

New Zealand Aid Programme Strategic Plan 2015–19



NEW ZEALAND FOREIGN AFFAIRS & TRADE Aid Programme



### New Zealand Aid Programme Strategic Plan 2015–19

Ministry of Foreign Affairs and Trade Manatū Aorere

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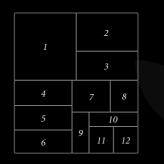
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The mission of the New Zealand Aid Programme is to support sustainable development in developing countries, in order to reduce poverty and to contribute to a more secure, equitable, and prosperous world

# Introduction

New Zealand's aid programme aims to make a positive difference in people's lives, demonstrated through tangible, measurable results. To do this, we need a plan that outlines our ambition and focus.

Country relationships are at the heart of the New Zealand Aid Programme.

We maintain a thematic focus on sustainable economic development.

This strategic plan sets out our intentions and priorities for the next four years. It continues implementation of the 2011 International Development Policy Statement, which defines the mission of the New Zealand Aid Programme. The plan also reflects the Ministry of Foreign Affairs and Trade (MFAT)'s new strategic framework and four-year plan. It highlights the contribution New Zealand's aid makes to developing shared prosperity and stability in our region and beyond.

Country relationships are at the heart of the New Zealand Aid Programme. We focus our aid and influence to achieve sustainable, inclusive and resilient development outcomes that meet the aspirations of people in our partner countries.

We maintain a thematic focus on sustainable economic development. We will invest in 12 investment priorities that reflect key development opportunities in partner countries and draw on New Zealand strengths. Two of these, agriculture and renewable energy, are our flagship priorities.

The principle of 'Pacific focus, global reach' will continue to guide the geographic focus of our bilateral and regional aid. We will work across all 12 priorities in the Pacific, where we invest the majority of our aid. In other regions, we will focus on our flagships and a limited number of other priorities. We will also invest in multilateral partnerships that deliver development outcomes in over 150 developing countries.

New Zealand's aid budget will increase over the next three years. Our budget will be invested in line with our focus on the Pacific and on sustainable economic development. Aid to ASEAN countries, especially the poorer members, will also increase substantially.

MFAT is accountable to New Zealand tax payers. We seek to deliver the most effective development outcomes at the lowest feasible cost. Our approach to aid at the country level will be coherent, supported by robust information, and focused to make a measurable difference. We will increase our effectiveness and speed of delivery by specialising in initiatives where we can offer particular value for partner countries. We will replicate successful approaches where appropriate.

Leadership on key development policy issues complements our financial investments. We will continue to advocate for development-friendly New Zealand policies, and be a champion internationally for development issues affecting small island developing states. We will also step up leadership of a whole-ofgovernment approach to aid delivery.

Our development investments and policy leadership will deliver effective and sustainable development outcomes for our partners. Through this we will contribute to the ambitious global targets for poverty eradication, economic transformation, and inclusive growth under the United Nations post-2015 development agenda.

# Strategic direction

The Ministry of Foreign Affairs and Trade acts in the world to make New Zealanders safer and more prosperous. It seeks to deliver value to New Zealand through

Improved prosperity for New Zealand and our region

The stability, security and resilience of our country, our people, and our region

Leadership, by amplifying New Zealand's influence and standing in the world

Stewardship, or kaitiakitanga, by delivering solutions to global challenges for the benefit of present and future generations

The purpose of New Zealand's aid is to develop shared prosperity and stability in our region and beyond, drawing on the best of New Zealand's knowledge and skills.

### Purpose

The New Zealand Aid Programme is integral to the delivery of MFAT's strategic intentions.

The purpose of New Zealand's aid is to develop shared prosperity and stability in our region and beyond, drawing on the best of New Zealand's knowledge and skills.

We invest Money Knowledge Skills

### We deliver Sustainable development Poverty reduction Humanitarian support

### Pacific focus, global reach

he geographic focus for New Zealand's aid is our **Pacific neighbourhood**. New Zealanders share an interest with Pacific peoples in seeking prosperity and stability in our region. Close to 60% of our aid will be directed to the Pacific.

Close to 60% of our aid will be directed to the Pacific

The New Zealand Aid Programme invests money, knowledge, and skills to deliver sustainable development and poverty reduction in partner developing countries. It also provides humanitarian support in response to crises around the world.

New Zealand's development and humanitarian investment:

- > reflects New Zealand's responsibility as a Pacific neighbour and global citizen
- > mirrors New Zealanders' values
- > supports shared regional and global prosperity and stability
- > reinforces New Zealand's international reputation
- > strengthens New Zealand's international connections.

