

Vote Primary Industries and Food Safety

APPROPRIATION MINISTER(S): Minister for Food Safety (M33), Minister for Primary Industries (M87)

APPROPRIATION ADMINISTRATOR: Ministry for Primary Industries

RESPONSIBLE MINISTER FOR MINISTRY FOR PRIMARY INDUSTRIES: Minister for Primary Industries

Overview of the Vote

The Minister for Primary Industries is responsible for appropriations in the Vote for the 2016/17 financial year covering:

- just over \$190 million (21% of the Vote) on departmental output expenses for border and domestic biosecurity risk management
- nearly \$106 million (12% of the Vote) on the departmental output expenses for the development and implementation of policy advice
- nearly \$70 million (8% of the Vote) on departmental output expenses for fisheries enforcement and monitoring, fisheries management, animal welfare education and enforcement, administration of grants and programmes, supporting and monitoring the growth of the aquaculture industry, and management of Crown forestry assets
- just over \$92 million (10% of the Vote) on non-departmental output expenses for purchasing forest management and wood production services from sector contractors for Crown forests, for the Crown's contribution to implementation of the National Bovine Tuberculosis Pest Management Strategy, for climate change research, and for the operation of the NZ Walking Access Commission
- just over \$163 million (18% of the Vote) for non-departmental other expenses, notably for the Primary Growth Partnership, a Government-industry initiative that invests in significant programmes of research and innovation to boost economic growth and sustainability across the primary sectors, and for settlement of the Crown's aquaculture new space obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004
- just over \$159 million (18% of the Vote) for capital expenditure including nearly \$102 million investment in Crown Irrigation Investments Ltd.

The Minister for Food Safety is responsible for appropriations in the Vote for the 2016/17 financial year covering a total of just over \$112 million (13% of the Vote). The Food Safety appropriations cover protecting consumers from food borne disease; maintaining and enhancing New Zealand's reputation as a trusted supplier of safe and suitable food; delivering assurances to consumers; responses to food related incidents; and development and implementation of food related standards.

Crown Revenue and Capital Receipts

The Ministry for Primary Industries expects to collect nearly \$124 million of Crown revenue and capital receipts in 2016/17, including:

- just over \$81 million for the sale of logs from Crown forests
- just over \$36 million in cost recoveries from the fishing industry.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Capital Expenditure			
Ministry for Primary Industries - Capital Expenditure PLA (M87)	46,702	46,702	57,720
This appropriation is limited to the purchase or development of assets by and for the use of the Ministry for Primary Industries, as authorised by section 24(1) of the Public Finance Act 1989.			
Total Departmental Capital Expenditure	46,702	46,702	57,720
Non-Departmental Output Expenses			
Climate Change Research (M87)	2,384	2,384	1,720
This appropriation is limited to obtaining science, research, technology, capacity and capability in climate change related to the primary land-based sectors.			
Control of Bovine TB (M87)	-	-	26,000
This appropriation is limited to the Crown's contribution to implementing the National Bovine Tuberculosis Pest Management Plan.			
Support for Walking Access (M87)	1,789	1,789	1,789
This appropriation is limited to the operation of the New Zealand Walking Access Commission.			
Control of TB Vectors (M87)	30,000	30,000	-
This appropriation is limited to the Crown's contribution to the implementation of the National Bovine Tuberculosis Pest Management Strategy.			
Total Non-Departmental Output Expenses	34,173	34,173	29,509
Benefits or Related Expenses			
Rural Veterinarians Bonding Scheme (M87)	1,650	1,650	1,650
This appropriation is limited to the provision of payments to veterinary professionals agreeing to work in understaffed, rural areas, in accordance with government approved criteria and guidelines.			
Total Benefits or Related Expenses	1,650	1,650	1,650
Non-Departmental Other Expenses			
Aquaculture Settlements (M87)	52,348	52,348	33,000
This appropriation is limited to the recognition of settlements negotiated under the Māori Aquaculture Commercial Claims Settlement Act 2004.			
Provision for Fisheries Debt Write Downs (M87)	1,000	1,000	1,000
This appropriation is limited to commercial fishing sector quota holder debt write-offs.			
Response to the Kiwifruit disease <i>Pseudomonas Syringae</i> pv. <i>Actinidiae</i> (M87)	1,310	1,310	500
This appropriation is limited to supporting an industry-led programme for the kiwifruit disease <i>pseudomonas syringae</i> pv. <i>actinidiae</i> .			
Subscriptions to International Organisations (M87)	3,208	3,208	3,208
This appropriation is limited to New Zealand's membership of primary industry-related international organisations.			
Total Non-Departmental Other Expenses	57,866	57,866	37,708

