

Sector Overview

External Sector

Sector Overview Statement

The External Sector consists of six Votes which are administered by four departments - the Ministry of Foreign Affairs and Trade, the Ministry of Defence, the New Zealand Defence Force (NZDF), and the New Zealand Customs Service. These departments are collectively responsible for managing most of New Zealand's official relationships with the rest of the world and protecting its security at and beyond the border.

The government's overarching goal is to grow the New Zealand economy in order to deliver greater prosperity, security and opportunities to all New Zealanders. The External Sector contributes to this goal in several ways: through its activities to reduce or manage the risks to New Zealand from global and regional insecurity and trans-national threats (a critical pre-condition underpinning economic growth and social wellbeing); through its aid to promote the security and sustainable economic growth of developing countries especially in our region; through its contributions to the development of international rules for dealing with global issues and promoting the conduct of international trade and commerce; through its work to increase the competitiveness of New Zealand business; and through its initiatives to assist the flow of people, capital, trade, technology and ideas to New Zealand to build a more competitive resource base for the economy.

The world economy is currently facing its biggest challenge in 60 years, with global economic growth and world trade in sharp decline. The departments in the External Sector will give priority to maintaining New Zealand's security and managing New Zealand's international relations through the recession, and ensuring New Zealand is well placed to take advantage of the eventual recovery. Each department will also give high priority to improving the value for money received from the resources appropriated in its Votes.

Ministry of Foreign Affairs and Trade

The Ministry of Foreign Affairs and Trade has primary responsibility for conducting the Government's business with other countries and international organisations. It is responsible for New Zealand's network of overseas posts which provide the platform for government agencies to operate overseas. The heads of its Embassies and High Commissions are the Government's official representatives in other countries.

The Ministry's key activities to further the Government's priorities in 2009/10 are to strengthen relationships with key partner countries to support our security and economic aspirations; intensify efforts to secure the long-term security and economic growth of the South Pacific and key partner countries in the region; pursue a rich agenda of free trade agreements; lead development of a more flexible and productive model for NZ Inc agencies to support New Zealand businesses and pursue New Zealand's interests offshore.

Another priority for the Ministry is its work within the multilateral system to achieve New Zealand goals, particularly in the areas of resource diplomacy and climate change. We will participate in international climate change negotiations to ensure that New Zealand's obligations in any agreement to succeed the Kyoto Protocol maintain our competitiveness and the Government's growth agenda.

Through NZAID, the Ministry will also support sustainable economic growth in developing countries, particularly in the South Pacific, to try to reverse long-run contractionary influences and trends towards dependency, and maximising the efficiency of this support.

New Zealand Defence Force

The NZDF's contribution to the External Sector is reflected in the deployment of some 400 NZDF personnel on over 10 different operational missions around the world in support of New Zealand's security. The most significant are in Timor-Leste, the Solomon Islands, and Afghanistan. The NZDF also contributes to the External Sector through its network of military adviser and attaché staff serving overseas.

On a day-to-day basis in New Zealand, the force elements of the NZDF train to be ready, if and when required by the Government, to ensure New Zealand's security. Preparedness for operations, wherever and whenever they may be, is the overriding priority for the NZDF.

The Government's main priority for NZDF in 2009/10 is the completion of the Defence Review leading to a White Paper in early 2010. That Review will give clarity to how the NZDF will contribute to the Government's security outcomes for the future. The other main initiatives agreed in these *Estimates of Appropriations* include funding to further progress key priorities and to provide for 2009/10 operating pressures. These primarily involve sustaining personnel growth, future personnel growth, operating costs and depreciation impacts associated with new equipment.

The NZDF, through Veterans' Affairs New Zealand, is responsible for providing a range of service to veterans. It contributes to the External Sector by ensuring veterans are recognised for their service and that the impacts of service on veterans and their dependents are monitored and addressed. This indirectly contributes to the ongoing recruitment and retention of high quality NZDF personnel. The Government's intent underpinning policy related to veterans is "Respecting Veterans, Honouring Service". This is supported and implemented by initiatives aligned with the broader principles of:

- Respecting Veterans
- Strengthening Communities
- Dignity for older New Zealanders.

Ministry of Defence

The roles and functions of the Ministry of Defence are established by the Defence Act 1990. The Ministry contributes to the External Sector by working to ensure that New Zealand is secure and that the security of other nations is enhanced by New Zealand's efforts. It does this through its statutory duty to give advice to the Government on issues relating to New Zealand's defence policy, doctrine, military capabilities and deployments of the NZDF and its responsibility for acquiring major items of equipment for the NZDF and for providing independent audits of the NZDF functions, duties and projects.