We achieve global reach through:

- > targeted aid to **developing countries** where New Zealand has strategic interests and can achieve impact linked to what we are good at
- > partnerships with selected multilateral organisations
- > humanitarian action to save lives and alleviate suffering resulting from natural disasters and conflict.

### **Country focus** and **coherence**

Targeted Commitments aid portfolio: for Afghanistan Development Cambodia Cook Islands Laos Fiji Philippines Indonesia Nauru Kiribati Viet Nam Myanmar Niue Individual Papua initiatives: New Guinea Africa Samoa Latin America Solomon Islands Caribbean Timor-Leste Tonga Small project Tokelau support: Tuvalu North Pacific

ountry partnerships are at the heart of our ✓aid approach, and the majority of our aid is delivered to individual countries. Our partner country relationships are based on an understanding of their priorities, a clear sense of where New Zealand can add most value, and a shared understanding of the results we want to achieve.

Our relationships and investments vary with the different development contexts in each of our partner countries. Not all priority areas will be a focus in every country.

For each country where we have sizeable aid investment we will develop a strategy based on engagement with our partners, robust evidence, and analysis. These strategies will shape the different components of New Zealand's overall aid and provide a coherent country aid framework. Our staff in partner countries lead engagement on New Zealand's aid investments and related policy issues. Details of New Zealand's development engagement with each partner country are published on the MFAT website.

Partnerships with countries where we have our larger aid programmes are reinforced by Joint Commitments for Development or equivalent documents. These high-level commitments give an integrated view of New Zealand's aid investments, outline the process of policy dialogue, and set out mutual accountabilities and results. New Zealand currently has this form of partnership with the Cook Islands, Indonesia, Kiribati, Niue, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tokelau, Tuvalu, and Vanuatu. We anticipate a similar approach with Fiji and Myanmar.

In Afghanistan, Cambodia, Laos, the Philippines, Nauru, and Viet Nam, we maintain a targeted country aid portfolio.

In countries in Africa, Latin America, and the Caribbean we invest in individual initiatives. In the North Pacific, we support small projects.

### Maximising the impact of New Zealand's aid

o help achieve high development impact, we will improve the focus of the aid programme by:

- > aligning our aid to the focus areas in our 12 investment priorities
- > being clear about which investment priorities we offer in different parts of the world
- > concentrating effort and resources on important areas in each country to avoid spreading resources too thinly

> investing in initiatives at an appropriate scale.

### **Principles** and competencies

he following principles guide our strategic choices and how we work. We:

- > are ambitious for the people and communities in countries we work with
- > draw on New Zealand's strengths
- > listen to and work with our partners to deliver locally appropriate results
- > invest for enduring change
- > collaborate for scale and impact
- > deliver on our commitments
- > act on and learn from evidence of our work
- > are accountable for results
- > play our part in times of crisis.

We work in areas that use our strengths and characteristics including our:

- > skills and expertise in sustainable development
- > identity as a Pacific nation
- > flexible, practical, and efficient aid delivery systems
- > reputation for integrity and fair play
- > experience of iwi economic development
- > experience and reputation in multilateral engagement
- > government-to-government relationships
- > role in donor coordination and leveraging investment.

### Investment of increased aid budget

Investments over the next three years:

**\$1B** in the Pacific

### \$600M

in economic development

\$200M in ASEAN

Tew Zealand's aid budget will increase over the funding period 2015/16 to 2017/18. We will align our budgeted investments to our strategy by:

- > focusing on the Pacific; \$1 billion (close to 60%) of our aid is forecast to be invested in the Pacific
- > emphasising sustainable economic development; about \$600 million (45%) of our investment by sector is forecast to be in economic development, focusing on agriculture, renewable energy, and information and communications technology [ICT] connectivity
- > increasing resources for Association of South East Asian Nations (ASEAN) members; about \$208 million (close to 12%) of our aid is forecast to be invested in ASEAN, especially in Myanmar and the other least-developed country members

We will be clear about how New Zealand can best add value and will define the areas we specialise in to meet country priorities. Where possible and appropriate, we will adapt successful approaches from one country to another. We will develop partnerships to capitalise on New Zealand knowledge and skills to deliver sustainable development outcomes in the areas we specialise in.

We will also increase the impact of our aid by identifying ways of encouraging more private investment for development. This could include public-private partnerships, blended finance, risk-sharing, and revolving funds.