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Multi-Category Expenses and Capital Expenditure			
Administration and Management of Crown Forestry Assets and Operations MCA (M87) The overarching purpose for this appropriation is to achieve the outcome of obtaining the best return on the Crown's interest in forestry assets whilst seeking opportunities for the Crown to divest its interest in those assets.	70,494	70,494	64,191
<i>Departmental Output Expenses</i>			
<i>Administration and Management of Crown Forestry Assets</i> This category is limited to administration and management of the Crown's interest in forests and forestry-related assets.	1,382	1,382	1,404
<i>Non-Departmental Output Expenses</i>			
<i>Operational Management of the Crown Forest Estate</i> This category is limited to the purchase of forestry operations, management services, research and related forest asset expenditure including expenditure related to asset divestment.	69,112	69,112	62,787
Border and Domestic Biosecurity Risk Management MCA (M87) The overarching purpose of this appropriation is to improve biosecurity risk management by providing operational support to prevent harmful organisms from crossing the borders and working to reduce the unwanted harm caused by organisms already established in New Zealand.	181,388	181,388	190,761
<i>Departmental Output Expenses</i>			
<i>Biosecurity Incursion Response and Long Term Pest Management</i> This category is limited to the assessment, containment and possible eradication of suspected biosecurity risk organisms within New Zealand.	33,964	33,964	35,020
<i>Border Biosecurity Monitoring and Clearance</i> This category is limited to biosecurity monitoring and clearance programmes that manage the biosecurity risk associated with international trade and travel.	89,919	89,919	96,497
<i>Border Biosecurity Systems Development and Maintenance</i> This category is limited to the development and maintenance of standards and systems that manage biosecurity risk associated with imports and exports.	19,289	19,289	19,747
<i>Domestic Biosecurity Surveillance</i> This category is limited to domestic biosecurity surveillance activities.	38,216	38,216	39,497
Development and Implementation of Food Safety Policy Advice MCA (M33) The overarching purpose of this appropriation is to provide both policy and operational advice and support to Ministers in discharging their policy and operational decision-making responsibilities with regards to food safety.	8,427	8,427	11,087
<i>Departmental Output Expenses</i>			
<i>Development of Policy Advice</i> This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to food safety.	4,381	4,381	4,189
<i>Implementation of Policy Advice</i> This category is limited to implementing policy decisions, operational policy, and administering legislation relating to food safety matters, and ministerial servicing.	4,046	4,046	6,898

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Development and Implementation of Primary Industries Policy Advice MCA (M87)	101,750	101,750	105,071
The overarching purpose of this appropriation is to provide both policy and operational advice and support to Ministers in discharging their policy and operational decision-making responsibilities with regards to primary industries.			
<i>Departmental Output Expenses</i>			
<i>Agriculture and Forestry Policy Advice</i>	26,438	26,438	27,316
This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to agriculture and forestry, animal welfare and climate change.			
<i>Biosecurity Policy Advice</i>	3,015	3,015	2,951
This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to biosecurity.			
<i>Fisheries Policy Advice</i>	3,710	3,710	3,629
This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to the development of standards and guidelines for the sustainable and efficient utilisation of New Zealand's fisheries and promotion of New Zealand's interests in an international context.			
<i>Implementation of Agriculture and Forestry Policy Advice</i>	26,659	26,659	27,355
This category is limited to implementing policy decisions, operational policy, and administering legislation relating to agriculture and forestry, animal welfare and climate change matters, and ministerial servicing.			
<i>Implementation of Biosecurity Policy Advice</i>	3,146	3,146	3,150
This category is limited to implementing policy decisions, operational policy, and administering legislation relating to biosecurity matters, and ministerial servicing.			
<i>Implementation of the Emissions Trading Scheme and Indigenous Forestry</i>	10,049	10,049	9,406
This category is limited to the implementation of the agriculture and forestry provisions of the Climate Change Response Act 2002 and the indigenous forestry provisions of the Forests Act 1949.			
<i>Operational Advice on Sustainability and Management Controls in Fisheries</i>	28,733	28,733	31,264
This category is limited to operational advice to support decision-making by Ministers on Government policy matters relating to operational advice on sustainability and management controls for New Zealand's fisheries.			
Food Safety MCA (M33)	97,439	97,439	101,304
The overarching purpose of this appropriation is to protect consumers from food borne disease and maintain and enhance New Zealand's reputation as a trusted supplier of safe and suitable food.			
<i>Departmental Output Expenses</i>			
<i>Assurance</i>	70,879	70,879	73,593
This category is limited to justifying and delivering assurances to consumers, the public, overseas authorities and other stakeholders that food, food-related products and inputs into the production of food (whether undertaken or produced in New Zealand or imported) are managed, audited, approved, registered and/or monitored in accordance with New Zealand legislation and, for exports, relevant importing countries' market access requirements.			
<i>Information</i>	1,057	1,057	1,055
This category is limited to engagement of, and information for, stakeholders about food safety and suitability, to encourage participation in, and compliance with, the food regulatory programme, and to enable consumers to make appropriate food choices.			

