

The Treasury

Budget 2018 Information Release

Release Document August 2018

<https://treasury.govt.nz/publications/information-release/budget-2018-information-release>

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

[1]	to prevent prejudice to the security or defence of New Zealand or the international relations of the government	6(a)
[2]	to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government	6(b)(i)
[4]	to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	6(c)
[11]	to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.	6(e)(vi)
[23]	to protect the privacy of natural persons, including deceased people	9(2)(a)
[25]	to protect the commercial position of the person who supplied the information or who is the subject of the information	9(2)(b)(ii)
[26]	to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied	9(2)(ba)(i)
[27]	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information - would be likely otherwise to damage the public interest	9(2)(ba)(ii)
[29]	to avoid prejudice to the substantial economic interests of New Zealand	9(2)(d)
[31]	to maintain the current constitutional conventions protecting collective and individual ministerial responsibility	9(2)(f)(ii)
[33]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
[34]	to maintain the effective conduct of public affairs through the free and frank expression of opinions	9(2)(g)(i)
[36]	to maintain legal professional privilege	9(2)(h)
[37]	to enable the Crown to carry out commercial activities without disadvantages or prejudice	9(2)(i)
[38]	to enable the Crown to negotiate without disadvantage or prejudice	9(2)(j)
[39]	to prevent the disclosure of official information for improper gain or improper advantage	9(2)(k)
[40]	not in scope	
[41]	that the making available of the information requested would be contrary to the provisions of a specified enactment	18(c)(i)
[42]	information is already publicly available or will be publicly available soon	18(d)

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.



Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

2018 Budget Package: Vote Official Development Assistance

On 9 April 2018, Cabinet:

- 1 **approved** the Budget initiative for the above Vote for inclusion in the 2018 Budget package, as listed in the summary below and detailed in the attached initiative document;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10235	Increasing Our Aid to Tackle the Biggest Global and Regional Challenges of Our Time	-	122.357	159.652	197.412	234.796
Total Operating		-	122.357	159.652	197.412	234.796

- 2 **agreed** to establish new appropriations where required to implement this initiative, as described in the attached initiative document;
- 3 **approved** changes to appropriations to implement the initiative, as set out in the attached initiative document;
- 4 **approved** the additional recommendations to give effect to the initiative, as set out in the attached initiative document;
- 5 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2017/18 Supplementary Estimates, the 2018/19 Estimates and the fiscal forecasts;
- 6 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;

- 7 **noted** that all communications relating to the 2018 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Michael Webster
Secretary of the Cabinet

Hard-copy distribution:
Prime Minister
Minister of Foreign Affairs
Minister of Finance

Vote: Official Development Assistance

Title: Increasing Our Aid to Tackle the Biggest Global and Regional Challenges of Our Time

Description: This funding will significantly increase New Zealand's overseas aid, especially to the Pacific. New funding will allow New Zealand to help address significant unmet financial needs for major global and regional challenges such as (i) the effects of climate change; (ii) increasing regional and global humanitarian need; (iii) financing gaps in the multilateral system; and (iv) the social and environmental constraints to sustainable development.

New Appropriation Approval

Vote	Appropriation Minister	Name	Type	Scope
Official Development Assistance	Minister of Foreign Affairs	Management of New Zealand's International Development Cooperation	Departmental Output Expenses	This appropriation is limited to enabling the planning and delivery of the year-long Asia-Pacific Economic Cooperation 2021.

Appropriation Changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	122.357	159.652	197.412	234.796
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	122.357	159.652	197.412	234.796

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Departmental Output Expense:					
Management of New Zealand's International Development Cooperation (funded by revenue Crown)	-	11.930	15.566	19.248	22.892
Non-Departmental Other Expenses:					
International Development Cooperation	-	-	-	-	211.904
International Development Cooperation (MYA)	-	110.427	144.086	178.164	-
Total Operating	-	122.357	159.652	197.412	234.796