- > increasing aid to Melanesia, including scaling up significantly in Papua New Guinea and Fiji
- > redeploying aid in response to shifts such as New Zealand's planned transition out of Afghanistan
- > targeting resources to support resilience to climate change and other risks
- > enhancing our ability to respond to humanitarian crises.

### Indicative **programme allocations** (\$) 2015/16-2017/18

### Pacific

### **Bilateral programmes**

Cook Islands	42,000,000
Fiji	33,000,000
Kiribati	38,000,000
Nauru	7,000,000
Niue	39,500,000
Papua New Guinea	70,000,000
Samoa	38,000,000
Solomon Islands	55,000,000
Tokelau	40,000,000
Tonga	38,000,000
Tuvalu	11,300,000
Vanuatu	50,000,000

### Regional programmes

Pacific Economic Development	67,500,000
Pacific High Commission Fund	4,500,000
Pacific Human Development	52,000,000
Pacific Regional Agencies	65,000,000
Pacific Transformational Fund	146,900,000

### Asia

Indonesia	40,100,000
Myanmar	27,500,000
Timor-Leste	30,200,000
ASEAN	64,000,000
Other Asia	14,500,000

ASEAN = Association of South East Asian Nations. This programme covers investments in individual ASEAN member countries (Cambodia, Laos, Philippines, Viet Nam) and region-wide initiatives.

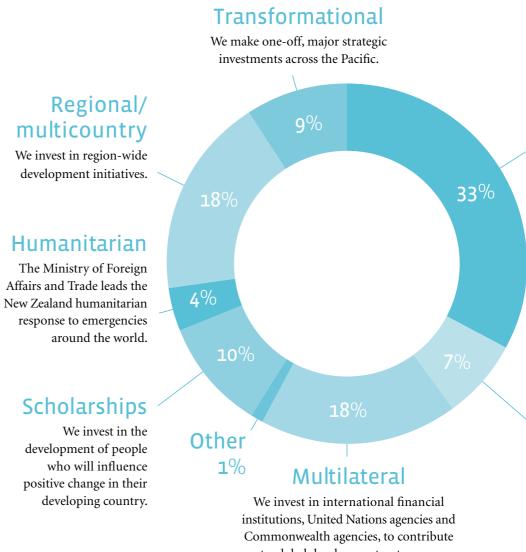
### Other

Total

Africa	31,000,000
Latin America/Caribbean	14,000,000
Humanitarian	65,900,000
Multilateral Agencies	300,000,000
Partnerships & Funds	127,000,000
Scholarships	171,000,000
Climate Change Funding	9,500,000
Strategic Evaluation and Research	8,500,000



### Proportion of **funding** by programme type 2015/16-2017/18



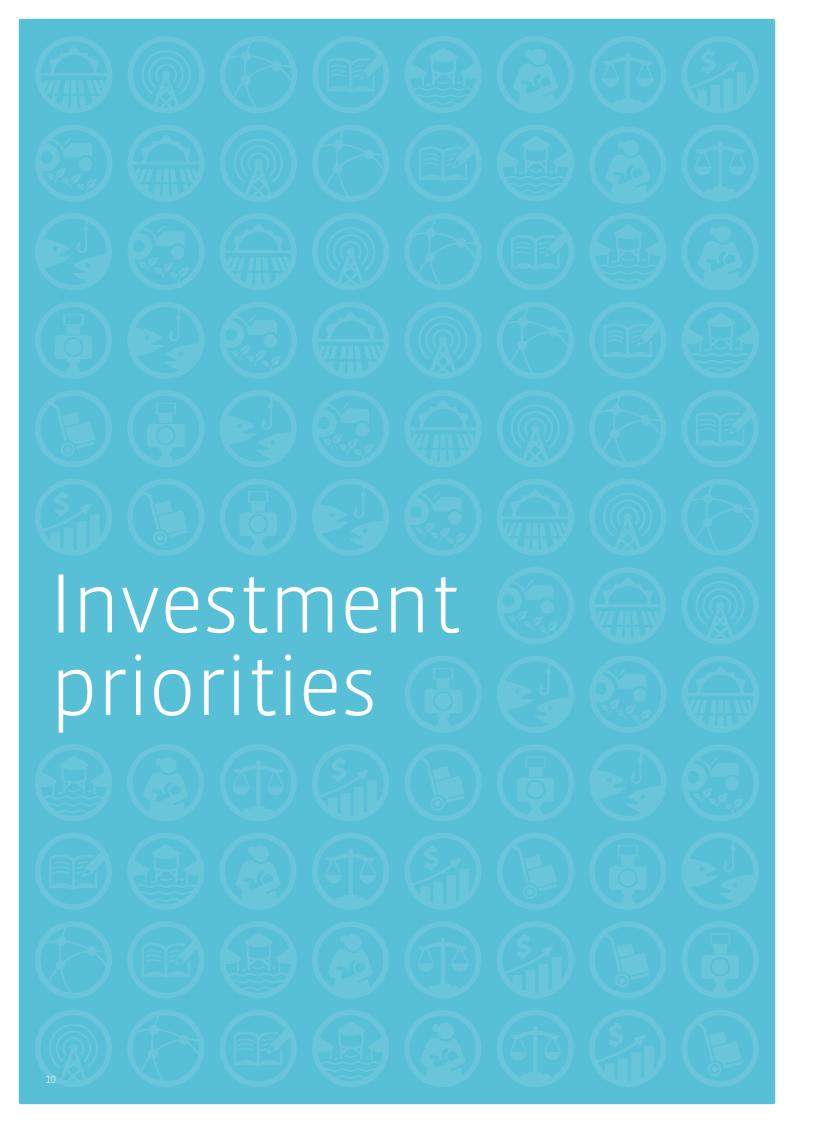
to global development outcomes.

