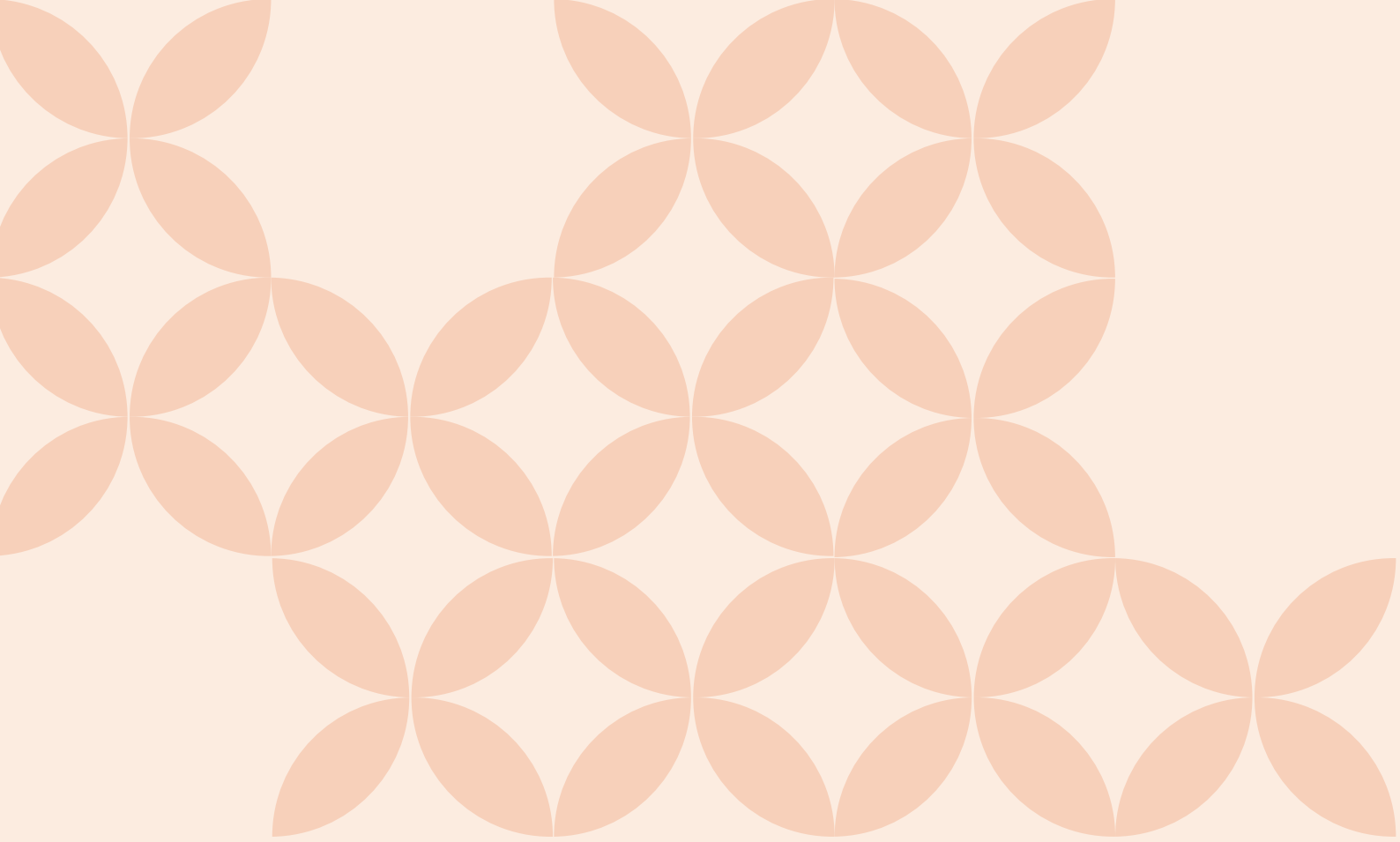




NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

Minister of Foreign Affairs' report on the International Development Cooperation non-departmental appropriation within Vote Foreign Affairs 2022–23





Aotearoa New Zealand’s International Development Cooperation (IDC) Programme Ngā Hoe Tuputupu-mai-tawhiti is funded by a non-departmental appropriation within Vote Foreign Affairs. The Pacific and Development Group of the Ministry of Foreign Affairs and Trade manages the IDC Programme, disbursing the funding provided under this appropriation to a range of delivery partners (including Aotearoa New Zealand government agencies, partner governments, non-government organisations, companies, and regional and multilateral organisations).

The non-departmental IDC appropriation for the triennium July 2021–June 2024 is **\$3,012 million**¹. Three-year appropriations allow expenditure to be managed across years, which enables the Ministry to focus on longer term quality and impact. A separate departmental appropriation is provided under Vote Foreign Affairs to fund the Ministry’s management of the IDC Programme.

This report provides an overview of IDC Programme performance for the 2022–23 financial year. The first section features key achievements for the year, including the Ministry’s work with other government agencies; delivery against the new climate finance commitment; and findings from the recent OECD Development Assistance Committee peer review of Aotearoa New Zealand’s development cooperation.

The second section sets out results against each of four major funding allocations within the IDC appropriation:

- Humanitarian
- Multilateral Agencies and Partnerships
- Pacific Development Cooperation
- Global Development Cooperation

¹This figure is current at 30 June 2023. For latest allocation figures, see: <https://www.mfat.govt.nz/en/aid-and-development/our-approach-to-aid/where-our-funding-goes/our-planned-aid-expenditure/>



Training exercise to practice delivery of initial services in the event of a natural disaster in the Cook Islands. Credit: IPPF/Hannah Maule-Finch.

Aotearoa New Zealand's International Development Cooperation Programme Ngā Hoe Tuputupu-mai-tawhiti

The Ministry of Foreign Affairs and Trade – Manatū Aorere (hereafter ‘the Ministry’) is the agency with primary responsibility for administering Aotearoa New Zealand’s international development cooperation. The Ministry administers this development cooperation through Aotearoa New Zealand’s International Development Cooperation (IDC) Programme – Ngā Hoe Tuputupu-mai-tawhiti².

Aotearoa New Zealand delivers Official Development Assistance (ODA)³, knowledge and skills to help improve sustainable development and reduce poverty in developing countries, with a strong focus on the Pacific. Our humanitarian action saves lives and relieves suffering in natural disasters and protracted crises. We seek coherence across development, diplomatic, trade and economic, climate change, environment, and security objectives to ensure we deliver sustainable progress in developing countries, and advance Aotearoa New Zealand’s interests and values. Aotearoa New Zealand’s international development cooperation (both policy and financial) is an integral pillar of our foreign policy. It reflects our network of international relationships and commitments, and is an expression of our values.

Aotearoa New Zealand’s Policy Statement on International Cooperation for Effective Sustainable Development⁴ identifies the overall purpose of Aotearoa New Zealand’s IDC: *to contribute to a more peaceful world, in which all people live in dignity and safety, all countries can prosper, and our shared environment is protected.*

Aotearoa New Zealand’s IDC priorities support individual country objectives and needs in order to promote sustainable development; align to the Sustainable Development Goal (SDG) pillars of people, planet, prosperity and peace; and reinforce the global commitment to leave no one behind: kua tētahi e whakarērea.

We seek effective, inclusive, resilient, and sustained outcomes⁵, and work in line with international development effectiveness principles.

²The paddles that bring growth from afar

³ODA definition: Aotearoa New Zealand is a member of the OECD Development Assistance Committee (OECD DAC) which determines at a high level what can be counted and reported internationally as Official Development Assistance (ODA). Only support which has as its primary purpose the economic development and welfare of developing countries and which is provided on concessional terms can be counted. Aotearoa New Zealand’s support under the International Development Cooperation appropriation within Vote Foreign Affairs is more expansive than the OECD DAC definition, in that some high income Pacific countries are also eligible under this appropriation.

⁴ See: <https://www.mfat.govt.nz/assets/Aid-Prog-docs/Policy/Policy-Statement-New-Zealands-International-Cooperation-for-Effective-Sustainable-Development-ICESD.pdf>

⁵ See: <https://www.mfat.govt.nz/assets/Aid-Prog-docs/Policy/New-Zealands-International-Development-Principles.pdf>

Overview

In the 2022–23 year, as the world started to emerge from the COVID-19 crisis, global crises have continued to set back development gains globally and in our region, and disrupted shared efforts to support achievement of Sustainable Development Goals (SDGs). Aotearoa New Zealand's IDC Programme has continued to provide flexible, responsive and impactful support, responding to crises while maintaining our long term funding commitments where possible. Foreign and domestic policy levers and approaches, as well as strong and trusted relationships, augmented our financial contributions.

Aotearoa New Zealand's key IDC priorities in 2022–23 were:

- fostering country ownership and inclusive, locally-led development
- delivering climate action
- strengthening resilience to wide-ranging security⁶ threats
- supporting regional and multilateral solutions to shared challenges.

Global challenges and responses

The global economy continues to face a number of challenges, particularly with regards to rising inflation, tightening financial conditions, elevated uncertainty due to the war in Ukraine and geopolitical tension, lockdowns and COVID-19 outbreaks in China, and heavy debt burdens. These pressures come on top of longer term issues such as efforts to decarbonise economies.

Development and humanitarian assistance needs continue to grow globally. The United Nation's SDG Report 2022⁷ highlights the severity and magnitude of the challenges before us. The confluence of crises, dominated by ongoing COVID-19 impacts, climate change and conflicts, are creating spin-off impacts on food and nutrition, health, education, the environment, peace and security.

Aotearoa New Zealand's IDC programme beyond the Pacific has provided a targeted contribution to the global response to these challenges, delivering a range of development and humanitarian interventions, focussing on the broader Indo-Pacific region.

A Pacific focus

Global crises are having direct and indirect impacts on our Pacific partners. Recent community transmission of COVID-19 for some partners, the legacy of long term border closures on tourism sectors and Government accounts, the impacts of inflation on fuel and food, and regular significant weather events are all exposing the vulnerabilities our Pacific partners face.

Aotearoa New Zealand continues to stand alongside our Pacific whānau, facing these challenges together. We have worked to provide responsive support to help lessen the impact of crises, and continue to honour our commitment to working alongside our partners in delivering tangible long-term impact and strengthened resilience with an emphasis on promoting climate change adaptation, economic resilience; peace and stability; and good governance.

Growth is forecast to return in 2023 and 2024 to most Pacific countries, shaped by continued recovery from economic impacts of the COVID-19 pandemic, reopening of borders and the return of international travel benefiting tourism-dependent economies. It is expected that high rates of inflation and ongoing labour-supply challenges will continue to affect the region. As Pacific economies return to growth, Aotearoa New Zealand will pivot away from emergency budget support, back to budget support linked to the achievement of macroeconomic and public financial management reforms. Working closely with other development partners, this reform-linked budget support will ensure the sustainability of economic recoveries in the region.

Expenditure

Total expenditure for the IDC appropriation in 2022–23 (the second year of the funding triennium) was **\$971.5 million, the highest ever IDC expenditure in a single year**. We are committed to providing at least 60% of our IDC funding to the Pacific region, and in the 2022–23 financial year we delivered 61% of our total IDC funding to the Pacific (\$592.2 million).

⁶ We use an expanded concept of security inclusive of human security, health security, humanitarian assistance, environmental security, cyber security, and disaster and climate resilience.

⁷ See: <https://www.un.org/development/desa/dspd/2022/07/sdgs-report>

FIGURE 1: PROPORTION OF IDC FUNDING SPENT ON KEY PRIORITIES 2022-23

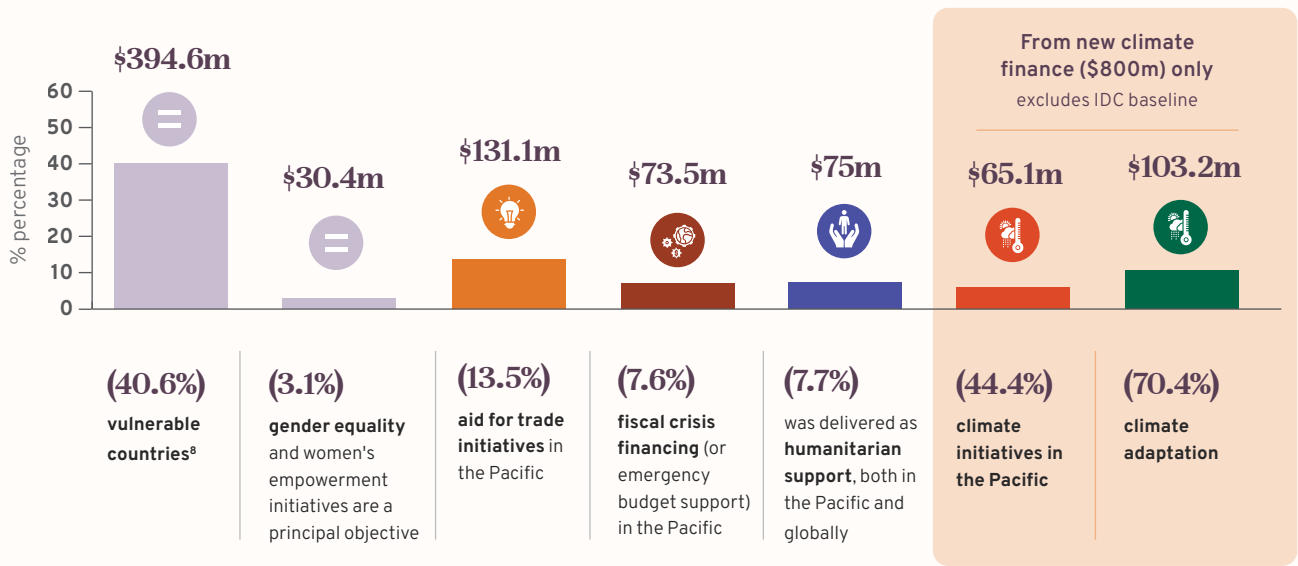
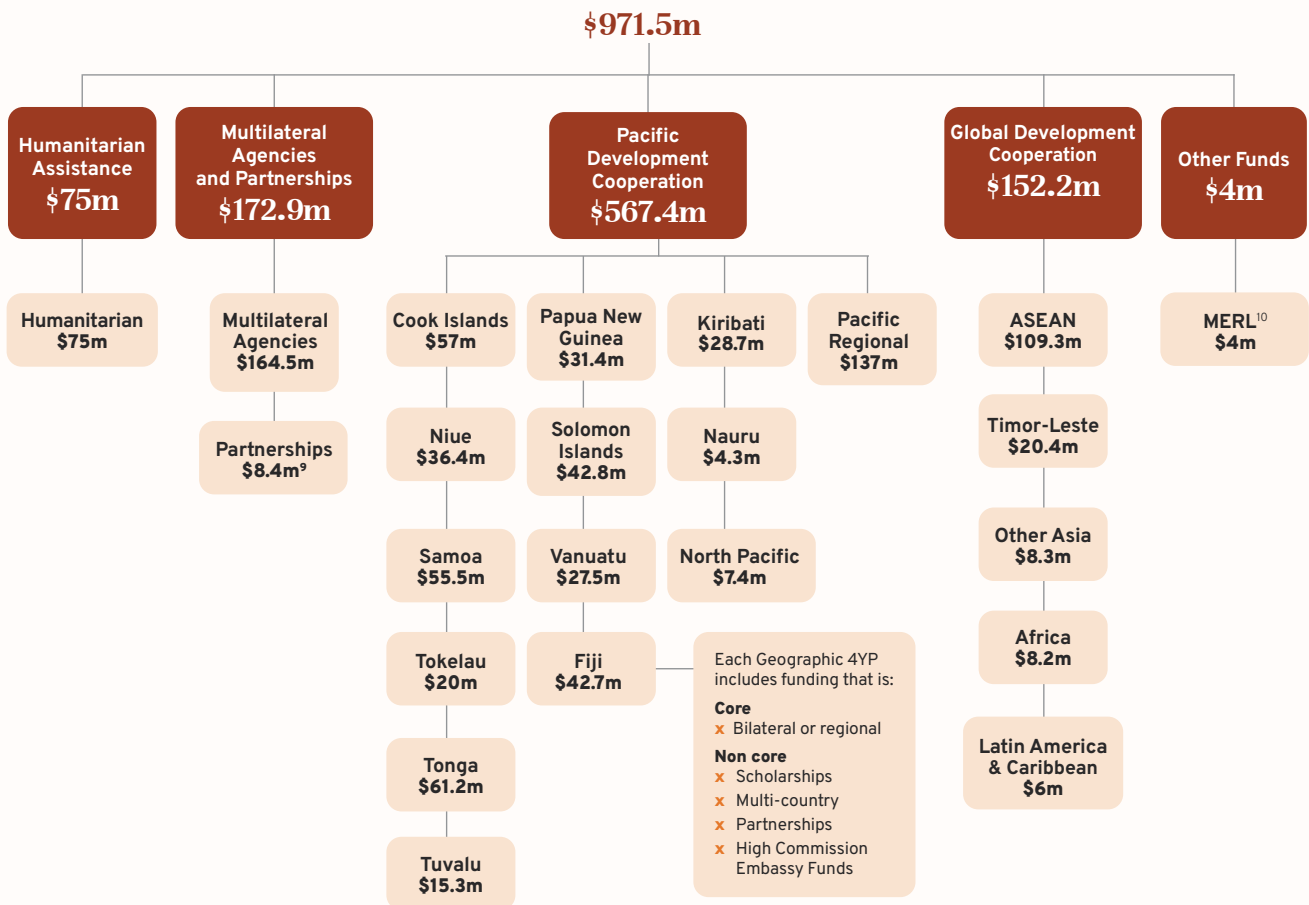