The Government has commissioned a Defence Assessment under section 24(2)(c) of the Defence Act 1990. This assessment will review overall defence policy and a number of other aspects of Defence management, including procurement. It will inform the White Paper on defence policy which is scheduled to be published in 2009/10.

New Zealand Customs Service

Customs contributes to the External Sector through its lead role in managing New Zealand's border interests. The effective management of New Zealand's borders plays a key role in making trade easy, thereby supporting the competitive advantage of New Zealand exporters, as well as contributing to New Zealand's security.

Customs provides policy advice on customs aspects of New Zealand's trade negotiations and agreements. It works closely to provide support for other Customs administrations, including capacity-building in the Pacific, by working with NZAID and other organisations such as the Australian Customs and Border Protection Service, the Oceania Customs Organisation and the World Customs Organisation.

Customs also works with the Ministry of Defence and the NZDF to protect New Zealand from major external threats, particularly through the National Maritime Coordination Centre, which coordinates whole-of-government maritime patrol and surveillance assets and related information for civilian purposes.

The Government's three priorities for Customs in 2009/10 are to advance integration of trans-Tasman border clearance; to develop and implement the Joint Border Management System and Trade Single Window; and to increase interceptions of illicit drugs and precursor materials entering New Zealand.

Ministerial Statements of Responsibility

Each of us is satisfied that the information on future operating intentions provided by our respective departments and included in the *Information Supporting the Estimates* for the External Sector is in accordance with sections 38 and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the government.



Hon Murray McCully

Responsible Minister for the Ministry of Foreign
Affairs and Trade

22 April 2009



Hon Dr Wayne Mapp

Responsible Minister for the Ministry of Defence
Responsible Minister for the New Zealand Defence
Force

22 April 2009



Hon Maurice Williamson

Responsible Minister for the New Zealand Customs
Service

22 April 2009

Chief Executive Statements of Responsibility

Ministry of Foreign Affairs and Trade

In signing this statement, I acknowledge that I am responsible for the information contained in the *Information Supporting the Estimates* for the External Sector relating to the Ministry of Foreign Affairs and Trade and for the Votes for which the Ministry of Foreign Affairs and Trade is the administering department. Specifically, this information is contained in the Ministry of Foreign Affairs and Trade's statement of forecast service performance, forecast financial statements and statement of intent.

This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriation (2009/10 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Simon Murdoch
Secretary of Foreign Affairs and Trade
Ministry of Foreign Affairs and Trade
22 April 2009



Paul Helm
Director of Finance
Ministry of Foreign Affairs and Trade
22 April 2009
Counter-signed

Ministry of Defence

In signing this statement, I acknowledge that I am responsible for the information contained in the *Information Supporting the Estimates* for the External Sector relating to the Ministry of Defence and for the Vote for which the Ministry of Defence is the administering department. Specifically, this information is contained in the Ministry of Defence's statement of forecast service performance, forecast financial statements and statement of intent.

This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriation (2009/10 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



John McKinnon
Secretary of Defence
Ministry of Defence
22 April 2009



Bryan Westbury
Deputy Secretary (Finance)/Chief Financial Officer
Ministry of Defence
22 April 2009
Counter-signed

New Zealand Defence Force

In signing this statement, I acknowledge that I am responsible for the information contained in the *Information Supporting the Estimates* for the External Sector relating to the New Zealand Defence Force and for the Votes for which the New Zealand Defence Force is the administering department. Specifically, this information is contained in the New Zealand Defence Force's statement of forecast service performance, forecast financial statements and statement of intent.

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J Mateparae
Lieutenant General
Chief of Defence Force
New Zealand Defence Force
22 April 2009



M Horner
Corporate Financial Officer
New Zealand Defence Force
22 April 2009
Counter-signed

New Zealand Customs Service

In signing this statement, I acknowledge that I am responsible for the information contained in the *Information Supporting the Estimates* for the External Sector relating to the New Zealand Customs Service and for the Vote for which the New Zealand Customs Service is the administering department. Specifically, this information is contained in the New Zealand Customs Service's statement of forecast service performance, forecast financial statements and statement of intent.

This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriation (2009/10 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Martyn Dunne
Comptroller of Customs
New Zealand Customs Service
22 April 2009



John Kyne
Chief Financial Officer
New Zealand Customs Service
22 April 2009
Counter-signed