### Bilateral

We work closely with partner governments on development priorities.

### **Partnerships**

The New Zealand Aid Programme funds longterm partnerships with a number of New Zealand organisations. We also provide a contestable fund for non-government and private sector organisations to contribute to positive development outcomes.



### **A framework** for investment

ur 12 investment priorities are a framework for our aid, capability, and policy engagement. The focus areas under each priority reflect key development opportunities in our partner countries and draw on New Zealand's strengths. In these areas we will generate sustainable, inclusive, and resilient development outcomes in the countries that we work in.

Our priorities emphasise private-sector-led growth that supports sustainable development. They focus on improving well-being and reducing poverty, hardship, and vulnerability through access to economic opportunities and high-quality public services. To strengthen the sustainability of our aid, our priorities also support resilience to climate change, natural disasters, and external economic events.

When developing country strategies, we will engage with partner countries on how we can best contribute to their development goals through our investment priorities. The spread of our investments across priorities, and the depth of our investments within each priority, will look different in each country.

In the Pacific, we will invest across all 12 investment priorities. Elsewhere, we will target investment within four priorities and respond to humanitarian emergencies.

### Specialising for stronger results

ur scale requires us to be focused in the range of initiatives we invest in within our priorities.

Beginning with our flagships, we will document the types of initiatives where we have strengths and can deliver a high level of impact. We will draw on development approaches that work well in one country when dealing with similar issues in others and develop approaches that can be more quickly deployed.



A companion publication to this plan provides more detailed information on our investment priorities.

#### Our investment priorities support each other, and are not silos.

Private-sector-led growth requires an enabling business environment and healthy, educated people. Improving health and education outcomes requires investments in infrastructure and ICT. We will build on these interrelationships to achieve a coherent, effective approach to development.

### **Flagship priorities**

Agriculture and renewable energy are our flagship priorities over the next four years.

These are areas where New Zealand is recognised for its specialist expertise and can deliver sustainable and inclusive development outcomes. We will increase our engagement in regional and international development policy in our flagships. We will also promote better coordination among donors in the Pacific to maximise the impact of aid in these areas.

Specialisation and replication will mean we invest in a smaller range of initiatives but strengthen the value of our aid by "doing what we do well". It will improve our delivery times and increase our efficiency. But it will not compromise our ability to tailor our aid to the context and priorities of each partner country.











### 

#### **RENEWABLE ENERGY** (FLAGSHIP)

Expand access to affordable, reliable and clean energy

- > Improve access to reliable and renewable energy through new infrastructure and technical assistance
- > Identify and support greater private-sector participation in the energy sector
- > Strengthen sector planning and asset management to improve service quality and efficiency

## AGRICULTURE

(FLAGSHIP)

Increase economic and food security benefits from agriculture

- > Promote market-led agriculture by strengthening value chains
- > Improve market access through better biosecurity and food safety systems
- > Build resilience and tackle food security and nutritional challenges

Increase economic and food security benefits from sustainable fisheries and aquaculture in the Pacific

**FISHERIES** 

- > Strengthen governance, transparency, stakeholder engagement, and rights-based management of fisheries at local, national, and regional levels
- > Enhance skills and capability to enforce fishing rules, monitor fishing, and assess the health of fish stocks
- > Support the development of proven aquaculture food-production technologies