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Multi-Category Expenses and Capital Expenditure - cont'd			
<i>Response</i> This category is limited to the investigation of, preparedness for, and response to, food related events, incidents, emergencies, complaints and suspected breaches of legislation and taking appropriate sanctions and enforcement action.	4,969	4,969	5,990
<i>Standards</i> This category is limited to the scientific inputs and development and implementation of food related standards (including as appropriate international and joint Australia/New Zealand standards) and standards related to inputs into food production, imports, exports, new and emerging issues and the domestic market.	18,434	18,434	18,566
<i>Non-Departmental Other Expenses</i>			
<i>Joint Food Standards Setting Treaty</i> This category is limited to the development of joint food standards, codes of practice, and guidance material for Australia and New Zealand by Food Standards Australia New Zealand in accordance with the Joint Food Standards Setting Treaty.	2,100	2,100	2,100
Grants and Programmes MCA (M87) The overarching purpose for this appropriation is the administration of schemes, grants, programmes and assistance which are designed to achieve the outcome of innovation and sustainable resource management within the primary sector.	20,852	20,852	19,445
<i>Departmental Output Expenses</i>			
<i>Administration of Grants and Programmes</i> This category is limited to the administration of government approved schemes, grants and assistance to the land-based sectors.	6,285	6,285	7,719
<i>Non-Departmental Other Expenses</i>			
<i>Adverse Climatic Events</i> This category is limited to providing recovery assistance to the primary sector in the aftermath of adverse climatic events and assistance to rural support trusts.	2,556	2,556	526
<i>Hill Country Erosion Fund</i> This category is limited to projects that protect erosion-prone hill country.	2,200	2,200	2,200
<i>Sustainable Farming Fund</i> This category is limited to community driven programmes aimed at improving economic and environmental performance in farming.	9,811	9,811	9,000
Sustainable Economic Development and Trade MCA (M87) The overarching purpose for this appropriation is to efficiently manage New Zealand's primary production and natural resources in a sustainable manner.	61,494	61,494	60,732
<i>Departmental Output Expenses</i>			
<i>Animal Welfare Education and Enforcement</i> This category is limited to education and enforcement intended to improve animal welfare in New Zealand.	8,450	8,450	8,558
<i>Aquaculture</i> This category is limited to implementing aquaculture policy advice, supporting and monitoring the growth of the aquaculture industry.	4,665	4,665	4,142
<i>Fisheries Enforcement and Monitoring</i> This category is limited to informing, assisting, directing and enforcing adherence to New Zealand fisheries laws.	37,881	37,881	37,690

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<i>Fisheries Management</i> This category is limited to implementing ministerial decisions on sustainability and management controls for New Zealand fisheries.	10,474	10,474	10,318
<i>Non-Departmental Other Expenses</i>			
<i>Fisheries Quota Shares and ACE Administration Costs</i> This category is limited to the administration of the sale of Crown Quota Shares and Annual Catch Entitlement (ACE).	24	24	24
Total Multi-Category Expenses and Capital Expenditure	541,844	541,844	552,591
Total Annual and Permanent Appropriations	682,235	682,235	679,178

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Afforestation Grant Scheme (M87) This appropriation is limited to grants to private landowners for afforestation purposes. Commences: 01 July 2016 Expires: 30 June 2021	Original Appropriation Adjustments to 2014/15 Adjustments for 2015/16 Adjusted Appropriation Actual to 2014/15 Year End Estimated Actual for 2015/16 Estimated Actual for 2016/17 Estimated Appropriation Remaining	19,500 - - 19,500 - - 3,900 15,600
East Coast Afforestation Grants (M87) This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 2000. Commences: 01 July 2013 Expires: 30 June 2017	Original Appropriation Adjustments to 2014/15 Adjustments for 2015/16 Adjusted Appropriation Actual to 2014/15 Year End Estimated Actual for 2015/16 Estimated Actual for 2016/17 Estimated Appropriation Remaining	18,460 4,495 - 22,955 4,621 1,852 16,482 -
Global Research Alliance on Agricultural Greenhouse Gases (M87) This appropriation is limited to the Global Research Alliance on Agricultural Greenhouse Gases. Commences: 01 July 2012 Expires: 30 June 2016	Original Appropriation Adjustments to 2014/15 Adjustments for 2015/16 Adjusted Appropriation Actual to 2014/15 Year End Estimated Actual for 2015/16 Estimated Actual for 2016/17 Estimated Appropriation Remaining	38,253 (8,749) - 29,504 14,582 14,922 - -

