

# The Treasury

## Budget 2023 Information Release

July 2023

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## 2023 Budget Package: Vote Agriculture, Biosecurity, Fisheries and Food Safety (Technical Initiatives)

### Appropriation Administrator: Ministry for Primary Industries

It is recommended that the relevant Appropriation Minister and the Minister of Finance jointly:

- note** that Cabinet has approved the Budget initiative(s) for the above Vote for inclusion in the 2023 Budget package, as detailed in the summary table(s) below:

### Summary of Technical Initiative(s) agreed by Cabinet:

#### Operating Initiative(s) (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
15128	Fiscally Neutral Transfer of Funding Within Biosecurity MCA to Cover Grants for Biosecurity Programme	-	-	-	-	-
15151	Fiscally Neutral Transfer of Funds Between Appropriations for Takutai Trust Agreement Grant Funding	-	-	-	-	-
15243	New Zealand Traveller Declaration Programme Costs Fiscally Neutral Adjustment	-	-	-	-	-
15129	Operating to Capital Swap for the Forestry Emissions Trading Scheme (ETS) Transformation Programme	-	-	-	-	-
15150	Transfer of Grant Funding to New Non-departmental Output Expense, Agriculture: Grants Supporting Sustainability	-	-	-	-	-
<b>Total Operating</b>		-	-	-	-	-

#### Capital Initiative(s) (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
15128	Fiscally Neutral Transfer of Funding Within Biosecurity MCA to Cover Grants for Biosecurity Programme	-	-	-	-	-
15151	Fiscally Neutral Transfer of Funds Between Appropriations for Takutai Trust Agreement Grant Funding	-	-	-	-	-

15243	New Zealand Traveller Declaration Programme Costs Fiscally Neutral Adjustment	-	-	-	-	-
15129	Operating to Capital Swap for the Forestry Emissions Trading Scheme (ETS) Transformation Programme	3.027	-	-	-	-
15150	Transfer of Grant Funding to New Non-departmental Output Expense, Agriculture: Grants Supporting Sustainability	-	-	-	-	-
<b>Total Capital</b>		<b>3.027</b>	-	-	-	-

2 **note** that Cabinet has:

- i. **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to the changes to appropriations (including establishment of new appropriations if necessary) and/or capital injections and related recommendations necessary to give effect to the initiative(s) included in the 2023 Budget package for the above Vote, as detailed in the summary table(s) above;
- ii. **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2022/23 approved by Joint Ministers as authorised above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- iii. **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2023/24 Estimates and being sought in the Appropriation (2023/24 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
- iv. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2022/23 Supplementary Estimates, the 2023/24 Estimates and the fiscal forecasts;
- v. **authorised** the chief executives of departments that monitor Crown entities directly affected by Budget decisions taken by Cabinet or taken by Joint Ministers as authorised by Cabinet 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 and/or Statement of Performance Expectations;
- vi. **noted** that all communications relating to the 2023 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;

3 **agree** to establish new appropriations where required to implement the initiative(s) included in the summary table(s) above, as detailed in the attached initiative document(s);

- 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiative(s) included in the summary table(s) above, as set out in the attached initiative document(s);
- 5 **approve** the additional recommendation(s) to give effect to the initiative(s), as set out in the attached initiative document(s);
- 6 **agree** that the proposed change(s) to appropriations and/or capital injections for 2022/23 detailed in the attached initiative document(s) be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase(s) be met from Imprest Supply;

**Vote:** Agriculture, Biosecurity, Fisheries and Food Safety

**Appropriation Administrator:** Ministry for Primary Industries

**Title:** Fiscally Neutral Transfer of Funding Within Biosecurity MCA to Cover Grants for Biosecurity Programme

**Description:** A fiscally neutral transfer of funding is required within the Biosecurity: Border and Domestic Biosecurity Risk Management MCA to provide grants to other organisations for biosecurity programmes and initiatives.

### Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

\* Unless non-cash, will also impact net debt.

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Biosecurity: Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Biosecurity Incursion Response and Long Term Pest Management (funded by revenue Crown)	(5.770)	-	-	-	-
<i>Non-Departmental Output Expenses:</i>					
Biosecurity: Grants Supporting Biosecurity Programmes and Initiatives	5.770	-	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

- 7 **note** that fiscally neutral transfers of funding between the above departmental and non-departmental categories for 2023/24 and outyears will be sought through the 2023 October Baseline update once the amounts relating to grants have been finalised;

**Vote:** Agriculture, Biosecurity, Fisheries and Food Safety

**Appropriation Administrator:** Ministry for Primary Industries

**Title:** Fiscally Neutral Transfer of Funds Between Appropriations for Takutai Trust Agreement Grant Funding

**Description:** A fiscally neutral transfer of funding is required within the Fisheries: Managing the Resource Sustainably MCA to provide for the Takutai Trust agreement.

### Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

\* Unless non-cash, will also impact net debt.

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Fisheries: Managing the Resource Sustainably (MCA)					
<i>Departmental Output Expenses:</i>					
Fisheries: Aquaculture (funded by revenue Crown)	(0.932)	-	-	-	-
<i>Non-Departmental Output Expenses:</i>					
Fisheries: Grants to Manage Sustainable Use of Fisheries Resources	0.932	-	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

- 8 **note** that fiscally neutral transfers of funding between the above departmental and non-departmental categories for 2023/24 and outyears will be sought through the 2023 October Baseline update once the amounts relating to the grants have been finalised;

<b>Vote:</b>	Agriculture, Biosecurity, Fisheries and Food Safety
<b>Appropriation Administrator:</b>	Ministry for Primary Industries
<b>Title:</b>	New Zealand Traveller Declaration Programme Costs Fiscally Neutral Adjustment
<b>Description:</b>	A fiscally neutral adjustment is sought to increase operating expenses incurred by the Ministry of Primary Industries, offset by revenue from New Zealand Customs Service, towards the implementation of the New Zealand Traveller Declaration which is part of the Reconnecting New Zealanders work programme.

### Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	2.000	-	-	-	-
<b>Total</b>	<b>2.000</b>	-	-	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Biosecurity: Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Border Biosecurity Monitoring and Clearance (funded by revenue Dept)	2.000	-	-	-	-
<b>Total Operating</b>	<b>2.000</b>	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-



**Vote:** Agriculture, Biosecurity, Fisheries and Food Safety

**Appropriation Administrator:** Ministry for Primary Industries

**Title:** Operating to Capital Swap for the Forestry Emissions Trading Scheme (ETS) Transformation Programme

**Description:** An operating to capital funding swap is required for the Forestry Emissions Trading Scheme Transformation Programme in 2022/23 only. The increase in capital will be offset by a corresponding reduction in operating expenditure under Vote Forestry. The additional capital funding will ensure that all core legislative requirements are fully tested before implementation.

**Appropriation Changes**

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	3.027	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>3.027</b>	-	-	-	-

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Capital Injections:</b>					
Ministry for Primary Industries - Capital Injection	3.027	-	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	<b>3.027</b>	-	-	-	-

9 **note** that the corresponding initiative in Vote Forestry is Initiative No: 15130;

10 **note** that consequential capital charge and any depreciation expenses will be met within existing baselines;

**Vote:** Agriculture, Biosecurity, Fisheries and Food Safety

**Appropriation Administrator:** Ministry for Primary Industries

**Title:** Transfer of Grant Funding to New Non-Departmental Output Expense, Agriculture: Grants Supporting Sustainability

**Description:** A fiscally neutral transfer of funding is required within the Agriculture: Programmes Supporting Sustainability MCA and from the Development and Implementation of Primary Industries Policy Advice MCA to the Agriculture: Grants Supporting Sustainability category. This is required to provide grants relating to several initiatives including Jobs for Nature, workforce programme, Māori Agribusiness, career pathway scheme and funding to SPCA.

### Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

\* Unless non-cash, will also impact net debt.

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Departmental Output Expenses:</b>					
Implementation of COVID-19 Assistance for Primary Industries (funded by revenue Crown)	(2.000)	-	-	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Agriculture: Programmes Supporting Sustainability (MCA)					
<i>Departmental Output Expenses:</i>					
Agriculture: Administration of Grants and Programmes (funded by revenue Crown)	(0.040)	-	-	-	-
Animal Welfare: Education and Enforcement (funded by revenue Crown)	(2.540)	-	-	-	-
<i>Non-Departmental Output Expenses:</i>					
Agriculture: Grants Supporting Sustainability	16.542	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Agriculture: Programmes Supporting Sustainability (MCA)	13.962	-	-	-	-
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Agriculture: Policy Advice and Ministerial Servicing (funded by revenue Crown)	(11.962)	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Primary Industries Policy Advice (MCA)	(11.962)	-	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

## Additional Recommendation

- 11 **note** that Joint Ministers agreed to the establishment of the above Agriculture: Programmes Supporting Sustainability (MCA) category at the 2022/23 March Baseline Update; and
- 12 **note** that fiscally neutral transfers of funding between the above departmental and non-departmental categories for 2023/24 and outyears will be sought through the 2023 October Baseline update once the amounts relating to grants have been finalised.