1 Aerial view of solar array in the Cook Islands.

3 Training at the Marine Training Centre, Kiribati.

5 Cruise ship in Vanuatu. Photo: Vanuatu Tourism Authority

4 Fish at a market in Papua New Guinea.

6 Agricultural training in Botswana.

2 Produce at a Pacific market

### TOURISM

#### Increase economic benefits from tourism in the Pacific

- > Grow demand for tourism by improving infrastructure and investing in destination marketing and product development
- > Increase local value from tourism by strengthening skills and capability and linking local businesses and communities with tourism markets

# **INFORMATION &**

COMMUNICATIONS TECHNOLOGY

#### Expand ICT connectivity, access, and use in the Pacific

- > Improve access to affordable, high-quality, internet and telecommunications services
- > Increase the use of ICT to deliver government services such as education and health
- > Strengthen the online presence of the private sector in the Pacific and increase the availability of ICT tools for small and medium enterprises (SMEs)
- > Build ICT skills and capability through school curricula, vocational training, and digital literacy training



#### **TRADE & LABOUR** MOBILITY

Increase economic benefits from trade and labour mobility in the Pacific

- > Improve trade facilitation and market access with implementation assistance for Pacific Agreement on Closer Economic Relations (PACER) Plus, and support to improve biosecurity and customs systems
- > Improve the capability of SMEs to trade, obtain finance, and supply markets
- > Increase the development benefits of labour mobility
- > Enhance reliable transport links for people and goods by improving aviation and maritime safety and infrastructure

#### ECONOMIC GOVERNANCE

#### Strengthen economic governance in the Pacific

- > Help Pacific partner countries identify and implement their policy reform priorities through incentive-linked financial support and technical assistance
- > Strengthen the capability of the public sector to deliver high-quality services

**EDUCATION** 

Improve knowledge,

> Increase literacy and

information

region

skills, and basic education

numeracy by improving

attendance, teaching methods,

leadership and management,

and the use of assessment

> Strengthen the provision of

> Provide scholarships and

education in the Asia-Pacific

vocational training to support

economic opportunities and

in response to skills shortages



### RESILIENCE

22

LAW & JUSTICE

Strengthen law and justice

systems in the Pacific

> Improve community safety

corrections, and border

violence against women

> Strengthen democratic and

national integrity systems

> Improve access to justice by

and legal representation

strengthening court systems

by strengthening policing,

management, and preventing

#### Strengthen resilience

- > Improve the preparedness of Pacific and ASEAN partners to manage and recover from disasters
- > Invest in targeted disaster risk reduction and climate change adaptation initiatives
- > Mainstream disaster risk reduction and climate change adaptation measures across our aid investment portfolio





### HEALTH

#### Improve the health of people in the Pacific

- > Reduce the impact of noncommunicable diseases (NCDs) by reducing risk factors and increasing access to secondary NCD drugs, technology, and specialist services
- > Enhance maternal health by increasing access to modern contraception, reproductive health services, and better nutrition for pregnant women
- > Improve child health by increasing access to routine immunisation, life-saving vaccines, and better nutrition
- > Increase reliable access to clean water and sanitation services



#### **HUMANITARIAN** RESPONSE

Respond to humanitarian emergencies

- > Respond to requests for assistance in the Pacific and contribute to responses to larger-scale emergencies elsewhere
- > Invest in New Zealand's capability for offshore responses
- > Support economic recovery from emergencies in our region

7 Coffee beans in Timor-Leste.

8 The Pacific Domestic Violence Prevention Programme. 9 Children in Vanuatu receiving vaccinations. Photo: UNICEF 10 School students, Samoa.

11 Planting dragonfruit, Viet Nam. Photo: Marcus Adams 12 Tsunami signage, Cook Islands.



# Pacific focus

The Pacific region is the geographic focus of New Zealand's aid programme and where we will direct the majority of our aid.

> Tew Zealand is a Pacific island country with a long N history of engagement in the region, a large Pacific community, and a Pacific identity. Like other countries in the Pacific, we rely on the sustainability of our land, livestock, fish, and trees for our well-being. We also rely on trade with distant markets. Our connections, knowledge, and experience enable us to make an impact in the Pacific. Our connections also provide a strong rationale for the New Zealand Aid Programme's objective of building shared prosperity in the region.

We will support Pacific countries' aspirations to make the most of economic development opportunities, address continuing hardship, and build resilience to climate change and natural disasters. We will also equip Pacific people with the necessary skills and knowledge to take advantage of opportunities and address vulnerabilities. Our approach will adapt to changing contexts and circumstances, recognising that development pathways are dynamic and that our role will evolve over time.