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Global Research Alliance on Agricultural Greenhouse Gases (M87) This appropriation is limited to the Global Research Alliance on Agricultural Greenhouse Gases. Commences: 01 July 2016 Expires: 30 June 2020	Original Appropriation	26,960
	Adjustments to 2014/15	-
	Adjustments for 2015/16	-
	Adjusted Appropriation	26,960
	Actual to 2014/15 Year End	-
	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	10,000
	Estimated Appropriation Remaining	16,960
Primary Growth Partnership (M87) This appropriation is limited to primary, food and forestry sector investment in education and skills development, research and development, product development, commercialisation, market development and technology transfer, in partnership with relevant industry groups, including research related to greenhouse gases via the New Zealand Agricultural Greenhouse Gas Research Centre. Commences: 01 July 2012 Expires: 30 June 2017	Original Appropriation	352,380
	Adjustments to 2014/15	(76,324)
	Adjustments for 2015/16	(14,971)
	Adjusted Appropriation	261,085
	Actual to 2014/15 Year End	129,591
	Estimated Actual for 2015/16	54,631
	Estimated Actual for 2016/17	76,863
	Estimated Appropriation Remaining	-
Water Storage and Irrigation Investment Proposals (M87) This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage. Commences: 01 July 2012 Expires: 30 June 2016	Original Appropriation	32,500
	Adjustments to 2014/15	725
	Adjustments for 2015/16	-
	Adjusted Appropriation	33,225
	Actual to 2014/15 Year End	18,892
	Estimated Actual for 2015/16	14,333
	Estimated Actual for 2016/17	-
	Estimated Appropriation Remaining	-
Water Storage and Irrigation Investment Proposals (M87) This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage. Commences: 01 July 2016 Expires: 30 June 2021	Original Appropriation	25,000
	Adjustments to 2014/15	-
	Adjustments for 2015/16	-
	Adjusted Appropriation	25,000
	Actual to 2014/15 Year End	-
	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	5,000
	Estimated Appropriation Remaining	20,000
Non-Departmental Capital Expenditure		
Crown Irrigation Investments Limited (M87) This appropriation is limited to the Crown's investment in Crown Irrigation Investments Limited. Commences: 01 July 2014 Expires: 30 June 2018	Original Appropriation	40,000
	Adjustments to 2014/15	71,850
	Adjustments for 2015/16	-
	Adjusted Appropriation	111,850
	Actual to 2014/15 Year End	7,250
	Estimated Actual for 2015/16	3,000
	Estimated Actual for 2016/17	101,600
	Estimated Appropriation Remaining	-

Total Annual, Permanent and Multi-Year Appropriations

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual and Permanent Appropriations	682,235	682,235	679,178
Total MYA Non-Departmental Other Expenses Forecasts	85,738	85,738	112,245
Total MYA Non-Departmental Capital Expenditure Forecasts	3,000	3,000	101,600
Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts	770,973	770,973	893,023

Capital Injection Authorisations

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Ministry for Primary Industries - Capital Injection (M87)	32,455	32,455	32,070

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
National Biocontainment Laboratory - Final funding requirements and revised expenditure profile	Border and Domestic Biosecurity Risk Management (MCA) Domestic Biosecurity Surveillance Departmental Output Expenses	380	(35)	(845)	2,707	2,207
	Departmental Net Assets Capital Injection	(23,775)	28,482	14,767	-	-
Wilding Conifers - Protecting farmland, biodiversity and iconic landscapes from invasive conifers	Domestic Biosecurity Risk Management MCA Biosecurity Incursion Response and Long Term Pest Management Departmental Output Expenses	-	4,000	4,000	4,000	4,000
Eliminating bovine TB through joint government/industry management	Control of Bovine TB Non-Departmental Output Expenses	-	18,444	18,444	16,444	16,444
Providing a world class border experience	Border and Domestic Biosecurity Risk Management MCA Border Biosecurity Monitoring and Clearance Departmental Output Expenses	-	-	1,557	1,734	-
Increased research funding for the Global Research Alliance	Global Research Alliance on Agricultural Greenhouse Gases MYA Non-Departmental Other Expenses	-	6,000	5,000	5,000	4,000
Queensland Fruit Fly Incursion Response Programme return of contingency and savings FY 2015/16	Domestic Biosecurity Risk Management MCA Biosecurity Incursion Response and Long Term Pest Management Departmental Output Expenses	(1,430)	-	-	-	-
Response to the June 2015 Severe Weather Event Affecting Manawatu-Wanganui and Taranaki Regions and Westland District	Multi-category Expenses and Capital Expenditure Grants and Programmes MCA Non-Departmental Other Expenses Adverse Climatic Events	1,680	-	-	-	-