FIGURE 2: NGA HOE TUPUTUPU-MAI-TAWHITI: 2022-23 EXPENDITURE BY ALLOCATION GROUP AND FOUR-YEAR PLAN (4YP)



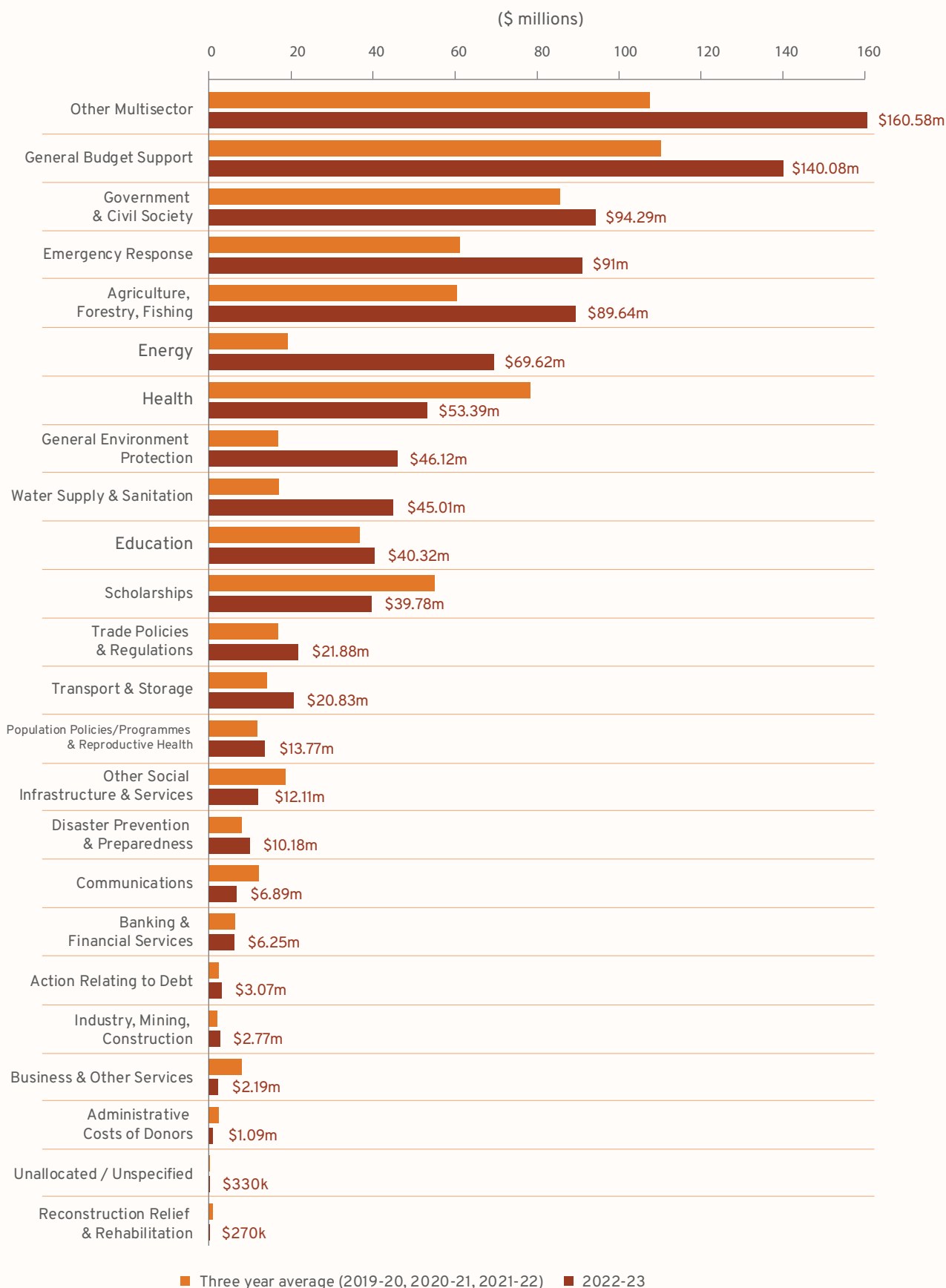
⁸Vulnerable countries are defined as countries which have a score of 36 or greater on the UN Economic and Environmental Vulnerability Index, see: <https://www.un.org/development/desa/dpad/least-developed-country-category/ldc-criteria.html> (EVI tab). NB. The EVI does not include data on non-UN member states i.e. territories. In absence of country-specific data the Ministry has deemed all micro-state territories (population <100,000) to be vulnerable by definition.

⁹Note that the total spend for the Partnerships programme was \$34.05 million, most of which is allocated to geographic four-year plans.

¹⁰MERL stands for Monitoring, Evaluation, Research and Learning.

FIGURE 3: NGĀ HOE TUPUTUPU-MAI-TAWHITI: 2022-23 EXPENDITURE BY SECTOR
(compared with three year average from 2019-20, 2020-21, 2021-22)

Aotearoa New Zealand’s total IDC spend for 2022-23 was \$971.5 million. Of this, the top three areas of expenditure were multi-sector activities (core support to multilateral and regional agencies), general budget support, and government and civil society – together **totalling \$395 million**.





New Zealand Police (International Service Group) consultations with Bougainville community members to inform the design of the next phase of the Bougainville policing programme. Credit: New Zealand Police/Bougainville Police Partnership Programme.

Working across government — partnering in delivery

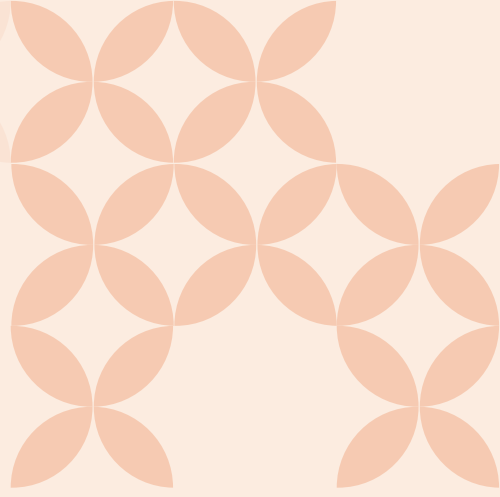
The Ministry works in collaboration with over 30 New Zealand Government agencies to deliver development cooperation across the Pacific. In line with the Pacific Resilience principle: Arongia ki Rangiaātea (Focus toward Excellence)¹¹, we have a ‘whole of government’ approach to working with the state sector through ongoing consultation and engagement with Pacific countries on development priorities, including education, health, fisheries, safe and secure communities, disaster management and building climate resilience.

IDC delivery through Aotearoa New Zealand Government agencies takes a ‘system to system’ approach with Aotearoa New Zealand agencies working directly with their Pacific country counterparts to build and maintain capability and capacity as well as building institutional links.

In 2022–23 more than \$60 million in IDC funding was delivered with and through New Zealand Government agencies in support of development outcomes.

Increased inter-agency engagement over the past year has strengthened joint action on delivery of the IDC programme. This approach is exemplified by the highly successful Polynesian Health Corridors Programme which has forged a strong partnership between the New Zealand Ministry of Health and Departments /Ministries of Health in six Polynesian countries. This programme has been the main conduit for the provision of public health advice to participating countries, particularly during their COVID-19 responses. The programme has also established and enabled connections to other essential parts of Aotearoa New Zealand’s health system.

¹¹ A link to the Cabinet Paper (NZ Pacific Engagement From Reset to Resilience) proactive release on the MFAT external website here: <https://www.mfat.govt.nz/en/media-and-resources/proactive-release-new-zealands-pacific-engagement-from-reset-to-resilience/>.



Other major partnerships with state sector agencies which provide hands on practical support to their counterpart organisations in Pacific countries include:

- New Zealand Police to build safer communities
- Ministry of Primary Industries to develop fisheries and strengthen biosecurity and export assurance systems, as well as capacity to respond to new and emerging pests and diseases impacting plants and animals
- New Zealand Customs to strengthen leadership, trade and institutional strengthening
- Ministry of Business, Innovation and Employment for the Recognised Seasonal Employer scheme
- Ministry for Civil Defence and Emergency Management to build disaster resilience
- Ministry of Education to build teacher capability and improve access to quality education
- Computer Emergency Response Team New Zealand (CERT NZ) to strengthen cyber security and planning through the Pacific Partnerships Programme
- Ministry for the Environment to enable a just transition to a low-emissions and climate-resilient future.

Some examples of results achieved through New Zealand Government agencies from 2022–23 include:

- **The New Zealand Transnational Crime Unit** (NZTCU) is made up of representatives from the Ministry, New Zealand Police, New Zealand Customs, Immigration New Zealand and Corrections, with the objective of building relationships and developing capability within Pacific Transnational Crime Units (TCUs). A primary focus is delivering intelligence training with Pacific TCUs. The NZTCU also supports the identification and analysis of persons of interest, and gang identification and awareness training.

- **Statistics New Zealand's** Pacific Programme ran training on Population Estimates and Projections for the Tonga National Statistics Office. The Tongan Ministry of Education relies on these estimates and projections to understand future primary school enrolment numbers, allowing them to implement estimation and projection methods unique to Tonga's requirements.
- Within the **Police** Partnership, ten New Zealand-trained tracker dogs have successfully integrated within the Fiji Police Force, following New Zealand Police training of eight Fiji Police Force staff as dog handlers and completion of kennels.
- Establishment and delivery of the National Certificate of Education Achievement (NCEA) in Tokelau was a cross-agency effort involving the **Ministry of Education, New Zealand Qualifications Authority, the Education Review Office and Te Kura**. Students in the Pacific sit their exams at the same time as those in Aotearoa New Zealand, and are marked to the same standards.
- The **Parliamentary Counsel Office** (PCO) supported Niue Crown Law to prepare eleven pieces of legislation in 2022–23 including support to introduce and pass the Family Relationships Bill which would recognise de facto relationships and provide protections when marriages and relationships break down. Niue's Speaker described the legislation as "the most significant bill passed by Niue in more than two terms".
- The **New Zealand Electoral Commission** provided technical support to the Papua New Guinea Electoral Commission and Office of the Bougainville Electoral Commissioner as part of our support to governance in Papua New Guinea. Assistance included training and support for a system to manage and pay temporary election workers.



Representatives from Aotearoa New Zealand, Australia and Pacific countries in Auckland for Pacific labour mobility consultations in March, 2023. Credit: MFAT/Pacific Connections.

Working across Government to strengthen Pacific labour mobility

Aotearoa New Zealand’s Recognised Seasonal Employer (RSE) scheme, established in 2007, responds to dual needs: (1) a shortage of seasonal labour in Aotearoa New Zealand’s horticulture and viticulture sectors; and (2) the demand in Pacific countries for greater opportunities for workers to earn income for themselves, their families and the wider community, and to develop skills.

Aotearoa New Zealand’s Pacific labour mobility consultations took place in Auckland in March 2023, jointly hosted by the Ministry and the Ministry of Business, Innovation and Enterprise (MBIE). Pacific representatives included officials from eight countries. The purpose of the meeting was to seek Pacific input on the policy options proposed under the RSE policy review, and the redesign of the Strengthening Pacific Labour Mobility (SPLM) development programme (funded through the IDC programme) to:

- ensure Pacific viewpoints are strongly represented and considered
- understand key issues from the perspective of Pacific governments and wider Pacific stakeholders, and test policy and design options and the extent they address identified issues
- enhance understanding of the difference and intersection between the RSE policy, and the SPLM development support programme, and how both can deliver increased resilience and maximise social and economic outcomes.

Enabling time and space for Pacific countries to caucus among themselves proved an effective way to gain a collective view on the policy options proposed under the RSE policy review. Pacific representatives reflected on the differences in Pacific countries’ labour mobility environments and the need for different approaches to achieve their respective desired outcomes. This was reflected in the recommendations agreed by the caucus.

The commitment and willingness of countries to engage and share freely built a positive and constructive meeting dynamic and generated valuable insights. The consultations highlighted the value of regular, in-person engagement with Pacific partners. The meeting also provided the opportunity to demonstrate Aotearoa New Zealand’s partner-led approach, with the Pacific caucus delivering a collective response that acknowledged the different challenges countries are facing in managing both their ambitions and challenges of labour mobility. The outcomes from the consultations have directly fed into the RSE policy review and redesign of the SPLM programme.

Findings from OECD Review highlight Aotearoa New Zealand's partner-led approach

Every five to six years, the OECD's Development Assistance Committee (DAC) carries out a comprehensive review of the policy and implementation of each member's development cooperation. In late 2022, DAC undertook its Peer Review of Aotearoa New Zealand's IDC programme. The OECD DAC Peer Review (the Review) is the most prominent external assessment of the effectiveness of Aotearoa New Zealand's development assistance.