Additional recommendations

- 8 **agreed** the Multi Year Appropriation: "International Development Cooperation" is increased by \$432.677 million;
- 9 **noted** that amounts shown in the appropriations changes table for the Multi Year Appropriation: "International Development Cooperation" is the change to the indicative annual spending profile;
- 10 **noted** that departmental funding is currently set at 9.75 percent of the total funding for Official Development Assistance;
- 11 **directed** Ministry of Foreign Affairs and Trade officials to report back to the Minister of Foreign Affairs and the Minister of Finance by July 2019 with:
 - 11.1 an overview of the scope and focus of the New Zealand aid programme for the current triennium, including an explanation of how it is expected to meet the changing needs of Pacific Island and developing countries;
 - 11.2 an assessment of the departmental funding required to administer the New Zealand Aid programme;
- 12 **authorised** the Minister of Foreign Affairs and the Minister of Finance (joint Ministers) to jointly approve any transfers between the Annual Appropriation: "Management of New Zealand's International Development Cooperation" and the Multi Year Appropriation: "International Development Cooperation" resulting from this report back.

Treasury Report: Correcting Appropriation Scope Statement in Vote Official Development Assistance

Date:	2 May 2018	Report No:	T2018/1186
		File Number:	DH-10-0-9

Action Sought

	Action Sought	Deadline
Minister of Foreign Affairs (Rt Hon Winston Peters)	Agree to change the scope for the " <i>Management of New Zealand's International Development Cooperation</i> " appropriation	Monday 7 May 2018
Minister of Finance (Hon Grant Robertson)	Agree to change the scope for the " <i>Management of New Zealand's International Development Cooperation</i> " appropriation	Monday 7 May 2018

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Laura Browne	Analyst, International	[39]	N/A (mob) ✓
Rachel Pettigrew	Acting Team Leader, International	[39]	N/A (mob)

Actions for the Minister's Office Staff (if required)

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: No

Treasury Report: Correcting Appropriation Scope Statement in Vote Official Development Assistance

1. We are seeking your agreement to correct an error in the Budget Cabinet Minute for Vote Official Development Assistance (ODA).

Cabinet established a new appropriation in Vote ODA...

2. As part of the 2018 Budget Package for Vote Official Development Assistance, Cabinet agreed to establish a new appropriation titled "*Management of New Zealand's International Development Cooperation*" (CAB-18-MIN-0158.20 refers).
3. This appropriation was previously titled "*Management of New Zealand's Official Development Assistance.*" The purpose of the change was for the title of the departmental appropriation to match the newly established non-departmental MYA: "*International Development Cooperation*" (CAB-18-MIN-0128.13 refers).

... however, an incorrect scope was inadvertently agreed...

4. We have since identified an error in the Cabinet Minute authorising the establishment of this appropriation. As shown in the table below, the scope for "*Hosting APEC 2021*" was inadvertently also approved as the scope for "*Management of New Zealand's International Development Cooperation.*"

Vote	Appropriation Minister	Name	Type	Scope
Official Development Assistance	Minister of Foreign Affairs	Management of New Zealand's International Development Cooperation	Departmental Output Expenses	This appropriation is limited to enabling the planning and delivery of the year-long Asia-Pacific Economic Cooperation 2021.

5. The intended scope for this appropriation is:

"This appropriation is limited to advice and representation on international development issues and the management of New Zealand's International Development Cooperation."

... and therefore this reports seeks approval to correct this error.

6. Cabinet delegated authority to joint Ministers to approve any technical adjustments necessary to remove any errors identified through this process (CAB-18-MIN-0158.20 refers). Our assessment is that correcting this error is within this delegation and therefore we seek your approval to change the scope. The intended scope appears in the 2018/19 Estimates for Vote ODA.

Recommended Action

We recommend that you:

- a **agree** to change the scope for the appropriation titled "*Management of New Zealand's International Development Cooperation*" in Vote Official Development Assistance to:

"This appropriation is limited to advice and representation on international development issues and the management of New Zealand's International Development Cooperation."

Agree/disagree.
Minister of Foreign Affairs

Agree/disagree.
Minister of Finance

- b **note** the intended scope for this appropriation has been included in the 2018/19 Estimates for Vote Official Development Assistance.

Rachel Pettigrew
Acting Team Leader, International

Rt Hon Winston Peters
Minister of Foreign Affairs

Hon Grant Robertson
Minister of Finance