Policy Initiative	Appropriation	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Share of costs for Budget 2015 whole-of-government initiatives	Administration and Management of Crown Forestry Assets and Operations (MCA) Departmental Output Expenses	(3)	(3)	(3)	(2)	(2)
	Border and Domestic Biosecurity Risk Management (MCA) Departmental Output Expenses	(255)	(255)	(255)	(150)	(150)
	Development and Implementation of Food Safety Policy Advice (MCA) Departmental Output Expenses	(14)	(14)	(14)	(8)	(8)
	Development and Implementation of Primary Industries Policy Advice (MCA) Departmental Output Expenses	(213)	(213)	(213)	(126)	(126)
	Food Safety (MCA) Departmental Output Expenses	(52)	(52)	(52)	(30)	(30)
	Grants and Programmes (MCA) Departmental Output Expenses	(15)	(15)	(15)	(9)	(9)
	Sustainable Economic Development Trade (MCA) Departmental Output Expenses	(134)	(134)	(134)	(78)	(78)
	Total Initiatives		(23,831)	56,205	42,237	29,482

1.2 - Trends in the Vote

Summary of Financial Activity

	2011/12	2012/13	2013/14	2014/15	2015/16		2016/17			2017/18	2018/19	2019/20
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	246,448	237,332	240,590	219,302	34,173	34,173	-	29,509	29,509	30,049	28,049	28,049
Benefits or Related Expenses	736	1,399	1,446	1,304	1,650	1,650	N/A	1,650	1,650	1,650	1,650	1,650
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	75,909	68,774	78,560	76,634	144,037	144,037	-	149,953	149,953	78,836	78,316	83,006
Capital Expenditure	19,971	16,259	26,561	24,121	49,702	49,702	57,720	101,600	159,320	37,651	14,100	14,100
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	266,813	273,984	291,239	308,507	524,720	524,720	475,954	62,787	538,741	522,442	531,137	526,486
<i>Other Expenses</i>	-	-	-	-	16,691	16,691	-	13,850	13,850	11,850	11,850	11,850
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	609,877	597,748	638,396	629,868	770,973	770,973	533,674	359,349	893,023	682,478	665,102	665,141
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	161,021	169,320	175,515	140,800	132,084	132,084	N/A	121,817	121,817	118,735	125,932	118,215
Capital Receipts	18,909	4,151	4,178	11,905	1,686	1,686	N/A	1,686	1,686	1,686	1,686	1,686
Total Crown Revenue and Capital Receipts	179,930	173,471	179,693	152,705	133,770	133,770	N/A	123,503	123,503	120,421	127,618	119,901

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

1.3 - Analysis of Significant Trends

Vote Primary Industries and Food Safety was formed on 1 July 2015 by combining Vote Primary Industries and Vote Food Safety.

Departmental Output Expenses

The change in output expenses in part reflects the level of third party-funded activity operated on a full cost recovery basis. Memorandum accounts are used to keep track of the accumulated surpluses and deficits to enable the Ministry to take a long-run perspective to fee setting and cost recovery.

Departmental output expenses increase slightly in 2016/17, then remain relatively stable in future years. Drivers of the increase in 2016/17 include:

- \$6.114 million of efficiency savings realised in 2015/16 carried forward to 2016/17 to allow the Ministry to meet baseline cost pressures
- \$4 million for protection from the impacts of invasive conifers, and
- \$2.600 million to establish the Border Clearance Levy and Strengthening the Biosecurity System.

Non-Departmental Output Expenses

Non-departmental output expenses decrease slightly in 2016/17 mainly due to the sale of Crown forests in 2015/16. The decrease in Crown Forestry expenditure since 2014/15 reflects the successful implementation of government policy to exit from commercial forestry activity on commercial terms with the sale of several forests completed during 2015/16.

Non-Departmental Other Expenses

Non-departmental other expenses are anticipated to increase slightly for 2016/17. This is mainly due to an increase of \$20.757 million in budgeted expenses for the Primary Growth Partnership and a decrease of \$19.348 million in anticipated aquaculture settlements to iwi.

Departmental Capital Expenditure

The increase in departmental capital expenditure reflects the significant spend over the period 2015/16 to 2017/18 on the construction of a new National Biocontainment Facility in Wallaceville to meet updated biocontainment standards and provide greater functionality and capacity. In addition there is a one-off capital injection of \$2.500 million for the implementation of the new Food Act 2014.