The Review team visited Aotearoa New Zealand and consulted with Ministers, Ministry officials, other government agencies, NGOs and academics. The team then visited Vanuatu, gaining an on-the-ground perspective of our development cooperation from an important partner country. The review focused on four broad issues:

- a fit-for-purpose system
- ensuring quality and results
- partner-led development and empowering local counterparts
- managing an increase in finance for climate change.

The Review team were particularly interested in the Ministry's approach to integrating Te Āo Māori into practice, and how mātauranga Māori underpins and informs policy positions such as the Pacific Resilience Approach. While acknowledging the Ministry is in early stages of embedding mātauranga Māori into its work, being able to share these experiences proved valuable¹².

The Review¹³ highlighted the strength and quality of Aotearoa New Zealand's partnerships in the Pacific, core strengths of flexibility and agility as demonstrated by our COVID-19 response in the Pacific, as well as the close alignment of domestic policy settings and development objectives in the region. During the official launch of the Review in May 2023, DAC Chair Carsten Staur encouraged the Ministry to share more with stakeholders and other donors about Aotearoa New Zealand's partner-led approach to development, utilisation of budget support and other high trust modalities, and integration of development and foreign policy, all of which contributed to Aotearoa New Zealand's standing as a "trusted, reliable and flexible partner".

The report also found areas where Aotearoa New Zealand could continue to improve, including:

- anchoring development work more robustly across the Ministry
- clarifying policy settings and strengthening use of evidence and results
- streamlining governance and decision-making processes
- better integrating the cross-cutting issues of gender equality, climate and the environment, child and youth well-being, and human rights at all stages of the investment lifecycle.

The Ministry welcomes the Review as a platform from which to drive change and has published a management response¹⁴ that sets out planned actions and implementation timelines against each of the recommendations.

¹² See case study Integrating indigenous worldviews and knowledge into New Zealand's foreign policy: <https://www.oecd.org/development-cooperation-learning/practices/integrating-indigenous-worldviews-and-knowledge-into-new-zealand-s-foreign-policy-e216bed0>

¹³ OECD (2023), OECD Development Co-operation Peer Reviews: New Zealand 2023, OECD Development Co-operation Peer Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/10883ac5-en>

¹⁴ Link to published management response here: <https://www.oecd.org/dac/peer-reviews/oecd-dac-peer-review-management-response-2023.pdf>

**FIGURE 4: OECD DEVELOPMENT COOPERATION PEER REVIEW
- NEW ZEALAND 2023 - SUMMARY**



...AND AREAS FOR IMPROVEMENT



PROGRESS SINCE THE PREVIOUS PEER REVIEW



Source: OECD (2023), OECD Development Co-operation Peer Reviews: New Zealand 2023, OECD Development Co-operation Peer Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/10883ac5-en>



Taro Island, Choiseul Airport seawall construction as part of Solomon Islands Provincial Airfields Upgrade. The team shown is primarily local workers who are engaged and trained by Downers as part of the Ministry's commitment to leave a legacy behind in trained staff, and to provide local employment. 80% of all staff on this project are locally resourced. Credit: Downer Group.

Delivering Aotearoa New Zealand's International Climate Finance Commitment 2022–2025

Climate change remains the most significant security and development issue facing the Pacific region. Aotearoa New Zealand, as a developed country party to the United Nations Framework Convention on Climate Change and the Paris Agreement, has an obligation to provide and mobilise financial resources to assist developing countries' mitigation and adaptation efforts. Building resilience remains at the heart of Aotearoa New Zealand's engagement with the Pacific, and access to adequate climate finance is key to this resilience.

In October 2021, the Government announced **\$1.3 billion funding for climate finance over 2022–25** – more than four times the size of its previous commitment (\$300 million, 2019–22). This includes a commitment to invest at least 50% in adaptation activities, and at least 50% within the Pacific. Of this funding, \$800 million is new and additional finance, and \$500 million is mainstreamed across the existing IDC programme.

In August 2022, Cabinet agreed the International Climate Finance Strategy (ICFS) *Tuia te Waka a Kiwa*¹⁵ would guide investment decisions to deliver on this commitment. At 30 June 2023, eighteen months into the four year programme, 84% of the funding has been approved for delivery within the commitment period – and of that, 65% will be disbursed within the Pacific, and more than 50% is for adaptation activities¹⁶. In 2022–23, of the **\$800 million in new and additional finance, \$146.6 million was disbursed**.

The international climate finance strategy is focused around the four following goals.

¹⁵ See: <https://www.mfat.govt.nz/assets/Aid/Climate-finance/International-Climate-Finance-Strategy-At-a-glance-FINAL.pdf>

¹⁶ 'Adaptation only' activities account for 36% of committed funding; however cross-cutting activities that contribute to 'adaptation' account for another 40% of committed funding.



Accelerated climate change mitigation

Aotearoa New Zealand is working with countries in the Pacific and globally on initiatives identified by individual countries as priorities to achieve reductions in greenhouse gas emissions to meet their nationally determined contribution (NDC) targets. Just over a third of the initiatives with a mitigation focus have (or will have), directly reduced the total carbon dioxide (tCO₂) emitted; the remainder provide technical assistance to inform strategies and roadmaps.

Enhanced adaptation and resilience to the impacts of climate change

Aotearoa New Zealand is working directly with countries, as well as supporting regional activities in the Pacific, Africa, Asia and Caribbean, to implement adaptation and resilience priorities. Investments largely align with countries' National Adaptation Plans (or equivalent). Initiatives include those relating to enhancing water and food security, strengthening ecosystem resilience, supporting the transition to renewable energy, establishing early warning systems, and supporting countries to access additional climate finance.

Improved institutional capability and evidence-based decision making

Initiatives under this goal include increasing information for climate related decision making and supporting its use; and initiatives focused on incorporating indigenous knowledge in implementation. It also includes activities that support countries to plan for low emission, climate resilient futures.

Leveraged investment to achieve greater climate impact

Initiatives under this goal are focused on using Aotearoa New Zealand's climate finance to 'crowd-in' increased private climate finance and tap into private sector expertise, and leverage greater investment by bilateral donors and multilateral organisations. This includes the Pacific Insurance and Climate Adaptation Programme that focuses on developing a range of disaster risk finance products, particularly at the household and micro-, small-, and medium-sized enterprise level, by partnering with the private sector.



Tokelau student poster on ocean acidification. Credit: MFAT

Country flexible finance — supporting Pacific countries to lead their own climate response

The Ministry's new programme of country flexible finance has been established as an important mechanism for delivering the ICFS. This programme of work will support Pacific countries to accelerate, scale up, and lead their responses to climate change. It will also change the way Aotearoa New Zealand delivers climate finance to some partner governments, reflecting high trust relationships based on the provision of predictable and flexible finance, not tied to specific projects.

This is complemented by technical assistance to support – where requested – areas that Pacific governments would like to strengthen such as public financial management and project implementation to enable more effective delivery of climate finance. This approach is partner-led, responsive to priorities set by individual countries, and provides greater predictability and flexibility of climate finance.

In 2022–23, this approach was approved by Cabinet. Flexible finance has been allocated to Samoa, Tonga, Fiji and the Cook Islands, and we are working with other Pacific partners to determine governance arrangements for the delivery of further funding.

Community-based adaptation is achieving outcomes

The Aotearoa New Zealand–Pacific Partnership on Ocean Acidification (PPOA) has supported communities in Kiribati, Tokelau and Fiji to better adapt to the impacts of climate change-induced ocean acidification through support for research and community-based adaptation actions. The PPOA project was a collaborative effort between Secretariat of the Pacific Regional Environment Programme (SPREP) and the University of the South Pacific (USP), which carried out two key activities.

- **Engaging communities in coral restoration in Tokelau.** Results showed that the programme helped build capacity to establish coral nurseries, and strengthened community understanding of ocean acidification and the importance of coral. The project included a school awareness programme that resulted in the development of a Tokelau Coral Gardening Manual for use by any household interested in setting up their own coral nursery.
- **Establishment of locally managed marine areas (LMMA) on the island of Taveuni, Fiji.** This initiative aimed to strengthen governance in communities to enable local natural resource management and to build more resilient and sustainable livelihoods. At the establishment of each LMMA, relevant stakeholders including project partners, Ministry of Fisheries, and the Vanua (traditional qoliqoli owners), were present as the church pastor blessed the marked area thus declaring it tabu (tapu or sacred). With relevant protocols performed, the likelihood of the tabu rules being respected by members of the villages (and district) is high. Since their establishment, communities have witnessed increased fish stocks as well as the restoration of some marine species that were previously depleted, or had disappeared.



Stall holders and small farmers who lose their crops or houses can receive rapid financial support after storms, through innovative micro-insurance products developed with private sector support in the Pacific. Credit: UNCDF, Fiji.

Breakthrough partnership with private finance

A new kind of insurance is giving small farmers and businesses in the Pacific increased hope of surviving through the more frequent storms that come with climate change. Policy holders in these micro insurance schemes receive a pay out when wind or rain levels exceed a certain level. The new kind of insurance coverage – in a region where access to insurance is very low in spite of high exposure risk – is helping Pacific communities prepare better for the impacts of climate change.

Aotearoa New Zealand is a founding funder for the Pacific Insurance and Climate Adaptation Programme (PICAP), which is working with private providers to deliver parametric weather-indexed micro-insurance products. The policies are designed to be affordable, and importantly, to pay out quickly. There's no damage assessment process, and no travelling to physical insurance offices to claim payments.

The PICAP is a joint initiative of the United Nations Capital Development Fund (UNCDF), the United Nations Development Programme, and the United Nations University. It was developed with initial support of the Government of Fiji and other public and private partners – and is recognised internationally as a breakthrough initiative in working with the private sector to leverage finance for development.

The programme was initiated in Fiji, Tonga and Vanuatu and is now expanding to cover Samoa, Solomon Islands, Kiribati, Papua New Guinea, and potentially, Timor-Leste. It is funded by Aotearoa New Zealand (as well as Australia, India and Luxembourg) as part of our regional focus on supporting Pacific governments and communities to address disaster risk and climate change.

Proven benefits

In the first three months of 2023, major climate events hit Fiji and Vanuatu: a tropical depression brought heavy rainfall and flooding to Fiji, and two Category 4 cyclones hit Vanuatu. Nearly one thousand parametric insurance pay-outs were made to policy holders in the two countries – approximately 74% received pay-outs directly into bank accounts or mobile e-wallets within 2 weeks of receipt of verified data from the insurers.

Of these beneficiaries, about 40% were women and 24% persons with disabilities, which demonstrates the value of the targeted PICAP approach, aiming to ensure inclusion for the most vulnerable to financial loss from storms.



AUT Manaaki Scholar Enrichment Event, Ngā Wai o Horotiu Marae, July 2023. Credit: AUT.

Scholarships — building mana through manaaki

The Ministry’s Manaaki New Zealand Scholarships Programme (MNZSP) is committed to supporting developing countries across the globe to achieve their development goals. Over the past year a major change to the delivery of the MNZSP was initiated through a partnership with Education New Zealand (ENZ), where the Ministry continues to provide strategic, policy and delivery oversight for the programme, while ENZ leads operational delivery. Almost one year into its journey, the partnership continues to be built, with joint governance structures and agency collaboration helping to drive continuous improvement of the programme.

Aotearoa New Zealand’s scholarships programme faced new challenges in a post-COVID-19 context, including management of deferred scholars as a result of the two year border closure, capacity constraints in processing visa applications, cessation of English language testing in certain partner countries, and reduced international student management capability of partner education institutions.

Despite this, in 2022–23 a total of **496 scholars** completed their study across all MNZSP programmes. Of those, **164 studied at a tertiary institution** (75 male, 89 female); **332 studied on a vocational short term training scholarships** (185 female, 145 male, 2 other). Similar to last year, regionally the largest number of completing scholars came from the Pacific, followed by ASEAN, then Africa, Latin America and Caribbean, and Other Asia respectively.

Highlights across the programme included:

- Delivery of new short term thematic courses in response to needs identified by partner countries, including trade policy (Africa; Latin America and Caribbean), and good governance (Africa; Latin America and Caribbean).
- The resumption of English Language Training for Officials in Aotearoa New Zealand after a 2 year hiatus.
- Delivery of He Mānawa Tití, a bespoke Pacific youth leadership course forming part of the Government’s Dawn Raids Apology.
- Progress in delivery of the MNZSP Alumni Strategy 2022–26, including over 65 individual scholar and alumni engagement activities in Aotearoa New Zealand and offshore.

Ngā Hoe Tuputupu-mai-tawhiti: Aotearoa New Zealand's development and humanitarian programmes in 2022–23

The following pages provide an overview of impact achieved through Aotearoa New Zealand's IDC programme in 2022–23 from the four major funding allocations within the IDC appropriation: Humanitarian, Multilateral agencies and Partnerships, Pacific, and Global.

Market Stall in Vanuatu. Credit: UNCDF



Results at a glance

In the 2022-23 financial year as a direct result of Aotearoa New Zealand's international development cooperation funding



15,700+
PEOPLE

participated in a **labour mobility initiative**



3,000+
PEOPLE

received training or **capability-building support** in fisheries and oceans'



5,600+
PEOPLE

in the education workforce **received training or capability-building support**

490+
PEOPLE

completed **tertiary or vocational scholarships**

12,000+
PEOPLE

benefitted from **enhanced learning through ICT**

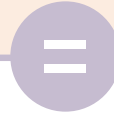


172,000+
PEOPLE

benefitted from **sexual and reproductive health services**

13,000+
PEOPLE

in the health workforce **received training for capability-building support**



5,600+
PEOPLE

received training or **capability-building support** in **equity and inclusion**



5,900+
PEOPLE

directly benefitted from initiatives which aim to increase **resilience to climate change and environmental degradation**



251,000+
PEOPLE

were provided with essential and **useful humanitarian assistance** following a natural or human-induced disaster



64,000+
PEOPLE

directly benefitted from **improved infrastructure** and services

2,600+
PEOPLE

received training or **capability-building support** in infrastructure



65,000+
PEOPLE

received training or **capability-building support** in **peace and security**



5,200+
PEOPLE

received training or **capability-building support** in **governance**



184,000+
PEOPLE

were supported to **improve their livelihoods**



UNICEF Hygiene-kit distribution point in a displacement camp in north of Aleppo, northwest Syria. Credit: © UNICEF/Oweis.

Humanitarian

\$75.04
MILLION

The global humanitarian situation continued to worsen in 2022–23, particularly due to intensifying conflicts, rising levels of severe food insecurity, COVID 19-related factors, and the increasing impacts of climate change. The UN estimates that 339 million people – one out of every 23 people globally – need humanitarian assistance in 2023¹⁷, up from one out of every 33 people in 2022.

Aotearoa New Zealand was able to provide timely, effective and well targeted humanitarian responses. Over 2022–23 Aotearoa New Zealand disbursed \$75.04 million in humanitarian assistance, which was significantly higher than previous years. **We provided support across 22 different countries**, with \$11.5 million (15%) going to preparedness initiatives, \$5 million (7%) going to responses in the Pacific, and \$58.5 million (78%) going to responses outside the Pacific.

