



Cabinet

CAB Min (09) 13/3C

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Minute of Decision

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New Zealand Agency for International Development: Mandate and Policy Settings (Paper Three)

Portfolio: Foreign Affairs

On 20 April 2009, following reference from the Cabinet External Relations and Defence Committee, Cabinet:

- 1 **noted** that the paper under ERD (09) 16 is one of a suite of papers relating to New Zealand's official development assistance (ODA) and the New Zealand Agency for International Development (NZ Aid), and that this minute should be read in conjunction with the related minutes ERD Min (09) 4/3 and ERD Min (09) 4/4;
- 2 **noted** that in September 2001, the previous government agreed that New Zealand's ODA should have the elimination of poverty as its central focus [CAB Min (01) 28/8];
- 3 **noted** that the Minister of Foreign Affairs, with the Secretary of Foreign Affairs and Trade and the Executive Director of NZ Aid, has undertaken a review of NZ Aid's mandate and policy settings to reflect the priorities of the government;
- 4 **agreed** that New Zealand's ODA outcomes should be consistent with, and support, New Zealand's foreign policy and external relations outcomes under the direction of the Minister of Foreign Affairs;
- 5 **agreed** that New Zealand's ODA have the support of broad-based sustainable economic development as its central focus;
- 6 **agreed** that:
 - 6.1 the mission statement for New Zealand's ODA be to "support sustainable development in developing countries, in order to reduce poverty and to contribute to a more secure, equitable and prosperous world";
 - 6.2 within this, the core focus be on sustainable economic development;
- 7 **agreed** that the Pacific remain the core focus, and receive an increased portion of, New Zealand's ODA;

- 8 **endorsed** the Prime Minister's agreement with his Australian counterpart on the need for closer co-operation on development in the Pacific, especially helping Pacific Island countries achieve the Millennium Development Goals;
- 9 **confirmed**, in setting an overall growth path for ODA funding to 2012/13, some reallocation/reprioritisation across overall commitments (bilateral, regional, multilateral, and non-government organisation programmes);
- 10 **agreed** to support flexibility in reallocating overall ODA resourcing among some partners who do not have formal bilateral programmes;
- 11 **agreed** that the cross-cutting and thematic issues (including gender, the environment, and human rights) be pursued as a means to ensure good outcomes and to manage risks;
- 12 **agreed** that New Zealand's ODA programmes will pursue concrete measurable results through programmes that are well co-ordinated with other donors, especially Australia, and closely aligned to partner country needs;
- 13 **agreed** that New Zealand's ODA programmes ensure that development approaches and practices represent the best value for money for New Zealand and partner countries;
- 14 **agreed** that the overheads of New Zealand's ODA programmes should achieve improved efficiencies;
- 15 **directed** NZAID to continue to strengthen mutual accountability processes and results reporting;
- 16 **noted** that further work is being undertaken on the arrangements for the announcement of the government's decisions on New Zealand's ODA and NZAID, and that the Minister of Foreign Affairs would consult the Prime Minister on the timing and nature of the announcement.

Secretary of the Cabinet

Reference: CAB (09) 167; ERD Min (09) 4/5; ERD (09) 16

Secretary's note: This minute supersedes ERD Min (09) 4/5. Cabinet added paragraph 16.