The New Zealand Aid Programme will invest \$1 billion in the Pacific region over the next three years. This includes an increase of more than \$100 million over the previous funding period.

Our investments will be guided by individual country strategies that reflect the diversity and differing development time horizons across the region. These will focus our support in areas that are aligned to each country's own development priorities and deliver significant impact. Our strategies will also ensure coherence across all of New Zealand's aid to each country.

Our investments in Polynesia will remain strong, reflecting the breadth of our underlying relationships. Our focus in Samoa and Tonga will be to increase economic opportunities and jobs from tourism, agriculture, and private-sector development. We will invest in education, skills, and infrastructure management, and support enduring New Zealand institutional linkages.

New Zealand's constitutional bond with the Cook Islands, Niue, and Tokelau will continue as the basis of our support in these countries. This will include budget support linked to strengthening service delivery. We will continue to support opportunities for economic development such as tourism and fisheries. We will also continue to invest in improving public services such as education, health, and transport.

The Pacific atolls of Kiribati and Tuvalu are among the most economically and physically vulnerable in the world. Climate change, limited and low-lying land, growing populations, and weak water and sanitation infrastructure pose major risks to critical coastal ecosystems and fisheries. New Zealand's increased investment will support adaptation and resilience, and support governments to make decisions that are in their long-term interests.

We will increase our investment in Fiji, Papua New Guinea and Vanuatu. We will play an active role in supporting Vanuatu to recover from Cyclone Pam through investments in tourism, water and sanitation, and education.

Our renewed engagement with Fiji will focus on agriculture value chains, skills training, and building public-sector capability through links with New Zealand agencies.

Papua New Guinea's relatively favourable economic outlook sees it look increasingly to New Zealand for specialist knowledge and technology within a maturing development relationship. Budget increases will support major investments in agriculture and energy, and support a peaceful and positive future in Bougainville.

Our aid to Solomon Islands will focus on increasing skills, jobs, and economic growth.

We will maintain our focus on law and justice and education in Nauru. In the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau, we will fund small projects through the North Pacific Development Fund.

We will also set aside resources for a **Pacific** Transformational Fund. The fund will support large-scale investments with potential to achieve high development impact. The fund will primarily target agriculture, energy, ICT, and transport investments.



New Zealand Aid Programme Strategic Plan 2015-19

< School children take part in an activity day to promote domestic violence prevention in Vanuatu.

We will engage with Pacific governments and other donors on key policy issues and measures to make our development investments more effective. We will continue to work with New Zealand agencies on domestic policy initiatives (such as the Recognised Seasonal Employer scheme) that benefit Pacific development. We will also support Pacific development through regional and international negotiations.

MFAT will develop a framework for whole-ofgovernment engagement in the Pacific in 2015. Within this, we will strengthen the important role that New Zealand state-sector agencies play in the Pacific, and our leadership in coordinating their engagement with our partner countries.

We will support regional efforts that help Pacific countries collaborate and achieve common goals, including through delivery of affordable and quality technical services. We will work with Pacific Islands Forum countries under the new Framework for Pacific Regionalism to deliver on priorities for regional action.

Many of our investment priorities, including fisheries, maritime safety, and building resilience in vulnerable islands, lend themselves to regional or multi-country **delivery**. We will support this approach where it is the best way to achieve development outcomes for Pacific countries. We will also identify ways of using our aid to unlock larger contributions from other development partners and the private sector for development initiatives.



Beyond the Pacific, we engage with ASEAN and selected countries in Asia, Africa, Latin America, and the Caribbean. We use New Zealand's expertise to deliver results in agriculture, knowledge and skills, renewable energy, and disaster risk management.

> ew Zealand will increase overall aid investment to **ASEAN**. We will focus our aid in the ASEAN flagship areas of agriculture, knowledge and skills, and disaster risk management. We will promote coherence through a strategic focus on ASEAN as a whole, underpinned by country-level engagements.

> Our engagement will include regional, multi-country, and single-country initiatives. We will increase our focus on the least-developed members, particularly **Myanmar**, but also **Lao PDR** and **Cambodia**. We will make modest increases to development investment in **Indonesia**. Over the next three years, our engagement in **Viet Nam** will move to a broader partnership with less focus on aid resources.

> We will encourage initiatives through the New Zealand Partnerships for International Development Fund (Partnerships Fund) in ASEAN flagship areas. We will respond generously to significant humanitarian emergencies in the ASEAN region, including, where warranted by exceptional events and our ability to respond, through targeted practical assistance.