¹⁷Source: OCHA (UN Office for the Coordination of Humanitarian Affairs)

In addition to supporting Vanuatu’s response to Tropical Cyclones Judy and Kevin, and an earthquake in the Solomon Islands, we mobilised support to a number of other natural disasters, including water stress in Kiribati, the significant earthquakes in Türkiye that also affected Syria, and the drought and resulting food crisis in Africa.

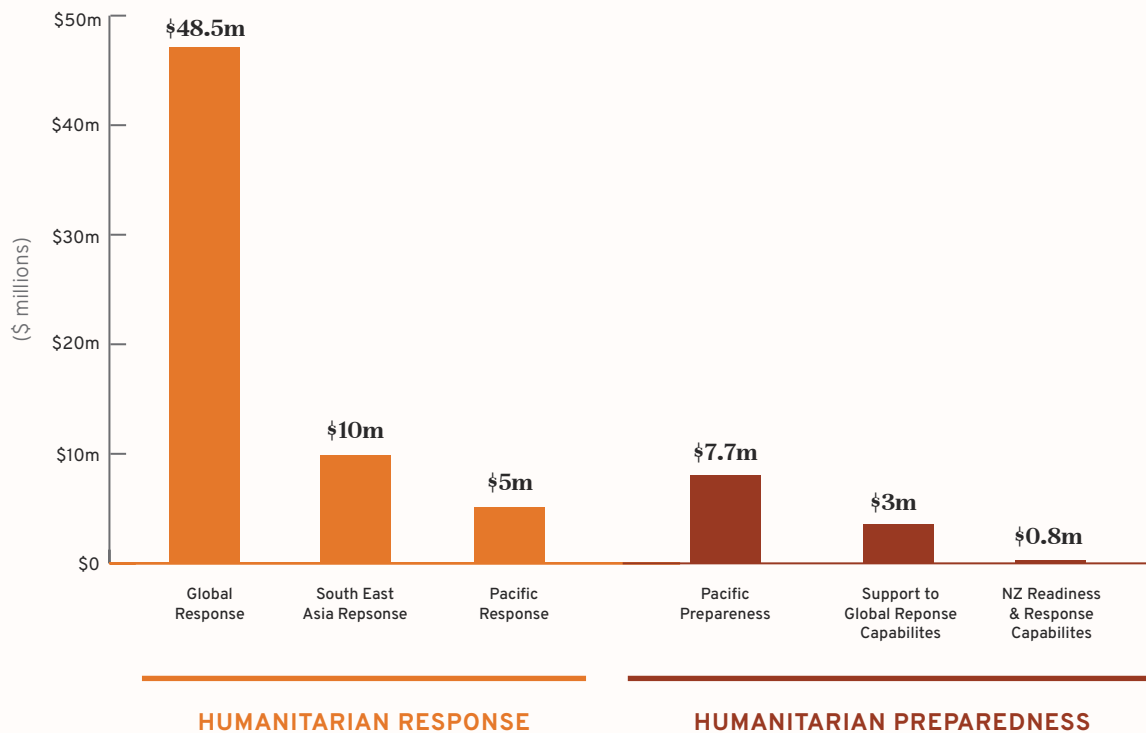
We also continued to respond to significant spikes in need in many of the world’s largest and most severe conflict-related humanitarian crises and to countries with major food insecurity crises.

Humanitarian contributions in Africa increased significantly over the last year, with support provided to humanitarian responses in Ethiopia, Kenya, Nigeria, Somalia, Sudan and South Sudan. These humanitarian contributions complement development programming which is essential for sustainable development.

In comparison to previous years, the Pacific had a relatively quiet cyclone season with Tropical Cyclones Kevin and Judy in March 2023 being the only events to significantly impact populated areas. This allowed us to redirect some humanitarian funding towards crises driven by conflict, with significant response funding going to crises outside the Pacific, including \$10 million to Myanmar and Bangladesh (for the Rohingya refugee response), \$8 million to the Afghanistan humanitarian response, and \$7m to the Ukraine response.

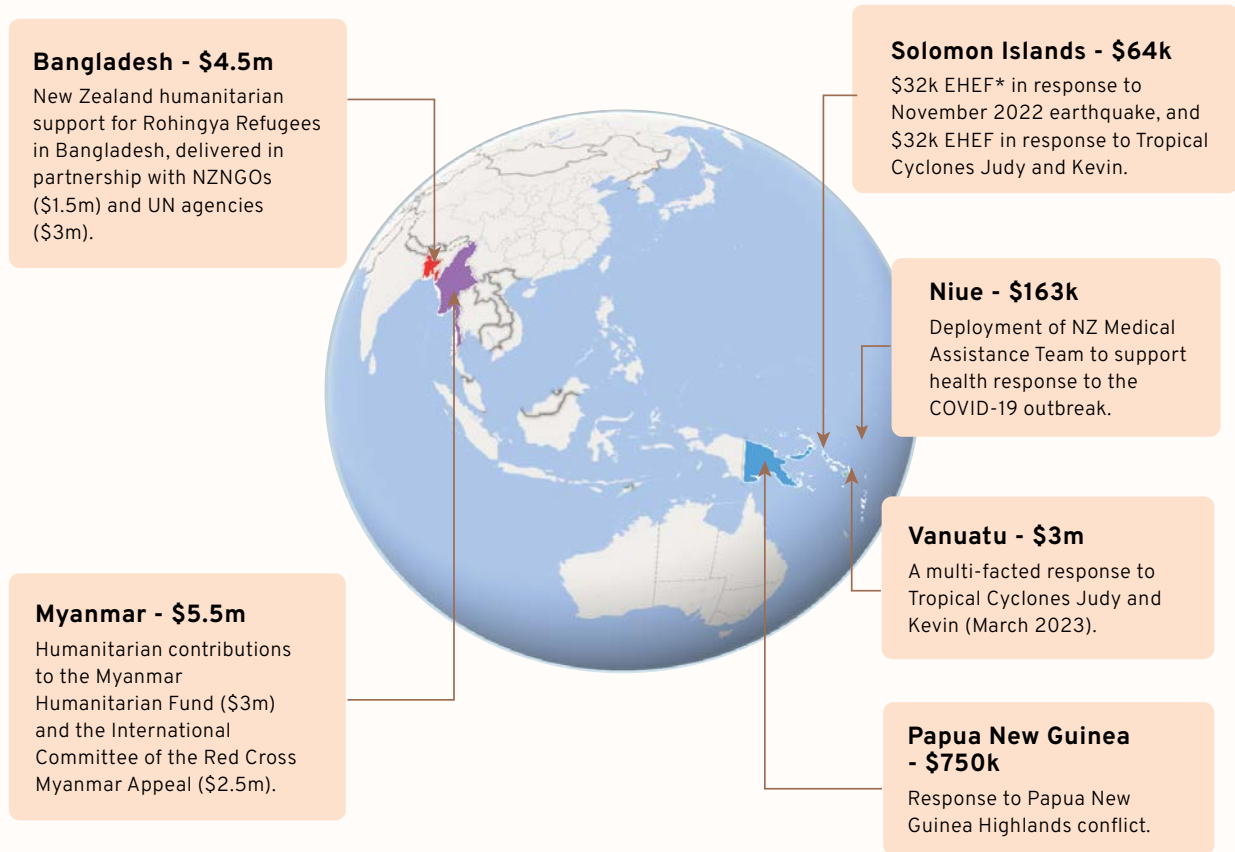
Overall in 2022–23, as a direct result of Aotearoa New Zealand support, **over 250,000 people were provided with essential humanitarian assistance** following a natural or human-induced disaster¹⁸.

FIGURE 5: AOTEAROA NEW ZEALAND'S HUMANITARIAN ASSISTANCE IN 2022–23 BY RESPONSE TYPE



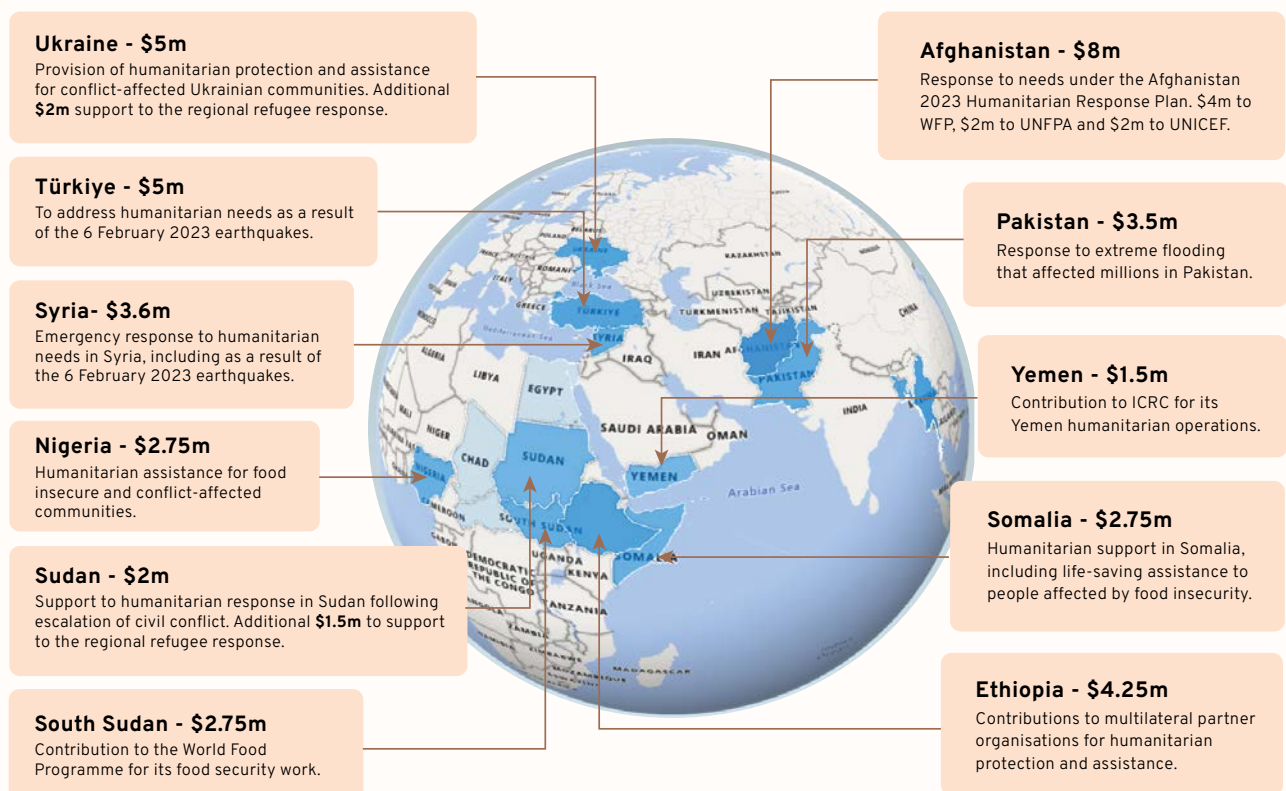
¹⁸ Reported figures are an estimate of affected people provided with relief. Calculations are partly based on an estimated average number of people per household (e.g. number of family hygiene kits distributed x 5 people per household). As this figure relates to direct support, we have not included people supported from Aotearoa New Zealand contributions to appeals/response plans from global humanitarian partners.

FIGURE 5: HUMANITARIAN ASSISTANCE - PACIFIC & SOUTH EAST ASIA



*Emergency New Zealand Embassy/High Commission Fund

FIGURE 6: HUMANITARIAN ASSISTANCE - REST OF THE WORLD



Highlights from our humanitarian support

Supporting Vanuatu to respond to the impacts of Tropical Cyclones Kevin and Judy

Over 72 hours in March 2023, Vanuatu was hit by two Category 4 Tropical Cyclones, Kevin and Judy, damaging infrastructure and causing widespread destruction of crops. According to the National Disaster Management Office (NDMO), 197,388 people were affected. Aotearoa New Zealand's approach was to support response efforts that reflected the needs and priorities identified by Vanuatu. As a result, our humanitarian response measures were provided in a timely manner and undertaken in coordination with the ongoing domestic response efforts associated with Tropical Cyclone Gabrielle.

Our Port Vila High Commission utilised an Emergency Head of Mission Fund to support a range of local response efforts such as the transportation of assessment teams to affected areas to determine priority humanitarian needs. Royal New Zealand Air Force (RNZAF) C-130 flights delivered relief supplies identified by the Government of Vanuatu including mother and infant kits, shelter tool kits and family hygiene kits, providing targeted support to those affected.

RNZAF flights also transported New Zealand Red Cross personnel and equipment, and provided three flights to transport Fijian humanitarian response personnel and relief supplies from Fiji. A Forward Planning Team was deployed to Port Vila, comprising staff from the Ministry, Fire and Emergency New Zealand (FENZ) and the New Zealand Defence Force (NZDF). FENZ staff quickly embedded into the NDMO, providing data mapping support and local coordination structures.

Funding provided through the contestable New Zealand Disaster Response Partnership also supported the response efforts of Aotearoa New Zealand NGOs and their local partners with activities focused on improving water, sanitation and hygiene access, health and protection services, food security, and livelihoods support. The response measures ensured that Vanuatu's domestic response and coordination mechanisms were reinforced, supporting the Government of Vanuatu in leading their humanitarian response.





Responding to devastation in Türkiye and Syria

Major earthquakes in Türkiye in February 2023 caused widespread devastation and destruction, with northern Syria also severely affected. Millions were affected by significant loss of life and injury; widespread damage to homes, infrastructure, medical facilities; and loss of livelihoods. Aotearoa New Zealand mobilised financial contributions within the first 24 hours after the initial earthquake and provided a total of \$8.5 million in funding to support the humanitarian response.

In Türkiye, Aotearoa New Zealand supported the International Federation of the Red Cross and Red Crescent Societies (IFRC), World Food Programme (WFP), the United Nations Population Fund (UNFPA) and two New Zealand Disaster Response Partnership NGOs. In Syria, we supported the IFRC and UNICEF. Aotearoa New Zealand also mobilised remote technical support, as FENZ supported the international search and rescue response in Türkiye with a contribution of two Urban Search and Rescue specialists working remotely from Aotearoa New Zealand.



Assisting Kiribati's drought response

In mid-2022, the atoll of Tarawa experienced significantly below average rainfall levels, causing significant water stress. Aotearoa New Zealand's response included funding to procure, deliver and install a seawater reverse-osmosis desalination plant; transporting drought response supplies; repairing existing water infrastructure; and deploying technical specialists from NEMA to support Kiribati's National Disaster Management Office.

Support under the humanitarian allocation was well complemented by initiatives under the bilateral development allocation and climate change programme, including provision of materials to replace leaking pipeline connections, and work on outer islands to repair desalination units and set up enduring maintenance for solar-powered systems that draw from sustainable sources of groundwater.

Kiritimati Island Safe and Secure Drinking Water project. Credit: SPC





Supporting humanitarian action in Africa

Extreme food insecurity severely impacted a number of African countries during the year, with conditions in the Horn of Africa particularly acute. Aotearoa New Zealand's response included a \$2 million New Zealand Disaster Response Partnership round with NGO partners that supported food security response efforts in Ethiopia, Kenya and Somalia. The Ministry also partnered with WFP and the ICRC to support a range of life-saving protection and assistance for communities affected by conflict, food insecurity, drought, disease outbreaks, and significant economic instability in Somalia, Nigeria and South Sudan.

