers

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
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	2012/13 Budgeted \$000	2012/13 Estimated Actual \$000	2013/14 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Climate Change Research (M87)					
Crown Entity				Section 32A Report	
Manaaki Whenua Landcare Research New Zealand Ltd	1,000	840	Not yet known		
New Zealand Forest Research Institute Ltd (Scion)	1,000	708	Not yet known		
Massey University	99	90	Not yet known		
Management of Crown Forestry Assets (M87)					
Non-Government Organisations					Annual Contracts with 1-3 month termination
New Zealand Forest Managers	43,640	44,009	45,635		
PF Olsen Ltd	36,618	28,759	31,621		
Northland Forest Managers	2,735	4,846	1,312		
Fortus Forestry Limited	3,648	7,284	4,584		
Ngāti Porou Whanui Forests Limited	746	311	470		
Taitokerau Forests Limited	241	245	54		
Support for Walking Access (M87)					
Crown Entity					
New Zealand Walking Access Commission	1,789	1,789	1,789	Providers Annual Report	Ongoing
Control of TB Vectors (M87)					
Non-Government Organisations					
Animal Health Board	30,850	30,850	30,000	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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,400	1,400	1,650

Reasons for Change in Appropriation

The increase in appropriation is due to return of savings to Crown in 2012/13 (\$360,000) for lower than expected take-up of the scheme, offset by a decrease in baseline funding from 2013/14 (\$110,000).

Conditions on Use of Appropriation

Reference	Conditions
Rural Veterinarians Bonding Scheme	<p>Understaffed rural areas are defined by the following criteria:</p> <ul style="list-style-type: none"> rural area (less than 30,000 people) where there are a low number of veterinarians to livestock units compared with the rest of New Zealand. <p>Where veterinary practices have the greatest difficulty recruiting and retaining the number of veterinarians necessary to service livestock-based industry needs.</p> <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).</p>

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Rural Veterinarians Bonding Scheme establishment	2009/10	1,760	1,650	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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	776	776	526

Reasons for Change in Appropriation

The 2012/13 appropriation was increased by \$250,000 to provide for the likelihood that some North Island regions will be declared a drought area.

Expected Results

	2012/13		2013/14
	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.

Afforestation Grants Scheme (M87)

Scope of Appropriation

This appropriation is limited to Afforestation Grant Scheme grants.

Expenses

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,840	5,262	386

Reasons for Change in Appropriation

This is the final year of funding for the Afforestation Grants Scheme due to an extension through an expense transfer from 2012/13.

Expected Results

	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Total area afforested since initial implementation of the scheme (ha)	12,015	12,015	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 Ministry for Primary Industries 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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Afforestation Grants Scheme reprioritisation of funding	2011/12	(2,000)	(2,000)	-	-	-
Previous Government						
Value for money review savings	2008/09	(3,000)	(3,000)	-	-	-
Climate Change Plan of Action	2008/09	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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	10,848	-	65,000

The 2012/13 appropriation was to settle the Crown's remaining pre-commencement aquaculture space obligations to iwi. The 2013/14 appropriation is for settlement of Crown's aquaculture new space obligations to iwi.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,302	1,102	347

Reasons for Change in Appropriation

The appropriation for the Community Irrigation Fund grants scheme ceases in 2013/14. Support for strategic water management studies and community irrigation scheme development previously available through the Community Irrigation Fund has been incorporated into the Irrigation Acceleration Fund under "Water Storage and Irrigation Investment Proposals".

Expected Results

The objective of the Community Irrigation Fund (CIF) 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.

	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
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 Ministry for Primary Industries financial policies and internal processes. This will be verified by independent management reviews/audits.

East Coast Afforestation Grants (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
East Coast Afforestation Grants (M87)	Original Appropriation	18,460
This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 2000.	Adjustments to 2011/12	-
	Adjustments for 2012/13	-
Commences: 1 July 2013	Adjusted Appropriation	18,460
Expires: 30 June 2017	Actual to 2011/12 Year End	-
	Estimated Actual for 2012/13	-
	Estimated Actual for 2013/14	3,615
	Estimated Appropriation Remaining	14,845

Reasons for Change in Appropriation

The East Coast Afforestation grants scheme was funded through an annual appropriation of \$4.615 million per annum until 2012/13. The appropriation will revert to an annual appropriation in 2017/18.

Expected Results

	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant funding (\$000) approved for the year	4,500	4,500	4,500
Annual area treated (ha)	4,400	4,400	4,400
Total area afforested since initial implementation of the scheme (ha)	41,000	41,000	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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
Extension of East Coast Afforestation Grants Scheme to 30 June 2028 subject to funding limit of \$37.689 million over the period 1 July 2012 (2012/13) to 30 June 2028 (2027/28).	2012/13	5,384	3,615	3,615	4,615	6,615

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	24	24	24

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 2011/12	-
	Adjustments for 2012/13	442
Commences: 1 July 2012	Adjusted Appropriation	38,695
Expires: 30 June 2016	Actual to 2011/12 Year End	-
	Estimated Actual for 2012/13	5,635
	Estimated Actual for 2013/14	11,020
	Estimated Appropriation Remaining	22,040