Non-Departmental Capital Expenditure

There is a significant increase in forecast non-departmental capital expenditure in 2016/17. This is a reflection of the Crown's investment in regional water storage and off-farm irrigation infrastructure through Crown Irrigation Investments Limited.

Crown Revenue and Capital Receipts

Crown Revenue or Capital Receipt item	2015/16		2016/17		Description of Crown Revenue or Capital Receipt item
	Budgeted \$000	Estimated Actual \$000	Budgeted \$000		
Crown Revenue					
Biosecurity Act Fines	1,600	1,600	1,600		Infringement fines imposed on persons entering New Zealand at ports of entry with undeclared goods, under the Biosecurity Act 1993.
Conservation Levy	1,870	1,870	1,600		Revenue from the costs of Government approved conservation services that are able to be recovered from the commercial fishing sector.
Cost Recovery from Fishing Industry	28,970	28,970	31,000		Revenue from the costs of Government approved fisheries services that are able to be recovered from the commercial fishing sector.
Dairy Industry Levy	500	500	500		Levy to fund the Commerce Commission's dispute resolution and regulatory enforcement functions under the Dairy Industry Restructuring Act 2001.
Deemed Value for Over-fishing	5,000	5,000	5,000		Revenue forecast to be paid by quota holders who have over-fished.
Fisheries Act Infringement Notices	150	150	150		Revenue relating to the issue of Infringement Notices under the Fisheries Act 1996.
Forestry Encouragement loans Interest	431	431	346		Interest earned on forestry encouragement loans.
Forfeitures for Fisheries Offences	150	150	150		Revenue from forfeit property, whether by sale or through redemption fees.
Other Revenue	50	50	50		Miscellaneous Revenues.
New Zealand Emissions Trading Scheme Fees	150	150	150		Fees received from forest landowners joining the New Zealand Emissions Trading Scheme.
Sale of Forest Produce	93,113	93,113	81,171		Revenue from the sale of forest produce from Crown forests
Sale of Quta Shares & Ace	100	100	100		Revenue from the sale of Crown-owned quota and Annual Catch Entitlement (ACE)
Capital Receipts					
Forestry Encouragements Loans	1,686	1,686	1,686		Forestry encouragement loan repayments
Total Crown Revenue and Capital Receipts	129,270	129,270	123,503		

The small decrease in Crown revenue reflects reduced forecast income from Crown Forestry sales as the number of forests Crown Forestry owns decreases over time.

Part 2 - Details of Departmental Appropriations

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry for Primary Industries - Capital Expenditure PLA (M87)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry for Primary Industries, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	38,562	38,562	46,128
Intangibles	8,140	8,140	11,592
Other	-	-	-
Total Appropriation	46,702	46,702	57,720

Significant Projects

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
National Biocontainment Facility	28,300	11,847	29,570
Total	28,300	11,847	29,570

The following key milestone for the National Biocontainment Facility project is expected to be achieved in 2016/17:

- Structural framing and roof for the laboratory completed.

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the implementation of the Ministry's capital expenditure programme.

How Performance will be Assessed and End of Year Reporting Requirements

Performance will be assessed through the monitoring of expenditure, to ensure it is in accordance with the Ministry for Primary Industries capital expenditure programme. The programme is focused on delivering business-critical functions through planned renewals to maintain levels of service and upgrade or redesign of assets in response to changes in service delivery needs. The focus over the next few years is on initiatives already underway including: rationalising ICT infrastructure and associated maintenance

costs, including developing systems that meet future needs; reviewing property leases and implications of expiring leases; implementing the Joint Border Management System in collaboration with the New Zealand Customs Service.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Capital Injections and Movements in Departmental Net Assets

Ministry for Primary Industries

Details of Net Asset Schedule	2015/16 Estimated Actual \$000	2016/17 Projected \$000	Explanation of Projected Movements in 2016/17
Opening Balance	48,093	79,532	
Capital Injections	32,455	32,070	Construction of new National Biocontainment Facility at Wallaceville - \$29.570 million.
Capital Withdrawals	(4,422)	-	
Surplus to be Retained (Deficit Incurred)	3,406	-	Forecast memorandum account surplus.
Other Movements	-	-	
Closing Balance	79,532	111,602	

Reasons for Change in Appropriation

The increase in this appropriation for 2016/17 is mainly due to an additional \$8.453 million of funding committed to the National Biocontainment Facility at Wallaceville and a one off capital injection of \$2.500 million for the implementation of the Food Act 2014.

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Climate Change Research (M87)

Scope of Appropriation

This appropriation is limited to obtaining science, research, technology, capacity and capability in climate change related to the primary land-based sectors.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,384	2,384	1,720

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve increased knowledge of agricultural and forestry emissions, mitigation practices, technologies and business opportunities.