Overlapping crises of severe drought, conflict and inter-communal violence, alongside influxes of refugees, resulted in humanitarian needs in Ethiopia reaching extreme levels. In response, Aotearoa New Zealand provided a \$2.5 million contribution to the ICRC and a \$1.75 million contribution to the Ethiopian Humanitarian Fund.

The sudden outbreak of civil conflict in Sudan in April 2023 also had a range of devastating impacts for civilians. More than 3 million people have been displaced, both internally and across the borders into neighbouring countries. Attacks on health care centres and the disruption of essential services exacerbated an already dire humanitarian situation.

In response, Aotearoa New Zealand provided \$2 million to the ICRC to support its humanitarian response in Sudan, including the provision of healthcare, food distribution, and restoration of vital services (including water and electricity for hospitals), and \$1.5 million to the United Nations Refugee Agency (UNHCR) to support its regional refugee response.



A health worker from Samaritan's Purse, a UNICEF implementing partner, conducts a routine check-up on a child in Caraga, Philippines. Credit: Samaritan's Purse/2022/Jodie Adao.

Multilateral agencies and partnerships

\$172.89
MILLION

Multilateral agencies

Aotearoa New Zealand invests financially and diplomatically to strengthen international rules and norms to address global problems such as poverty, conflict, instability, and climate change, and to strengthen human rights. The Ministry engages in policy dialogue with multilateral institutions, and provides core, programme, and project funding to help them deliver global development and humanitarian outcomes. Reflecting Aotearoa New Zealand's size in the global system, the Ministry focuses engagement where it can have the most impact and add the most value, building on Aotearoa New Zealand's robust and long-standing relationships. Partners include multilateral development banks, UN development and humanitarian organisations, non-government organisations and Commonwealth agencies.

The Ministry works to ensure effective, transparent, and collaborative action by institutions focused on development (including sustainable and inclusive social and economic development), peace, human rights, and humanitarian challenges, to deliver results. There is a particular interest in delivery by these institutions in the Pacific, and ensuring that they take fully into account the region's unique needs and vulnerabilities.

Aotearoa New Zealand delivered \$164.51 million in core funding to multilateral organisations in 2022–23,

and participated in the governance mechanisms of all of the agencies funded. Over the past year, the multilateral development system has continued to deliver global development and humanitarian outcomes while operating in the context of funding constraints, unprecedented levels of humanitarian need, negative trends on democratic rights and norms, and reversals in progress toward attainment of the Sustainable Development Goals (SDGs).

Aotearoa New Zealand has continued to act as a valued and influential voice advocating for Pacific priorities, an effective and innovative multilateral system, and principles-driven development.



Highlights from Aotearoa New Zealand's multilateral development cooperation

Improved coordination in the UN Development System (UNDS) benefits Pacific countries

The UN Secretary General's report¹⁹ presented at the annual meeting on UNDS Reform reflects strong and increasing satisfaction with the contribution of collective UN efforts to results that clearly reflect developing countries' national priorities. The UN Pacific Strategy Fund midterm review completed in 2022 reflects improvements in coordination between UN agencies in the Pacific, as well as with the Council of Regional Organisations of the Pacific (CROP) agencies, such as the Pacific Community (SPC).

A new Pacific regional strategy, the United Nation Sustainable Development Cooperation Framework (UNSDCF), is under development. The strategy is based on common country analyses and supported by country implementation plans that reflect Pacific country priorities and baselines, and advance the regional development aspirations, as set out in the Pacific Islands Forum 2050 Strategy for the Blue Pacific Continent. This reflects stronger cross-UN planning, and will enable more accurate measuring and reporting of UNDS impact.

Advocating for increased access to finance for Pacific countries

The International Development Association (IDA) and the Asian Development Fund (ADF) are the key vehicles through which the World Bank and Asian Development Bank (ADB) provide concessional support to low-income countries in the Pacific. In 2022–23, total World Bank net financial commitments in the Pacific were US\$121.8 million, and total ADB financial commitments (including co-financing) totalled US\$1.31 billion.

In 2022–23, the Pacific also continued to benefit from the World Bank's Papua New Guinea and Pacific Islands Umbrella Facility (PPIUF) and the ADB's Pacific Partnership Facility, both of which provide critical support for World Bank and ADB activities in the Pacific, including project implementation.

Recent years have seen the development and introduction of multilateral development bank (MDB) policies that recognise the unique challenges, including climate change, facing Pacific small island developing states (SIDS). With continued advocacy by Aotearoa New Zealand and Australia, among others, ADB is moving forward with the development of softer lending terms for SIDS, with intended implementation by January 2024.

In addition, ADB is examining ways of increasing the volume of concessional finance available to those SIDS that are not eligible for grants under the ADF. These initiatives build on a series of earlier reforms advocated by Aotearoa New Zealand and Australia that have been favourable to Pacific SIDS. This includes introducing minimum levels of ADF country allocations, the inclusion of vulnerability as a factor in determining levels of ADF financing, and the reclassification of Fiji and the Cook Islands (and the classification of Niue) as Group B countries, which made them eligible for concessional assistance.

¹⁹ Operational Activities for Development Segment (OAS) report see <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N23/114/23/PDF/N2311423.pdf?OpenElement>



Hesalyn, who had become blind due to bilateral cataracts, had her sight restored at the Regional Eye Clinic, Solomon Islands, allowing her to return to work on her family's self-sufficient farm. Credit: The Fred Hollows Foundation New Zealand.

Civil society partnerships

Civil society plays a vital role in promoting sustainable development, democratic processes, human rights, good governance, active citizenship and a strong sense of community. The IDC programme supports Aotearoa New Zealand non-government organisations (NZNGOs) to deliver a range of development outcomes. NZNGOs tend to have long-standing relationships with local authorities, civil society actors and local communities. These established networks enable Aotearoa New Zealand to expand and extend our reach to communities and vulnerable and marginalised populations, including in remote and hard to reach places in the Pacific.

In 2022–23, the IDC-funded Partnerships programme worked across 20 countries in the Pacific, South East Asia and other focus countries²⁰ through 28 NZNGOs and 53 programmes and initiatives. Based on projections of initiatives currently in implementation (at 30 June 2023), 1.6 million people will directly benefit and 2.4 million people will indirectly benefit, in areas including economic self-reliance, human rights and inclusive development, governance and democracy, climate change, and human development.

²⁰ Other focus countries in 2022–23 included Nepal and Sri Lanka.

Key results reported in 2022–23 from Aotearoa New Zealand’s partnerships with NGOs

Health

- In **Vanuatu**, **1,717 students in 14 schools gained access to basic sanitation**; 859 students in seven schools gained access to basic water supply; and 223 girls in 18 schools gained access to menstrual health management services. (UNICEF Aotearoa New Zealand)
- At the completion of a project in **Papua New Guinea** **25,415 people had been screened for ear and eye health**, and 841 eye surgeries performed. (cbm New Zealand)
- Over 900 community members in the **Solomon Islands** received COVID-19 hygiene training. (The Nature Conservancy)

Equity and inclusion

- 236 adolescents gained life-skills in developing peaceful relationships and positive interactions with their peers, their families and other adults in their communities in **Timor-Leste**. (World Vision New Zealand)
- Six communities in **Fiji** received training to ensure members can identify modern slavery issues, allowing communities to establish their own ‘safety net’ systems to prevent and respond to human trafficking, exploitation and abuse. (Tearfund New Zealand)
- 58 frontline workers from various **Solomon Island** organisations were trained in child protection policy and procedures. (ChildFund New Zealand)

Economic resilience

- The **Vanuatu** Engineers Association was established and has grown to more than 100 members. Ten teachers have been trained on engineering modules. (Engineers Without Borders New Zealand)
- Following participation in a programme of education and training, 1,088 (674 females and 414 males) in **Papua New Guinea** are actively practising savings. (World Vision New Zealand)
- 85 people in **Fiji** (32 women, 53 men) participated in Participatory Approach to Safe Shelter Awareness (PASSA) and Water Sanitation and Hygiene (WASH) and Financial Literacy training. (Habitat for Humanity New Zealand)

Climate change, Disaster risk reduction and Environment

- Disaster risk reduction (DRR) capacity increased for 318 households in rural **Viet Nam**, with DRR plans developed for schools and communes, committees established, and preventive measures implemented. (ChildFund New Zealand)
- To date, **6,423 households in the Philippines** have been trained in DRR and climate change adaptation, and demonstrate an understanding of preparation for a natural disaster. (Tearfund New Zealand)
- In **Ethiopia**, **8,491 farmers** (including 5,192 women) have adopted climate-smart agriculture practices to date. (Tearfund New Zealand)

Resilience and hope in the Philippines

In 2013, when Typhoon Yolanda swept through Samar Island in the Philippines, Jaime Busa and his family lost everything. Through SPS Biota's²¹ programme of work, and after intensive training, Jaime started his career as a private service provider in early 2016, offering a wide range of services to farmers of six remote communities in crop and livestock production. Simultaneously, his local Gundalitan Farmer Association received another grant for the establishment of a cacao nursery, and Jaime was invited for a study tour in Mindanao to learn more about the benefits of cacao cultivation.

He planted almost 2,000 cacao seedlings on his coconut farm over the next two years. Most of these seedlings came from the Aotearoa New Zealand-funded Cacao Livelihood Improvement Programme. Today, Jaime's farm is an excellent example of an integrated production system. Besides cacao and coconuts, Jaime also grows pineapple and banana, and breeds pigs and tilapia in the pond he dug himself. Jaime can provide for his whole family thanks to the farm, including keeping seven kids in school and still setting aside money for further farm improvements.

Besides looking after his farm, Jaime also provides technical support to more than 100 growers. His association also owns and oversees fermentation facility operations funded by Aotearoa New Zealand. The facility buys wet beans from local growers, dries them, and then sends them onto the market. Jaime's first shipment of the beans from the fermentary to Aotearoa New Zealand is planned for 2023.



One of the fermentation facilities that dries beans to sell to market. Credit: SPS Biota.

²¹SPS Biota page here: <https://spsbiota.co.nz/pages/about-us>



Samoa market stall. Credit: Darren James Photography

Pacific development cooperation

\$567.36
MILLION

Aotearoa New Zealand's home and heart is in the Pacific. Our engagement in the Pacific is partner-led, supporting each country's determination to chart its own development path, with a shared commitment to the Sustainable Development Goals (SDGs).



North Pacific

TOTAL SPEND: \$7.36m

HIGHLIGHT: Through the Pacific Regional Anti-Corruption Programme, journalists in Palau and Marshall Islands received training on the Teieniwa Vision* and investigative financial reporting. The Palau Media Council adopted its first Code of Conduct and a Pacific Journalists Reporting on Corruption Toolkit was launched in the Marshall Islands.

*A PIF Leaders declaration to unite against corruption.



Nauru

TOTAL SPEND: \$4.31m

HIGHLIGHT: Nauru Accountable and Inclusive Governance project successfully supported the 2022 General Election. There was a particular effort to include people with sight, intellectual and psychosocial disabilities by meeting with advocates and holding outreach sessions for those living with disabilities.



Papua New Guinea

TOTAL SPEND: \$31.41m

HIGHLIGHT: Aotearoa New Zealand supported construction of the new Kimbe fresh produce market; and completion of main power lines in the eastern sector of Enga Province, providing 2,500 households with new access to electricity.



Vanuatu

TOTAL SPEND: \$27.46m

HIGHLIGHT: As a direct result of Phase 1 of the Water Sector Partnership, an estimated 5% more of Vanuatu's population now have access to safely managed drinking water.



Fiji

TOTAL SPEND: \$42.74m

HIGHLIGHT: Business Link Pacific (BLP) and the Pacific Small and medium enterprises (SME) Finance Facility assisted 144 businesses (including 81 women-led businesses) employing 1264 people, with grants and concessional loans. SMEs report \$1.8 million in additional investment since receiving a BLP grant. 80 businesses took action to address environmental and climate related issues.



Tonga

TOTAL SPEND: \$61.21m

HIGHLIGHT: Aotearoa New Zealand provided general budget support in alignment with a reform programme agreed with the government and other development partners. The reform programme progressed the Revenue Services Administration Regulations 2022; the Public Financial Management Bill; the National Disaster Risk Management Policy, and Treasury Instructions that govern the National Emergency Fund.



Niue

TOTAL SPEND: \$36.44m

HIGHLIGHT: Polynesian Health Corridors programme supported Niue to manage its border re-opening and community transmission of COVID-19 providing 510 COVID-19 vaccine doses, 27,990 rapid antigen tests; 160 COVID-19 anti-viral courses; and two deployments of a public health physician in July and December 2022.

Pacific Impacts



Solomon Islands

TOTAL SPEND: **\$42.84m**

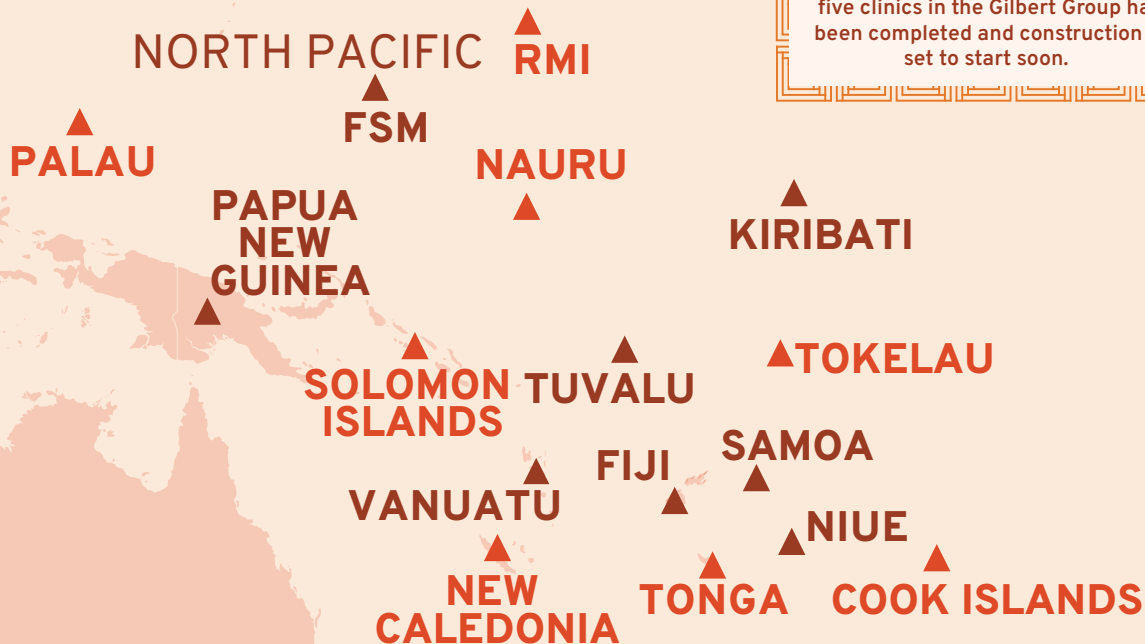
HIGHLIGHT: Solomon Islands Policing Support Programme supported around 500 Police officers to complete mind-set training, focused on improving the Royal Solomon Islands Police Force organisational culture, ethics and values, and approaching problems with a prevention focus.



