

New Zealand ODA Budget Profile

Budget4Change

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1. Budgetary Process

The fiscal year runs from 1st April to 31st March each year.

The Budget process can be divided into distinct phases:

Strategic Phase

Covers Ministers' development of an overall strategy for the Budget, including strategic priorities and targets for spending, revenue, the projected fiscal surplus, and public debt intentions. Decisions taken during the strategic phase are reflected in the Government's Budget Policy Statement (BPS) which is required to be tabled in Parliament by no later than 31 March.

Baseline Alignment Phase

Covers Cabinet determining any shares of new spending in each Vote, aligning spending in each Vote to ensure that it is consistent with Government priorities and Cabinet making final decisions about the overall shape of the Budget package. For Budget 2010 this consisted of two different phases:

- Budget Baseline submissions, which update departmental budgets for the next three years for any technical adjustments required under existing policy
- Baseline Alignment Proposals (BAPs), which set out proposed changes in each Vote to ensure that spending is aligned with the Government's priorities.

Parliamentary Phase

The process for obtaining Parliamentary support for the Government's Budget package. This includes examination of the Estimates for each Vote by the appropriate Select Committee.

Implementation Phase

Covers any subsequent amendments to the Budget. Where additional appropriations are needed during the course of the year, spending is authorised by Parliament before the end of the financial year, via the Appropriation (Supplementary Estimates) Bill. In the interim, authority for additional spending is provided by an Imprest Supply Act.

2. Government Departments & ODA

Prior to 2002, New Zealand's development assistance was managed by the Ministry of Foreign Affairs and Trade (MFAT). In 2002, the New Zealand Agency for International Development (NZAID) was established as a semi-autonomous development agency within MFAT. This was a period of significant growth for New Zealand's international development assistance. In April 2009, the semi-autonomous status of NZAID was rescinded, and management of development assistance was reintegrated to MFAT. The activities that made up the NZAID programme were renamed the New Zealand Aid Programme.

The Ministry of Foreign Affairs and Trade (MFAT) is thus responsible for the entirety of New Zealand's ODA.

The Pacific is the core geographic focus of New Zealand Aid Programme activities. Over half of New Zealand's total aid goes to this region. The New Zealand Aid Programme also supports development in Asia, Latin America, and Africa. Global development efforts are supported through funding from the New Zealand Aid Programme to international agencies.

3. Budget documents and links

A guide to the New Zealand budget process can be found here:

<http://www.treasury.govt.nz/budget/process>

The home page for the most recent budget can be found here: <http://www.treasury.govt.nz/budget/2011>

Detailed estimates of budget appropriations can be found here:

<http://www.treasury.govt.nz/budget/2011/estimates>

Information on spending priorities can either be found in the NZ Aid annual review

<http://www.aid.govt.nz/library/publications/annual-review.html> or the 'Currents' publication:

<http://www.aid.govt.nz/library/publications/currents.html>

Development Aid in the budget

The New Zealand budget is divided into a number of 'votes' (essentially categories of expenditure) and one of these votes is Official Development Assistance (ODA). Each vote has its own budgetary spending estimates published in a separate document, therefore the spending estimates for ODA can be obtained from the relevant documents for that vote.

Historic budgetary documentation for the Official Development Assistance vote within the New Zealand Budget can be found here: <http://www.treasury.govt.nz/budget/votehistory/offdev/>