New Zealand's history of support for **Timor-Leste's** independence, its fragility, and its position on the edges of ASEAN and the Pacific islands regions underpin our relationship. Our aid will continue to support Timor-Leste's stability, education and skills, economic development, and private-sector growth. Increased funding will expand support for economic development. We will encourage initiatives through the Partnerships Fund and respond to major humanitarian crises. In other parts of Asia, including Afghanistan, New Zealand will follow through on existing commitments and complete and exit from activities over time. We will review our Sri Lanka engagement. The focus of our development partnership with China will move to policy engagement centred on mutual interests in the Pacific. Future Partnerships Fund investments will be open for agricultural activities in Sri Lanka, Bangladesh, and Nepal.

We will increase resources in Africa, working with others for scale, leverage, and impact. The geographic focus will be on countries in Eastern Africa (Kenya, Rwanda, and Ethiopia) and Southern Africa (Botswana, Zambia, Tanzania, and Malawi), with possibility of extension to Ghana and Nigeria. We will draw on New Zealand's expertise in agriculture and geothermal energy, working with well-established delivery partners with local knowledge. We will encourage initiatives through the Partnerships Fund aligned with this geographic and sectoral focus. Scholarships for study in agriculture and renewable energy, and English language training for officials, will be available to a wider set of African countries. We will play our part in supporting humanitarian action in larger-scale crises.

In Latin America we will complete the existing agriculture portfolio (Colombia, Peru, Chile, Uruguay, and Paraguay). We will move out of investing in individual aid projects in Latin America during this four-year period, while continuing a focus on knowledge and skills.

In the **Caribbean**, we will focus on investments in geothermal energy and disaster risk management. We will complement this with targeted skills development. We will review our Caribbean portfolio in 2017/18 and identify future priorities for support in consultation with the region.



# Multilateral engagement

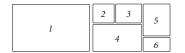
New Zealand is a strong supporter of multilateral development organisations. Investing in these organisations allows us to contribute to sustainable development outcomes in over 150 countries. Our partnerships with development banks, United Nations funds and agencies, Commonwealth agencies, and humanitarian agencies bring resources and expertise that increase the impact of our aid. Our multilateral investments give us a seat at the table where important decisions are made about global development priorities and practice. They also give us a voice in the strategic priorities and resource allocation of these organisations. New Zealand's policy engagement will focus on the needs of small island developing states and, in particular, Pacific countries.

We select the organisations we work with on the basis of their alignment with our strategic priorities, their ability to add value to development outcomes in the Pacific, the performance and efficiency of their programmes, and our ability to influence their work.

Over the three-year funding period we will modestly increase funding for multilateral agencies, prioritising those focused on agriculture, humanitarian action, and small island developing states.

# Humanitarian action

Asia-Pacific countries are among the most vulnerable in the world to natural disasters. These events can have devastating consequences on lives and livelihoods, eroding development gains and economic progress.



- 1 Emergency supplies arriving as part of the New Zealand response to Cyclone Haiyan in the Philippines. Photo: NZDF
- 2 Samoa Prime Minister Tuilaepa Lupesoliai Sailele Malielegaoi and New Zealand Foreign Minister Murray McCully at the opening of a solar array in Apia, 2014.
- 3 Maka Emali crafts in Kenya. Photo: ChildFund
- 4 Crop growing trials in Bamyan, Afghanistan. Photo: Angus Davidson
- 5 NZ Police taking part in the response to the Samoa Tsunami in 2009.
- 6 Sight restoring surgery in the Pacific. Photos: Fred Hollows New Zealand

Tew Zealand's humanitarian aid helps to save Ives and alleviate suffering resulting from natural disasters and armed conflict. Our aid also supports early recovery.

Consistent with our wider strategy, the Pacific will remain our core humanitarian geographic focus. We will coordinate whole-of-government responses to emergencies and support sustainable recovery.

Outside the Pacific, we will prioritise our resources to larger-scale emergencies. South East Asia is our secondary area of focus. In general we support coordinated efforts of the international humanitarian community. In large-scale disasters, and where New Zealand has relevant capability, we will provide targeted practical relief and recovery assistance.

We will continue our New Zealand Disaster Response Partnership with New Zealand humanitarian non-government organisations.

We will also support partner countries in the South East Asia and Pacific regions to be better prepared for and reduce risks from disasters.



# Partners

Partnerships are central to our effectiveness. They increase our scale and reach. We work with a range of partners including governments; multilateral, regional, and international organisations; and state-sector, private-sector, and non-government organisations.