Kiribati

TOTAL SPEND: **\$28.69m**

HIGHLIGHT: Aotearoa New Zealand supported construction of four new public health clinics in the Line and Phoenix islands, increasing quality and coverage of health services. Procurement of materials for the next five clinics in the Gilbert Group has been completed and construction is set to start soon.



Cook Islands

TOTAL SPEND: **\$57.13m**

HIGHLIGHT: Findings from Pacific Tourism Data Initiative's International Visitor Survey shows an increase in average length of stay and higher visitor spending (daily and per visit) compared to pre-COVID-19 period, with satisfaction levels and willingness to recommend to others remaining strong.



Samoa

TOTAL SPEND: **\$55.51m**

HIGHLIGHT: Through the Education Sector Support Programme, two new school buildings (Faga Primary School and Nofoali'i Primary School) and a College Hall for Lepa and Lotofaga College were officially opened; and a National Plan for Inclusive Education was launched.



Tuvalu

TOTAL SPEND: **\$15.28m**

HIGHLIGHT: Aotearoa New Zealand is funding development of a new modelling approach to assess the probability of sea level rise and resulting coastline impacts, to inform Tuvalu's development plan, land use planning and resilient coastal management.



Tokelau

TOTAL SPEND: **\$19.93m**

HIGHLIGHT: Under the Strengthening Education programme, 51 Year 11 students transitioned to the NCEA Level 1 curriculum, commencing studies in English, Maths, Science, Digital Technologies and Pathways.



Vanuatu Tourism Office celebrate the reopening of Vanuatu's border. Credit: New Zealand High Commission Vanuatu.

Supporting Pacific regionalism

A strong regional architecture – owned and supported by all Pacific countries – enables the Pacific region to deliver its own solutions to priority regional challenges and take advantage of strategic opportunities. One of Aotearoa New Zealand's enduring principles of partnership in the Pacific is Turou Hawaiiki (navigating together), which frames how we want the regional architecture to support regional governance.

Aotearoa New Zealand's partnership approach in the Pacific region is facilitative and consultative, so we are able to support our Pacific partners bilaterally, regionally and multilaterally to achieve outcomes that are regionally-owned.

As we reconnect as a region (and with the world) after the disruption of COVID-19, our key message is that our strength and success as a region relies on Pacific countries acting together to secure the future of our Blue Pacific Continent. Aotearoa New Zealand considers itself to be a member of the Pacific whānau, including the way in which we are embedded into existing Pacific regional architecture.

The Pacific Islands Forum (PIF) launched the 2050 Strategy for the Blue Pacific Continent²² in July 2022. It guides how Pacific countries will work together to secure the region's future against the challenges of today and the coming decades, to achieve a free, safe and prosperous region.

The 2050 vision is for “a resilient Pacific Region of peace, harmony, security, social inclusion, and prosperity that ensures all Pacific people can lead free, healthy, and productive lives”. The Strategy sets out the region's approach to collectively work together to achieve this vision through seven key thematic areas: political leadership and regionalism; people-centred development; peace and security; resource and economic development; climate change and disasters; ocean and natural environment; and technology and connectivity.

Aotearoa New Zealand is guided by and will support implementation of PIF's 2050 Strategy for the Blue Pacific Continent. Key to this support is our role as a member and funder of Pacific regional agencies. These intergovernmental organisations apply their technical and policy capacity, established programmes and relationships, and deep knowledge of the region to support Pacific countries to strengthen their resilience, rebuild from COVID-19 impacts and achieve the SDGs.

Aotearoa New Zealand's core funding to these organisations supports them to deliver on their work programmes and strategic priorities in line with the 2050 strategy. In 2022–23 the IDC programme provided \$28 million in core contributions to seven Pacific regional agencies. Key achievements from each agency are set out over the page.

²²See: <https://www.forumsec.org/wp-content/uploads/2022/08/PIFS-2050-Strategy-Blue-Pacific-Continent-WEB-5Aug2022.pdf>

Results from Pacific Regional Agencies

Pacific Islands Forum Secretariat (PIFS)

Coordinates implementation of Pacific Leaders' decisions including policy advice on regional economic growth, political governance and security.

Key achievements in 2022-23:

- Worked closely with Member countries to develop the 2050 Strategy for the Blue Pacific Continent, which was endorsed by Pacific Islands Forum Leaders at the 51st PIF Leaders Meeting in July 2022.
- In late 2022, the PIFS Sub-Committee on Regional Security adopted the Teieniwa Vision Action Plan, and in-country workshops on the Teieniwa Vision and the UN Convention against Corruption helped bring together a wide range of stakeholders to agree priority actions.
- Supported the PIF Chair, Cook Islands Prime Minister Mark Brown, to attend and deliver three statements to the Group of Seven (G7) at their May 2023 summit in Hiroshima, Japan.

University of the South Pacific (USP)

Research institute and the Pacific region's provider of tertiary education, including distance and flexible learning.

Key achievements in 2022-23:

- USP signed a new ten year partnership with Aotearoa New Zealand that is underpinned by a values-based Partnership Framework.
- There are currently over 16,000 students enrolled in USP, with women comprising 60% of enrolments.
- USP successfully co-hosted the inaugural Conference of Pacific Education Ministers in Auckland in March 2023.

The Pacific Community (SPC)

Scientific and technical services to Pacific countries in agriculture, public health, geosciences, fisheries, statistics, educational assessment, disaster risk reduction, transport, energy, climate change, gender, youth and human rights.

Key achievements in 2022-23:

- SPC's Pacific Community Centre for Ocean Science secured the role of regional coordinating centre for the UN Decade of Ocean Science for Sustainable Development, providing a key platform to better engage external actors in ocean science in the Pacific.
- SPC hosted the 6th Pacific Ministers of Culture meeting in New Caledonia in June. SPC's first Pacific Regional Culture Strategy 2022-2032 was launched by PIF in July 2022.
- SPC's technical support and data helped enable the Declaration on Preserving Maritime Zones in the Face of Climate Change-Related Sea-Level Rise, the Framework for Energy Security and Resilience in the Pacific; and more than 20 regional meetings to discuss issues relating to climate change, trade, ocean and land management, health and education.
- SPC provided training to more than 11,800 Pacific people across multiple sectoral areas.

Forum Fisheries Agency (FFA)

Advice and services to enable Pacific countries to maximise economic and social benefits from the sustainable management of their tuna fisheries.

Key achievements in 2022–23:

- FFA has embedded new systems and processes to support implementation of the 2020–2026 Strategic Plan, resulting in improved annual budget and reporting alignment to priorities and work plans.
- FFA is delivering a joint project with the International Organisation for Migration, the International Labour Organisation and the UN Office on Drugs and Crime to improve labour standards on fishing vessels – a priority for Pacific countries.
- Fisheries Ministers from FFA member countries advanced regional fisheries priorities at their 20th meeting in June 2023. Ministers endorsed the Principles for FFA Engagement in Regional Tuna Fisheries Project Partnerships with Donors, and emphasised the principle of inclusivity and that FFA will ensure all Pacific country members are treated equally and have equitable access to funds.

Pacific Tourism Organisation (SPTO)

Regional tourism sector umbrella organisation focused on destination marketing and sustainable development, data and statistics.

Key achievements in 2022–23:

- The Pacific Tourism Data Initiative, which analyses visitor flows and perceptions, business confidence and community attitudes to tourism across seven Pacific nations, was agreed to transition from the New Zealand Tourism Research Institute to SPTO later in 2023. This fortifies SPTO's position as the premier hub for Pacific Tourism Research and insights.
- SPTO's Pacific Sustainable Tourism Destination Standard attained full recognition from the Global Sustainable Tourism Council, signifying that the Standard adheres to the highest international standards of sustainable tourism.
- Tuvalu became the 17th signatory to the Pacific Leader's Sustainable Tourism Commitment.

Secretariat for the Pacific Regional Environment Programme (SPREP)

Technical and policy assistance on environmental issues such as climate change, biodiversity and ecosystem management, waste management and pollution control.

Key achievements in 2022–23:

- SPREP is celebrating the 30th anniversary of the signing of the SPREP Treaty, which brought about establishment of the organisation as a separate, autonomous body, tasked with the protection and conservation of the Pacific environment.
- SPREP and the Pacific Regional Infrastructure Facility delivered training on Gender Equality and Social Inclusion in Pacific infrastructure projects. SPREP has developed policies and internal coordination mechanisms to support the mainstreaming of gender equality and social inclusion.
- SPREP's Pacific Regional Invasive Species Management Support Services instigated a rat eradication programme in Palmerston Atoll (Cook Islands) to strengthen invasive species management.

Pacific Aviation Safety Office (PASO)

Aviation safety and security services to the Pacific.

Key achievements in 2022–23:

- PASO's Strategic Plan 2023–32 was formally adopted by the PASO Council of Directors. This Plan provides a clear long-term vision aligned to the 2050 Strategy for the Blue Pacific Continent and the 10-year Pacific Regional Aviation Strategy.
- The PASO Reform project completed in November 2022, following eight years of implementation, and resulted in the transformation of PASO to a high functioning and truly regional organisation spanning the Pacific.



Environmentalist and youth activist, Okalani Mariner, presents 'Remember Us', a call to action for Pacific youth to carry the ancestors' wisdom to fight for our ocean and environment, for present and future generations. Source: Mana Moana Pasifika Voices 2022.

Highlights from Aotearoa New Zealand's international development cooperation in the Pacific

Amplifying Pacific voices

In a world where it can be hard for small states to be heard, Aotearoa New Zealand is committed to supporting Pacific partners to reach a global audience with their climate experience and issues. This includes supporting representatives from the small island states of our region to reach key international meetings, as well as building technical evidence and public understanding of the Pacific reality.

Sharing the concerns – and hard-won resilience – of the countries of the Blue Pacific Continent is the focus of the \$4.5 million four-year Pacific Voice activity.

One of our key partners in this work is the SPREP. SPREP Director-General Mr Sefanaia Nawadra says the focus is on securing the future of Pacific communities, and “ensuring the Pacific’s voice is heard and considered as we work towards the needed global action to address climate change”.

This included supporting a strong Pacific presence at the annual UN climate conference. In November 2022, in Sharm el-Sheikh, Egypt, SPREP designed and delivered a welcoming space for Pacific advocacy and information-sharing. Seventy five side events were hosted across the fortnight in the Moana Blue Pacific Pavilion, and also live-streamed to the world.

The real world accounts of Pacific experiences and action on climate change demonstrated our region’s climate leadership – as communities who have already developed and tested innovative ways of addressing climate change impacts.

At the same time, two major communication campaigns took the Pacific issues beyond conference corridors to wider audiences. SPREP’s social media campaign²³ provided powerful Pacific stories to light up the “1.5 to stay alive” slogan that echoed through COP27, and Mana Moana Pasifika Voices 2022²⁴ featured on screen at the Pavilion and has gone on to other public showings. This collection of artistic video works gathered from around Te Moana-nui-a-Kiwa “provide offerings of wisdom and insight for a new generation and audience to see, hear and understand the interconnected relationship of Pacific Island people with the earth, sky and sea”, says curator Audrey Brown-Pereira. “A journey of words and art that will let you feel the spirit of resilience that transcends borders.”

Part of ensuring the Pacific is influential in the global climate context is providing support to small island developing states to meet their commitments under the Paris Agreement. The Pacific Voice activity in this period has included support for developing and updating greenhouse gas inventories in Pacific nations, and funding research on the consistency of countries’ finance flows with their climate plans. That research by Overseas Development Institute will feed into the global stocktake on finance to support the long-term temperature goal under the Paris Agreement.

²³ Survival tips from the Pacific see: <https://vimeo.com/767160562/d5700a3407>

²⁴ See <https://www.manamoana.co.nz/pasifikavoices2022/>



New Zealand Deputy High Commissioner Alex Shahryar-Davis attends the launch of the Fiji Country Gender Assessment Report. Credit: New Zealand High Commission Suva/Emma Christopher.

Marama Ni Viti: Fiji’s Gender Transformative Institutional Capacity Building Initiative

The Institutional Capacity Building (ICD) initiative is an example of an effective cross-government partnership that is raising awareness for a whole-of-government approach to advancing gender equality for Fiji’s women and girls. ICD is led by Fiji’s Ministry of Women, Children and Poverty Alleviation with support from Fiji’s Ministry of Economy (MOE). The Fiji Women’s Rights Movement is the lead technical partner, with Aotearoa New Zealand and Canadian support.

ICD complements the MOE’s Gender Responsive Budgeting processes and supports the Government’s implementation of the Fiji National Development Plan, National Gender Policy and the recently released Fiji National Action Plan to Prevent Violence Against all Women and Girls. The initiative aims to gain the commitment of the Government of Fiji to implementing all the intergovernmental agreements from CEDAW²⁵ to the SDGs.

ICD Phase 1 (2020–2022) achieved significant progress including:

- formation of gender mainstreaming action groups across nine government ministries
- ten gender mainstreaming lead facilitators trained from the two lead government ministries
- eighteen gender responsive budgeting submissions to the national budget which were approved, and resulted in allocation of government budget to gender mainstreaming across the nine ministries.

In addition, a significant new knowledge product was developed – the Fiji Country Gender Assessment (FCGA) – which analyses existing sources of data held by Government agencies across a range of sectors (education, women’s leadership and decision-making, violence against women and girls, health, the environment, and social and cultural norms).

Marama Ni Viti ICD Phase 2 is now under way and will build on the outputs and achievements of the previous phase.

²⁵ Convention on the Elimination of All Forms of Discrimination against Women. See: <https://www.un.org/womenwatch/daw/cedaw/>

Collaborating for fiscal reform

In 2022–23, Aotearoa New Zealand provided \$21.7 million in reform-linked general budget support to the Pacific region, focusing on strengthening economic governance across Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, and Tuvalu.

In the Solomon Islands, the Joint Policy Reform Group (JPRG) is a partnership led by the Government of Solomon Islands, where development partners comprising Australia, the Asian Development Bank (ADB), the European Union, Japan, and the World Bank, along with Aotearoa New Zealand, collaborate to foster policy dialogue on the government's economic and fiscal reforms and to coordinate development partner support through technical assistance and budget support.

The JPRG partnership on economic and public financial management policy reforms in the Solomon Islands continues to grow stronger, focused on strengthening governance processes, accountability and transparency, and increasing resilience to economic shocks.

Steady reform progress is being made in a number of areas, including through the ADB's tax reform programme. Highlights over the past year include the passing of the Tax Administration Bill in 2022; development of a five-year roadmap to achieve Green Climate Fund accreditation; and public financial management budget regulations. A three-year forward programme of reforms has now been endorsed.

Aid for trade: enabling a better way of working

The Pacific Private Sector Project Fund (PPSPF) is a small, regional project fund established to trial and test a way of working that supports businesses and value chains to effectively connect Pacific goods and services to markets.

The Fund was established to enable the use of innovative solutions to explore import and export opportunities between Aotearoa New Zealand and the Pacific and unblock supply chain barriers.

A recent appraisal found that more flexible and participatory partnerships with commercial private sector actors had enabled the PPSPF to build networks and connections, gain knowledge and intelligence about what is happening on the ground, and test new ways of addressing value chain barriers to unleash the economic potential of private sector partners.