How Performance will be Assessed and End of Year Reporting Requirements

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of funded research projects completed within contracted timeframes	80%	80%	80%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Crown entities					
Manaaki Whenua Landcare Research New Zealand Ltd	-	75	400	See above	See below
AgResearch Ltd	1,052	860	244	See above	See below
National Institute of Water and Atmospheric Research Limited	-	150	-	See above	See below
New Zealand Forest Research Institute (Scion)	127	127	-	See above	See below

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Non-government organisations					
Motu Economic and Public Policy Research Trust	-	180	-	See above	See below
Onfarm Ltd	30	30	-	See above	See below
Total	1,209	1,422	644		

The table above shows the main service providers for this appropriation.

Note: Expiry of resourcing commitments varies depending on the grant recipients with:

- ten contracts due for completion in June 2016
- two contracts due for completion in June 2017.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Reprioritisation of funding to support Government budget priorities	2015/16	(2,000)	(2,000)	(2,000)	(2,000)	-
Reprioritisation of funding within Vote to contribute towards cost of a new National Biocontainment Facility	2015/16	(500)	(4,950)	(4,950)	-	-
Funding to Vote Environment for issue of New Zealand units to Permanent Forest Sink Initiative participants	2015/16	(280)	(280)	(140)	(140)	(140)
Savings returned to Crown for reinvestment into higher priority areas	2013/14	(4,250)	-	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2016/17 is due to an expense transfer of \$664,000 from 2014/15 to 2015/16 to meet contractual commitments for specific and discrete research programmes that span financial years.

Control of Bovine TB (M87)

Scope of Appropriation

This appropriation is limited to the Crown's contribution to implementing the National Bovine Tuberculosis Pest Management Plan.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	26,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of the Crown's contribution to TBfree's vector control programme.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of cumulative hectares (within +/- 5%) where eradication has been achieved reclassified as vector-free from vector risk	1.2 million	1.2 million	1.2 million
Annual period prevalence of infected cattle and deer herds as a % of herds	0.3%	0.3%	0.3%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Non-government Organisation					
TBfree New Zealand Ltd (OSPRI)	-	-	26,000	See above	30 June 2017
Total	-	-	26,000		

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Eliminating bovine TB through joint government/industry management	2016/17	-	18,444	18,444	16,444	16,444
Continuation of TB Programme funded from Primary Growth Partnership	2015/16	22,444	-	-	-	-

Reasons for Change in Appropriation

This is a new appropriation to fund the National Bovine Tuberculosis Pest Management Plan.

Support for Walking Access (M87)

Scope of Appropriation

This appropriation is limited to the operation of the New Zealand Walking Access Commission.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,789	1,789	1,789

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management and operation of the New Zealand Walking Access Commission.

How Performance will be Assessed and End of Year Reporting Requirements

The Ministry for Primary Industries will assess the performance of the New Zealand Walking Access Commission through quarterly monitoring of the Commission's deliverables as indicated in its letter of expectations with the Minister for Primary Industries. These deliverables are incorporated in the Commission's Statement of Performance Expectations 2015-2019.

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of New Zealand Walking Access Commission deliverables identified in the annual letter of expectation are achieved	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the New Zealand Walking Access Commission in their Annual Report.

3.2 - Non-Departmental Benefits or Related Expenses

Rural Veterinarians Bonding Scheme (M87)

Scope of Appropriation

This appropriation is limited to the provision of payments to veterinary professionals agreeing to work in understaffed, rural areas, in accordance with government approved criteria and guidelines.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,650	1,650	1,650

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of veterinary services to understaffed, rural areas.

How Performance will be Assessed and End of Year Reporting Requirements

This appropriation is exempt from end-of-year performance reporting under s.15D(2)(b)(ii) of the Public Finance Act as this information is unlikely to be informative because this appropriation is solely for payments under the Rural Veterinarians Bonding Scheme.

3.4 - Non-Departmental Other Expenses

Afforestation Grant Scheme (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Afforestation Grant Scheme (M87)	Original Appropriation	19,500
This appropriation is limited to grants to private landowners for afforestation purposes.	Adjustments to 2014/15	-
	Adjustments for 2015/16	-
Commences: 01 July 2016	Adjusted Appropriation	19,500
Expires: 30 June 2021	Actual to 2014/15 Year End	-
	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	3,900
	Estimated Appropriation Remaining	15,600

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve and encourage new planting of an expected 15,000 hectares of new forest over the next six years.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of approved grants implemented	90%	90%	90%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Grant recipient landowners for forestry treatments	-	-	3,828	See above	30 November 2016
Other providers	-	-	72	See above	Dates vary depending on provider
Total	-	-	3,900		

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Afforestation Grants Scheme	2016/17	-	3,900	3,900	3,900	3,900

Aquaculture Settlements (M87)*Scope of Appropriation*

This appropriation is limited to the recognition of settlements negotiated under the Māori Aquaculture Commercial Claims Settlement Act 2004.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	52,348	52,348	33,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of activities related to the Crown's settlement of aquaculture obligations under the Māori Aquaculture Commercial Claims Settlement Act 2004.