> e will build relationships with New Zealand partners who have the knowledge and expertise to deliver outcomes in our investment priorities and who provide value for money.

We will negotiate long-term partnerships with core New Zealand state-sector organisations that are in a unique position to support our priorities in the Pacific. We will strengthen our leadership of a coherent and integrated whole-of-government approach to development in the Pacific.

We will continue, in a transparent and competitive way, to encourage companies that offer the best of New Zealand know-how in renewable energy, commercial agriculture, and other key sectors to work with us. We will develop supplier strategies to strengthen our delivery in these areas.

New Zealand non-government organisations that work with local partners in developing countries play a valuable role in extending the reach of the New Zealand Aid Programme and delivering outcomes at the community level. We will strengthen our engagement with New Zealand non-government organisations on development through knowledge-sharing and discussions on policy.

The New Zealand Partnerships for International Development Fund enables New Zealand organisations (non-government organisations, Crown research institutes, tertiary organisations, and private-sector organisations) with in-country partners and a compelling development proposal to deliver their initiative in partnership with the New Zealand Aid Programme. We will invest in initiatives that align with the investment priority focus areas and the geographic focus in this plan. We will discuss priorities for the fund with country partners.



# Policy priorities

Our role as a development partner involves both our money and our leadership on policy issues. Effective policies at home, in our partner countries, regionally, and internationally are central to development outcomes. This will become even more important with the emphasis on global and domestic policy settings under the United Nations post-2015 development agenda.

> At home, MFAT works with other government agencies to develop and deliver policies that offer development benefits, especially for Pacific countries. In regional and international processes, we advance New Zealand's positions on development issues to strengthen the effectiveness of our aid and deliver positive outcomes. During our term on the United Nations Security Council in 2015 – 2016 New Zealand will highlight the linkages between security, humanitarian action, peace-building, and development.

Over the next four years we will focus on six policy priorities:

- > advocate, at the global level, for policies that support sustainable development in small island developing states
- > strengthen our engagement with Pacific partners on economic and social policies that promote sustainable development and effective implementation
- > work with Pacific countries and other development partners to improve donor coordination in the Pacific
- > strengthen the development impact of New Zealand's domestic and international policy positions
- > improve the effectiveness of regionalism in the Pacific
- > negotiate and implement policy agreements that improve Pacific island countries' ability to trade in goods, services, and labour.

To support our policy priorities, we will invest in research on key development issues, with a specific focus on the Pacific. These may include donor engagement, labour markets, and land tenure.

# Delivering results and value

### Development effectiveness

How we manage our aid is critical to achieving development results and impact. We will drive the effectiveness of our aid investments by:

- > focusing on delivering measurable results
- > aligning our support to our partners' priorities
- > making good use of partner systems to deliver aid
- > being clear about what we will deliver, and what we expect from our partners
- > taking the lead from partner governments in coordinating our aid effectively with other donors
- > working inclusively with partners in delivering our aid
- > being more transparent about how we invest our aid as we improve our business systems.

### Strategic results framework

An effective strategic results framework will help us assess whether we are making a measurable difference. We will update the New Zealand Aid Programme results framework to reflect our investment priorities and the new United Nations Sustainable Development Goals. More details on our strategic results framework will be published on the MFAT website.

Pacific workers in New Zealand as part of the Recognised Seasona Employer scheme.



### Cross-cutting issues

We will integrate environment and climate change, gender equality and women's empowerment, and human rights issues in our policies and investments. This will help deliver sustainable, inclusive outcomes, including for economic development. We will continue to mainstream these issues into the planning, design, implementation, and evaluation of our aid initiatives. Where necessary, we will develop capability and resources to strengthen our effectiveness on these issues in each investment priority.

### Evidence and learning

We will continue to strengthen our use of evidence to inform decisions, policies and our understanding of what works and why some initiatives fail. To do this, we will monitor delivery of results and invest in evaluation and research. We aim to be nimble in adapting our approach in response to what the evidence tells us.

We will promote a learning culture where knowledge and best practice are disseminated and shared effectively. We will learn from both our own experiences and those of our partners.

### Value for **money** and **efficiency**

We deliver value for the investment of tax payers' money by focusing our aid to have a meaningful impact. We will invest in initiatives only where the anticipated economic and social benefits exceed their costs.

We will reduce MFAT's operating costs for delivery of the New Zealand Aid Programme from 10% of the total aid budget to 9.75% by 2017/18.



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