For example, in the trial shipments of Tahitian limes from Vanuatu to Aotearoa New Zealand, the Ministry was able to bring together Ministry of Primary Industries; Vanuatu agencies including Biosecurity and Department of Agriculture and Rural Development; PHAMA Plus²⁶; and the private sector in both countries to collectively map every part of the value chain and work out where the barriers are.

Perhaps the most important benefit from this collaboration was prioritising Biosecurity Vanuatu's needs in the process, which may not have occurred otherwise.

²⁶ Pacific Horticultural and Agricultural Market Access Plus (PHAMA Plus) Program

Empowered to lead change: Bougainville Healthy Communities Programme

The Ministry has provided long-term support (18 years) to the Bougainville Healthy Communities Programme (BHCP), delivered through Leprosy Mission New Zealand. The programme provides health and leadership training to community volunteers and local level government employees in over 400 wards in Bougainville, to prevent disease and improve health outcomes for communities.

Key results include increased routine immunisation coverage, an increase in mothers attending antenatal clinics and having attended births, increased access to safe drinking water, increased use of toilets and sanitation equipment, improved individual and community cleanliness and hygiene practices, and increased identification and referrals for leprosy, tuberculosis and malaria.

George Tsora, Chief of Papasa Village describes below the impact the programme has had in his community.

"The most significant change that happened in Papasa was community respect and ownership to support the Community Improvement and Implementation Plan and the community treasury set-up to raise funds for community initiatives like toilets, animal fencing, residential house maintenance and a new meeting house for public gatherings."

"I am so glad to see the transformation taking place in my community, from an individual person to the larger community level. The diseases have been reduced and controlled, social issues have been resolved and leadership is highly respected. Thank you, BHCP, for the training and continuous mentoring support to Papasa Community. As a leading Chief of Papasa community, I am empowered to transform Papasa into a model village."



Residential house and animal fencing in Papasa Village, Selau Suir District, North Bougainville. Credit: Bougainville Healthy Communities Programme.



Kaitai Kaitai and Tukuia Upokomanu from the Aitutaki Island Government Water Works Department installing the smart sensors. Credit: Engineers Without Borders New Zealand.

Technology and community connections combine to provide water shortage warning systems

Running out of fresh water is a growing risk for many Pacific nations, as climate change advances. A new partnership has brought together information technology, weather forecasts and local water use information to provide a Drought Early Warning System (DEWS).

The new system has been tested in Aotearoa New Zealand and is being trialled on the islands of Aitutaki and Rakahanga in the Cook Islands. The first step was for communities there to decide who would test the system, so it could be set up to suit local conditions and the families and organisations who will use it. Next steps include trialling satellite-enabled water tank sensors to make data collation easier than through the current base stations, and potentially including a third island in the trial.

The DEWS warning system is based on smart sensors that detect the current level in a water tank, and link it with information provided by families about their daily water use. This is then combined with weather forecasts, to give the household warning when supplies are running low.

The information can be combined for a geographical area, to help communities recognise shortages, and give disaster response organisations early notice of the need for water relief in different areas. The aim is to avoid crises and build community resilience to the increased risk of droughts on Pacific islands, as temperatures rise and rainfall patterns shift.

Progressing gender equality

Aotearoa New Zealand's core support to the Pacific Island Forum Secretariat (PIFS) has enabled continued progress towards gender equality and women's empowerment at the political level. The 2012 Pacific Leaders' Gender Equality Declaration²⁷(PLGED) was commissioned for independent review in 2021 and endorsed for revitalisation by the inaugural Pacific Islands Women Leaders Meeting (PIFWLM) and PIF Leaders in June 2022.

PIFS undertook to hold in-person and virtual stakeholder consultations in member countries. In Aotearoa New Zealand these included workshops jointly hosted by Tuia Tāngata/Ambassador for Gender Equality (Pacific) and Manatū Wāhine Ministry for Women in late 2022 with Māori, Pasifika and diverse women's rights organisations, academics and government representatives. Aotearoa New Zealand has also engaged closely with Australia in this work.

PIFS is in the process of validating the emergent draft revitalised PLGED with members prior the second PIFWLM in August 2023. Among key outputs will be the alignment of the PLGED with other Pacific gender equality frameworks, such as the Pacific Platform for Action and the 2050 Strategy for the Blue Pacific Continent. A dashboard of measures will accompany this to provide visibility of and accountability to the new PLGED.

Coming together on regional education priorities

Aotearoa New Zealand and the University of the South Pacific (USP) co-hosted the inaugural Conference of Pacific Education Ministers (CPEM) in March 2023. The conference, held in Tāmaki Makaurau Auckland, brought together Ministers of Education, representatives and senior officials from around the Pacific, along with other education partners and stakeholders.

The ministerial forum replaces the previous Forum Education Ministers Meeting, reflecting the transition of the organising body from PIFS to USP, where the Pacific Regional Education Framework (PacREF) is now hosted. It also reflects the opening up of membership to include educators, development partners, civil society organisations and policy makers to address key education priorities within the Pacific.

The conference enabled Ministers to hear from a range of diverse participants and stakeholders, and highlighted the commonalities that the sector faces across the Pacific, including in Aotearoa New Zealand.

Ministers agreed the need for a renewed emphasis on indigenous knowledge, culture and language in education; the importance of quality teaching; and a shared commitment to focus on the priority areas of early childhood, technical and vocational training, inclusion, and building resilience in and through education.

The success of CPEM was an illustration of the importance of reconnecting in person after the pandemic.



Pacific Island Education Ministers and Aotearoa New Zealand Education Minister Hon Jan Tinetti at the 2022 Conference for Pacific Education Ministers. Credit: MFAT/Lucy Squire

²⁷ See: <https://www.forumsec.org/2012/08/30/plged/>



Red Dao ethnic minority community members at a distribution centre for agricultural supplies and social protection cash transfers to households affected by the COVID-19 pandemic. Credit: CARE International in Viet Nam.

Global (non-Pacific) development cooperation

\$152.20
MILLION

Aotearoa New Zealand's global development vision is:

***'Kia tuitui i ngā muka,
koa herea ki tōna painga'***

Tying together the strands to make a strong bind for the greater good.

Beyond the Pacific region, our development cooperation boosts Aotearoa New Zealand's role and credibility as a member of the international community. International Development Cooperation initiatives give Aotearoa New Zealand a platform to advocate for what we and our partners care about. We also support partners to actively pursue progress towards the SDGs.

Aotearoa New Zealand’s development cooperation outside the Pacific region includes a geographic focus on South East Asia, including Timor-Leste, where we are actively working to narrow the economic disparity across, and within, countries in the South East Asia region. Aotearoa New Zealand provides targeted support in the areas of economic and climate resilience (including renewable energy and agriculture); governance; peace and security; and knowledge and skills, particularly to the region’s Least Developed Countries, while supporting Lower Middle Income Countries and the regional role of ASEAN²⁸.

In ASEAN, the profound socioeconomic impacts of the pandemic have set back development progress. Climate change has resulted in more frequent weather events and natural disasters, threatening crop production, food security and livelihoods. Global inflationary pressures and rising cost of living have increased poverty rates and food insecurity even in middle income countries, with minority and marginalised communities worst affected. The Myanmar conflict has pushed an estimated 25 million people (45% of the population) into poverty.

Our development programme has continued to balance timely crisis support with a focus on long term funding commitments. In 2022–23 we doubled the amount of funding provided for Global Development Cooperation (from \$74.7 million in 2021–22). In 2021-22 our focus started the shift to supporting countries to respond to, and recover from, the socioeconomic impacts of COVID-19, including loss of livelihoods, disruptions in supply chains and increasing food insecurity. In 2022–23 we broadened our focus to development challenges exacerbated by the “4C crisis” – COVID-19, climate, conflict and cost-of-living.

In addition, smaller regional programmes in Africa, Latin America and the Caribbean have allowed us to make an impact and engage on issues of importance, such as on Small Island Developing States interests. In the Middle East, Aotearoa New Zealand’s programmes continue to focus on peace and security.

²⁸Association of South East Asian Nations (ASEAN), established on 8 August 1967, is a collective of ten Southeast Asian states

Highlights from Aotearoa New Zealand's development cooperation beyond the Pacific region

Scaling up investment in sexual and reproductive health and rights (SRHR)

In December 2022, Aotearoa New Zealand signed an agreement to provide \$1 million over 5 years to support the delivery of sexual and reproductive health services and sexual and gender based violence responses in Timor-Leste. Activities commenced in January 2023.

Since 2006, Marie Stopes Timor Leste (MSTL) has been the leading organisation providing sexual and reproductive health and family planning services to Timorese women and their families. With this funding, they have now gained nationwide reach. The organisation provides access to accurate information and services, in safe spaces, enabling women to choose safe, effective and affordable contraception.

Funding has allowed MSTL to officially launch new SRHR activities in Manatuto and Covalima municipalities and extend sexual and reproductive health services, including family planning services and sexual and gender based violence response, in both municipalities.

Marie Stopes' clinical midwives and nurses are working alongside Timor-Leste Ministry of Health staff at community health centres to reach more people with essential health services, and to enable Marie Stopes teams to provide accurate information to clients on other services available near them.

Marie Stopes Timor Leste services being provided in Manatuto Municipalities. Credit: Marie Stopes Timor Leste.



Supporting ethnic minority communities to recover from socioeconomic impacts of COVID-19

Ethnic minority communities in Viet Nam were hit particularly hard by COVID-19. Even before the pandemic, ethnic minority communities were the most economically marginalised group, accounting for 15% of the total population but 61% of the country's poor households in 2020. UN research in 2021 found that that 16.5% of ethnic minority household members lost their jobs temporarily and 64.7% lost jobs permanently due to the impact of COVID-19.

During the height of the COVID-19 Delta outbreak in late 2021, many migrant or seasonal workers lost their jobs and fell into poverty as they returned to their hometowns without any real prospect of employment.

Targeted COVID-19-response activities supported socioeconomic recovery. Through Oxfam in Vietnam, immediate relief was available in the form of cash transfers and food for people in vulnerable communities. Longer-term recovery is focused on sustainable livelihoods through small farming activities to promote debt relief, financial independence and food security.

Over the year, 3,500 households in Viet Nam received livelihood support and social protection cash transfers to meet acute food security and household needs.

Building capacity in additional clean energy for Kenya

The New Zealand-Africa Geothermal Facility (NZ-AGF) has helped advance geothermal power projects in Kenya, Tanzania, Ethiopia and Djibouti by providing technical support to partners to help them secure financing for geothermal drilling, and providing advice and guidance throughout the planning, exploration and drilling stages. Capability building has been a focus across the NZ-AGF, which has contributed to strengthened partner capacity for geothermal exploration and operation. Approximately 843 people have received training from the NZ-AGF in the past year.

In Kenya, the NZ-AGF has assisted the Government-owned Geothermal Development Company to commission a commercial steam field operation that is the culmination of two years of capacity building. This is now partially commissioned and feeding 12MW into the grid. Once fully commissioned, the Menengai Steamfield is expected to contribute 35MW to the grid in Kenya.

Collecting samples to assess steam purity. Menengai Commissioning Assistance project supporting GDC in Kenya. Credit: JRG Energy/Kevin Brown.





UNMAS EOR team supervising an EORE session with kindergarten children Gaza, Occupied Palestinian Territories. Credit: UNMAS.

Supporting recovery from conflict

Aotearoa New Zealand supports a range of partners to detect and remove landmines and explosive remnants of war (ERW) in several conflict-affected countries. This reduces the threat of ERW-related accidents through land release and supports socio-economic development of communities. This also reinforces safety and security by negating the drivers that might cause people to turn to illicit economies to support their families.

- In Cambodia, UNDP has reported 34.25 km² of land cleared, with 57,157 people now able to access and productively use safe land. The clearance also benefited 383 students by clearing school land. Land value has increased by an average of 265% in the three target provinces, and communities have generated almost US\$2 million income from the sale of agricultural produce grown on the cleared land during 2022.
- In the Lao People's Democratic Republic (Lao PDR), 29km² of land contaminated with unexploded ordnances (UXOs) was cleared in in the first six months of 2023, and 13,149 UXO items destroyed. To date, a total of 44,167 UXOs were removed and destroyed, including bombs, bomblets, mines and other ERW.
- In Colombia, the Hazardous Area Life-support Organisation Trust (HALO) cleared 5,706 m² of hazardous land. This project also includes risk education, promotes safe practices in areas impacted by mine contamination, and empowers local people by providing employment opportunities through employment with HALO or through the release of land for productive use.
- United Nations Mine Action Service (UNMAS) Iraq cleared 6.4km² of agricultural and residential land, enabling displaced people to resettle in their lands of origin and rebuild their towns, and farmers to replant their agricultural lands. UNMAS Iraq also delivered explosive ordnance risk education reaching 96,192 people, and trained 600 school teachers and 100 police officers to deliver Explosive Ordnance Risk Education (EORE) sessions.
- In Occupied Palestinian Territories, Aotearoa New Zealand supported capacity building of Palestinian mine-clearance authorities and for the provision of EORE in the West Bank by UNMAS Palestine.



An onion farmer in Myanmar applies Trichoderma bio-pesticide to his crop. Credit: Proximity Designs, Myanmar.

Smart agriculture in Myanmar

As costs of agricultural inputs surge, IDC-funded initiatives in Myanmar, Viet Nam and Cambodia have helped farmers transition to organic fertilisers and biological pest controls in order to produce safe and affordable crops.

The Myanmar Resilient Horticulture²⁹ activity has helped farmers adapt as conflict and COVID-19 have disrupted supply chains and raised prices of agricultural inputs, such as fertiliser. This work has supported organic farming and biological pest controls, which are now being taken up by more than 20,000 smallholder farmers. Biological pest control agents enable more efficient uptake of soil nutrients, so farmers get more from the fertilisers they use, and encourage growth of beneficial organisms, reducing pest and disease outbreaks.

Chemical fungicides cost 3 to 4 times as much as organic pesticides, and farmers have reported that their crop yields have increased by an average of 17%, enabling farmers to earn an average of US\$50 additional profit per acre with each harvest as a result.

²⁹ See <https://medium.com/proximity-field-notes/as-agrochemical-prices-surge-myanmar-farmers-are-turning-to-organic-alternatives-61c8a26d96fa>



Indigenous B'laan leaders in front of the new solar power grid. For the first time, their community can access electricity. Credit: Center for Energy, Ecology, and Development (CEED) Philippines.

Providing support through the New Zealand Embassy/High Commission Fund activities

The the New Zealand Embassy/High Commission Fund supports small-scale, short-term community projects that contribute to wider community well-being. The maximum funding available is \$25,000 for individual projects that are less than two years in duration. While HEF activities are smaller scale than those undertaken under bilateral and Partnerships programmes, they highlight social inclusion in effective development and the impact that smaller activities can have on the well-being of marginalised communities. Aotearoa New Zealand provided \$3.65 million in total HEF funding in 2022–23.