Expected Results

	2012/13		2013/14
	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, on a scale of 1 to 10 via discussion with MPI officials every six months	8	8	8
Percentage of Alliance research projects funded with the New Zealand budget are completed within contracted timeframes	85%	85%	85%
Percentage of Alliance projects funded with the New Zealand budget are completed to contracted quality standards (see Note 1)	95%	95%	95%

Note 1 - Ministry for Primary Industries administers Alliance funds (and associated contracts) allocated to it by Cabinet, but also outsources some contract responsibilities to the New Zealand Agricultural Greenhouse Gas Research Centre 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.
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Expenses

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,200	2,200	2,200

Expected Results

	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of farm plans developed through regional initiatives	125	125	125

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 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 New Zealand Agricultural Greenhouse Gas Research Centre. Commences: 1 July 2012 Expires: 30 June 2017	Adjustments to 2011/12	-
	Adjustments for 2012/13	1,371
	Adjusted Appropriation	353,751
	Actual to 2011/12 Year End	-
	Estimated Actual for 2012/13	37,591
	Estimated Actual for 2013/14	79,040
	Estimated Appropriation Remaining	237,120

Reasons for Change in Appropriation

The Primary Growth Partnership (PGP) initiative was established in Budget 2010 under Vote Agriculture and Forestry. This appropriation will revert to an annual appropriation of \$66.359 million per annum from 2017/18.

Expected Results

	2012/13		2013/14
	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 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 Steering Group	85%	85%	85%

Provision for Write Downs (M87)

Scope of Appropriation

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

Expenses

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	711	711	711

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,805	2,105	800

Reasons for Change in Appropriation

In November 2010, the Government approved \$25 million in Crown funding, including the Ministry for Primary Industries 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 MPI's direct response costs in 2010/11. The remaining \$22.500 million is payable to the body established by industry, Kiwifruit Vine Health Inc, as costs are incurred.

Over the period 2010/11 to 2011/12, \$16.895 million in costs were incurred. The remaining \$5.605 million appropriation is expected to be expended in 2012/13 and 2013/14.

Subscriptions to International Organisations (M87)

Scope of Appropriation

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

Expenses

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,708	2,708	3,408

Reasons for Change in Appropriation

The \$700,000 increase in appropriation is due: to cost saving in 2012/13 due to the strength of the New Zealand dollar relative to currencies in which payments are made (\$250,000); an expense transfer to 2013/14 to meet the cost of New Zealand hosting the rescheduled Asia Pacific Forestry Conference (\$200,000); and a baseline funding increase for New Zealand's contribution to the South Pacific Regional Fisheries Organisation (SPRFMO) (\$150,000 per annum upon disestablishment of departmental output expense to fund the SPRFMO Interim Secretariat).

These changes are offset by expense transfer to 2012/13 to meet the cost of hosting the Standing Council of Primary Industries (\$100,000).

Expected Results

	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of input provided that will meet Ministerial expectations, consultation requirements of international organisations, and will be informed by consultation with relevant affected stakeholders	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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,300	7,300	8,000

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.

	2012/13		2013/14
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of project milestones met	New measure	New measure	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 Ministry for Primary Industries 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	2012/13 Budgeted \$000	2013/14 Budget \$000	2014/15 Estimated \$000	2015/16 Estimated \$000	2016/17 Estimated \$000
Current Government						
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
<i>Water Storage and Irrigation Investment Proposals (M87)</i>	Original Appropriation	32,500
This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage.	Adjustments to 2011/12	-
	Adjustments for 2012/13	725
Commences: 1 July 2012	Adjusted Appropriation	33,225
Expires: 30 June 2016	Actual to 2011/12 Year End	-
	Estimated Actual for 2012/13	7,000
	Estimated Actual for 2013/14	8,000
	Estimated Appropriation Remaining	18,225

Reasons for Change in Appropriation

This appropriation is the residual of original \$35 million five year multi-year appropriation established on 1 July 2011 under Vote Agriculture and Forestry in Budget 2011.

In 2011, the Government signalled plans to invest up to \$400 million for the construction of regional water storage and off-farm irrigation infrastructure as an equity partner. In December 2012, Cabinet directed that a Crown-owned company be established to manage the Crown's investment in irrigation infrastructure and set aside an allocation of \$80 million in Budget 2013 (to be appropriated following the registration of the Crown-owned company) for the operation of the company over the first year.

The Ministry of Primary Industries intends to submit requests for the remaining \$320 million of capital in future budget rounds as schemes reach the 'investment-ready' stage.

Expected Results

	2012/13		2013/14
	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
Adverse Climate Events (M87)	Not reported
Afforestation Grants Scheme (M87)	Not reported
Aquaculture Settlements (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

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

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	7,113	7,113	9,286
Intangibles	15,695	15,695	20,927
Other	-	-	-
Total Appropriation	22,808	22,808	30,213

Reasons for Change in Appropriation

The capital expenditure programme covers: the routine replacement of motor vehicles; replacement of vessels for fisheries compliance; upgrading and maintenance of Ministry for Primary Industries buildings, leasehold improvements and laboratories; and development and maintenance of IT equipment and information systems including working with New Zealand Customs Service to implement the Joint Border Management System.