Examples of 2022–23 projects in the ASEAN region include:

- In the **Philippines**, HEF support provided access to renewable energy in three un-electrified indigenous communities. The B'laan indigenous community lives next to a coal-fired power plant in their ancestral domain but never benefitted from access to electricity. The new off-grid solar photovoltaic system has provided the community with much needed, and transformative, access to electricity.
- In **Viet Nam**, a kitchen and canteen was constructed in a primary and secondary school, providing a safe and caring environment for 60 boarding students from marginalised ethnic minority communities. As a result, the students could have three cooked meals a day with improved meal quality, and decreased health risk from cooking on open fires.
- In **Indonesia**, HEF supported an activity to promote empowerment for the indigenous communities of Tau Taa in Central Sulawesi. As a result, the community has increased food security through the development of new crops and an expanded variety of vegetables and fruits into their crops. Installation of fish ponds has provided an increased protein intake, particularly benefiting children and the elderly. Installation of fish ponds has provided an increased protein intake, particularly benefiting children and the elderly.

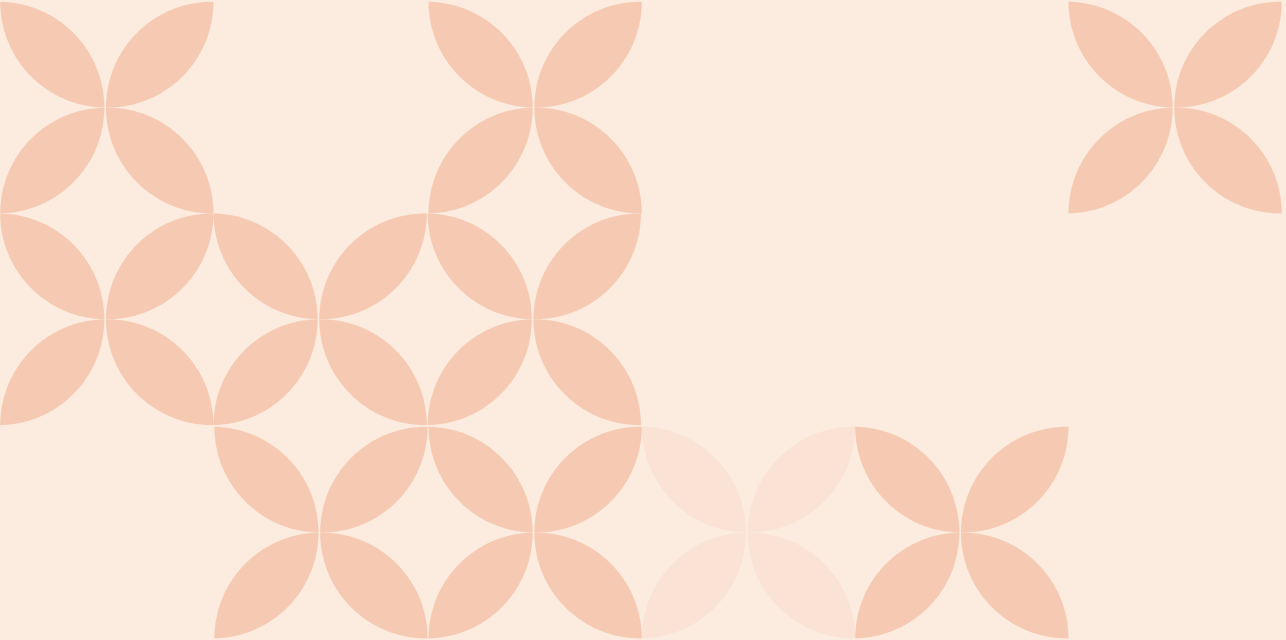


FIGURE 7: EXPENDITURE 2022-23 BY REGION

'Other' category includes: Multilateral Agency, Worldwide/Multi-Region, and Ukraine.

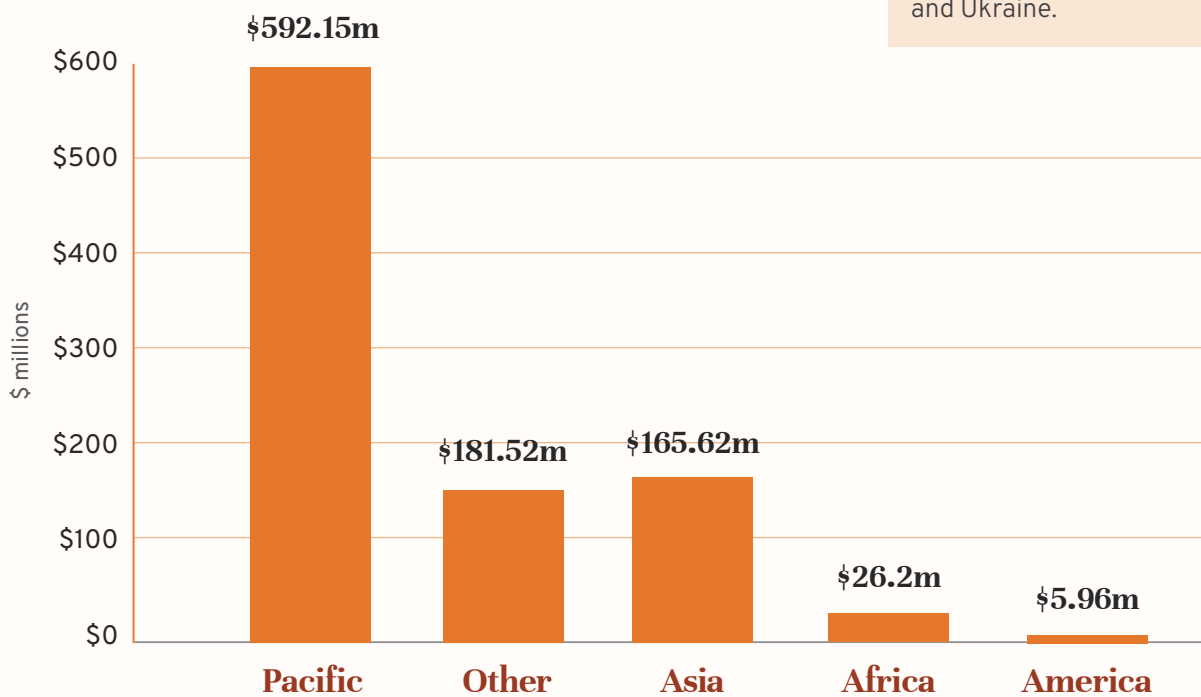


TABLE 1: EXPENDITURE BY REGION, SUB-REGION, AND PACIFIC BILATERAL COUNTRY 2022-2023

REGION, SUB REGION & COUNTRY	Expenditure 2022-23 (\$)	% of total IDC
PACIFIC	592,150,402	61%
PACIFIC POLYNESIA	250,790,119	26%
Cook Islands	58,202,978	6%
Niue	37,249,735	4%
Samoa	56,559,347	6%
Tokelau	20,533,842	2%
Tonga	62,326,034	6%
Tuvalu	15,489,142	2%
Other Polynesia	429,040	0%
PACIFIC MELANESIA	149,329,275	15%
Papua New Guinea	32,257,665	3%
Solomon Islands	43,196,603	4%
Vanuatu	30,308,383	3%
Fiji	43,467,441	4%
New Caledonia	99,183	0%
PACIFIC REGIONAL	150,853,289	16%
Pacific Regional/Multi-Country	150,853,289	16%
PACIFIC MICRONESIA	41,177,720	4%
Kiribati	29,506,848	3%
Nauru	4,310,410	0%
Other Micronesia	7,360,462	1%
ASIA	165,624,596	17%
OTHER - MULTILATERAL & WORLDWIDE	181,519,036	19%
AFRICA	26,203,150	3%
AMERICAS	5,958,165	1%
Grand Total	971,455,348	100%

International Development Cooperation (MYA)

10/12
MET BUDGET
STANDARD

What we intend to achieve

This appropriation is intended to achieve progress by developing countries against their sustainable development priorities and against the 2030 Agenda and Sustainable Development Goals.

TABLE 2: ASSESSMENT OF PERFORMANCE

INTERNATIONAL DEVELOPMENT COOPERATION RESULTS	2022–23		2021–22	2020–21	2019–20
	BUDGET STANDARD	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Number of Pacific Island countries that remain on track on their economic and public sector reform programme	Maintain or improve trend	5/6 countries assessed as "on track" (Kiribati, Samoa, Tonga, Tuvalu, Solomon Islands)	8/8 countries assessed as "on track" (Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Islands, Tonga, Tuvalu)	7/8 countries assessed as "on track" (Fiji, Kiribati, Nauru, PNG, Samoa, Tonga, Tuvalu)	8/9 countries assessed as "on track". (Cook Island, Fiji, Kiribati, Nauru, Niue, Samoa, Tonga, Tuvalu)
Misalign with Budget Standard - We did not make a disbursement to Nauru in 2022–23 as some reforms are outstanding. While the activity management assessment has not yet been approved, the draft result is 'off-track'. This is expected to correct itself in 2023–24 as all reforms are now close to being met.					
Number of people participating in a labour mobility initiative (No., M/F)	Maintain or improve trend	15,792 people (M: 14,357, F: 1,418, Not specified: 17)	14,882 people (M: 13,722, F: 1,148, Not specified: 12)	10,748 people (M: 9,730, F: 1,018)	New measure
Number of people directly benefitting from activities which aim to increase resilience to climate change and environmental degradation (No., M/F), of those number from new climate finance ³⁰	Standard dependent on need ³¹	5,947 people (M: 2,344, F: 2,216, Not specified – 1,387)	9,795 people (M: 2,538, F: 2,256, Gender diverse: 5, Not specified: 4,996).	7,929 people (M: 2,811, F: 3,191, Not specified: 1,927)	New measure
Number of people supported to improve their livelihoods (No., M/F)	Standard dependent on need	184,255 people (M: 72,459, F: 92,763, Not specified – 19,033)	69,880 people (M: 34,873, F: 32,519, Not specified: 2,488)	124,206 people (M: 50,324, F: 38,177, Not specified: 35,705)	New measure

³⁰ The wording of the measure has been revised to match Cabinet's commitments on climate finance see New Zealand's International Climate Finance Strategy www.mfat.govt.nz/assets/Aid/Climate-finance/International-Climate-Finance-Strategy-At-a-glance-FINAL.pdf

³¹ Performance measures which include the standard 'standard dependent on need' are output measures designed to quantify and aggregate the number of beneficiaries reached through a collection of IDC-funded initiatives every year. In general, where our funding increases, we would expect the numbers of beneficiaries reached to slowly increase. However, this varies greatly from year to year depending on the stage of delivery of individual initiatives. As such it is not appropriate to assign a specific overall target or 'increasing trend' standard to these aggregated measures, and this could in fact lead to perverse incentives around volume of delivery.

INTERNATIONAL DEVELOPMENT COOPERATION RESULTS	2022–23		2021–22	2020–21	2019–20
	BUDGET STANDARD	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Number of people directly benefitting from improved infrastructure and services (No., M/F)	Standard dependent on need	64,145 people (M: 9,453, F: 9,491, Not specified – 45,201)	45,271 people (M: 3,922, F: 3,903, Not specified: 37,447)	100,194 people (M:15,761, F: 16,800, Not specified: 67,633)	New measure
Number of people benefitting from sexual and reproductive health services (No., M/F)	Standard dependent on need	172,123 people (M: 56,339, F: 115,784)	177,310 people (F: 83,001, Not specified: 94,309) ³²	42,155 people (M: 1,766, F: 2,914, Not specified: 37,475)	New measure
Number of people benefitting from enhanced learning through ICT (No., M/F)	Standard dependent on need	12,598 people (M: 5,030, F: 5,434, Gender diverse - 39, Not specified – 2,095)	8,037 people (M: 1,331, F: 2,470, Not specified: 4,236)	1,453 people (M: 33, F: 217, Not specified: 1,203)	New measure
Number of people receiving training or capability-building support in priority sectors (No., M/F)	Standard dependent on need	101,536 people (M: 26,480, F: 26,828, Gender diverse - 5, Not specified – 48,222)	88,441 people (M: 31,090, F: 42,495, Not specified: 14,856)	101,507 people (M: 44,727, F: 41,362, Not specified: 15,418)	New measure
Number and percentage of people, who have been awarded scholarships, that complete tertiary or vocational scholarships (M/F) ³³	>90% of people who were awarded scholarship	Vocational training scholarships: 332/332 or 100% (M: 145, F: 185, unspecified: 2) Tertiary scholarships: 164/201 or 82% (M: 75, F: 89)	Vocational training scholarships: 345/399 or 87% (M: 150, F: 194, Other: 1) Tertiary scholarships: 295/303 or 97% (M: 130, F: 165)	Vocational training scholarships: 89 or 99% (M: 55; F: 34). Tertiary scholarships: 327 or 94% (M: 153; F: 173 Not specified; 1)	Vocational training scholarships: 263 or 99.6% (F: 128; M: 135) Tertiary Scholarships: 347 or 89% (F: 178; M: 169)

Misalign with Budget Standard – The lower than average completion rate for tertiary scholarships was anticipated, given the long deferral periods of some scholars due to the impact of COVID-19 and the closure of the NZ border. During this period situations changed for some scholars, who were unable to continue their studies.

³² 2021–22 results have been amended from those originally published in the 2021–22 Annual Report (89,314) people. A data entry error meant that only 6 months of results were reported. This has now been corrected.

³³ The slight downward trend is reflective of delays and disruptions caused by COVID-19 over the last 2.5 years, which have impacted on effectiveness in terms of delivery of short term outcomes for IDC-funded initiatives.

	2022–23		2021–22	2020–21	2019–20
INTERNATIONAL DEVELOPMENT COOPERATION RESULTS	BUDGET STANDARD	ACTUAL	ACTUAL	ACTUAL	ACTUAL
New Zealand responses to natural disasters in the Pacific are launched within mandated timeframes (%)	100%	100% (1/1) launched within mandated timeframes <ul style="list-style-type: none"> Tropical Cyclone Kevin and Judy – Vanuatu. 	100% (1/1) launched within mandated timeframes: <ul style="list-style-type: none"> Hunga Tonga - Hunga Ha'apai volcano - Tonga 	100% (4/4) launched within mandated timeframes <ul style="list-style-type: none"> Water insecurity Kiribati Tropical Cyclone Yasa Tropical Cyclone Ana Tropical Cyclone Harold 	100% (4/4) launched within mandated timeframes <ul style="list-style-type: none"> Tropical Cyclone Sarai - Fiji Tropical Cyclone Tino, Fiji flooding, Tropical Cyclone
Number of affected people provided with essential and useful assistance following a natural or human induced disaster (No., M/F)	Standard dependent on need	251,633 people (M: 75,934, F: 87,091, Not specified – 88,608)	552,135 people (M: 6,258, F: 6,870, Not Specified: 539,007)	412,348 people	814,923 people
QUALITY					
Percentage of Activities with effectiveness rated as good or better (based on MFAT Activity Completion Assessments)	Maintain or improve trend	73%	62%	65%	-

Financial performance (figures are GST exclusive)

30/06/22 Actual \$000		30/06/23 Actual \$000	30/06/23 Appropriation \$000	30/06/23 Variance \$000
826,901	International Development Cooperation (MYA)	971,455	904,608	(66,847)

Explanation of significant budget variance

There was a significant increase in expenditure in the last two months of the year to achieve an outturn of over \$900 million. The variance has resulted in a slightly reduced budget for 2023–24, year three of the current triennium.