How Performance will be Assessed and End of Year Reporting Requirements

This appropriation is exempt from end-of-year performance reporting under s.15D(2)(b)(ii) of the Public Finance Act, as this information is unlikely to be informative because this appropriation is solely for payments made in accordance to statutory requirement.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Settlement of Crown's "new space" obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004	2014/15	19,000	-	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2016/17 is due to an expense transfer of \$33 million from 2015/16 to 2016/17 for the settlement of the Crowns aquaculture 'pre-commencement space' obligations to iwi under the Māori Commercial Aquaculture Claims Act 2004.

East Coast Afforestation Grants (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
East Coast Afforestation Grants (M87) This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 2000. Commences: 01 July 2013 Expires: 30 June 2017	Original Appropriation	18,460
	Adjustments to 2014/15	4,495
	Adjustments for 2015/16	-
	Adjusted Appropriation	22,955
	Actual to 2014/15 Year End	4,621
	Estimated Actual for 2015/16	1,852
	Estimated Actual for 2016/17	16,482
	Estimated Appropriation Remaining	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective support and management of the East Coast Afforestation grants scheme.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of hectares approved for planting/treatment	1,000	1,000	1,000
Total area afforested since initial implementation of the scheme (ha)	41,000	41,000	41,000

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Grant recipient landowners for forestry treatments to address wide-scale erosion problem in the Gisborne district	4,016	1,852	16,482	See above	30 June 2028
Total	4,016	1,852	16,482		

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Extension of the East Coast Afforestation Grants Scheme to 30 June 2028 subject to the funding limit of \$37.689 million over the period 1 July 2012 (2012/13) to 30 June 2028 (2027/28). Funding will be through an annual appropriation from 2017/18.	2012/13	5,500	8,646	4,615	4,615	4,615

Global Research Alliance on Agricultural Greenhouse Gases (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Global Research Alliance on Agricultural Greenhouse Gases (M87)	Original Appropriation	26,960
This appropriation is limited to the Global Research Alliance on Agricultural Greenhouse Gases.	Adjustments to 2014/15	-
Commences: 01 July 2016	Adjustments for 2015/16	-
Expires: 30 June 2020	Adjusted Appropriation	26,960
	Actual to 2014/15 Year End	-
	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	10,000
	Estimated Appropriation Remaining	16,960

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of funds and activities relating to the Global Research Alliance on Agricultural Greenhouse Gases.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of Alliance projects funded with the New Zealand budget are completed to contracted quality standards	95%	95%	95%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Non-government Organisations					
AgResearch Ltd	-	-	2,151	See above	Dates vary depending on research contract
New Zealand Agricultural Greenhouse Gas Research Centre	-	-	825	See above	30 June 2019
Landcare Research	-	-	604	See above	Dates vary depending on individual contract
Lincoln University	-	-	375	See above	Dates vary depending on research contract
Motu Economic and Public Policy Research	-	-	128	See above	Dates vary depending on research contract
Brazilian Agricultural Research Corporation (Embrapa)	-	-	100	See above	Dates vary depending on research contract
Otago University	-	-	60	See above	Dates vary depending on research contract
University of Malaysia	-	-	60	See above	Dates vary depending on research contract
Massey University	-	-	30	See above	Dates vary depending on research contract
Other providers	-	-	5,667	See above	Dates vary depending on provider
Total	-	-	10,000		

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Increased research funding for the Global Research Alliance	2016/17	-	6,000	5,000	5,000	4,000

Primary Growth Partnership (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Primary Growth Partnership (M87)	Original Appropriation	352,380
This appropriation is limited to primary, food and forestry sector investment in education and skills development, research and development, product development, commercialisation, market development and technology transfer, in partnership with relevant industry groups, including research related to greenhouse gases via the New Zealand Agricultural Greenhouse Gas Research Centre.	Adjustments to 2014/15	(76,324)
	Adjustments for 2015/16	(14,971)
	Adjusted Appropriation	261,085
	Actual to 2014/15 Year End	129,591
Commences: 01 July 2012	Estimated Actual for 2015/16	54,631
Expires: 30 June 2017	Estimated Actual for 2016/17	76,863
	Estimated Appropriation Remaining	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of investment projects developed with relevant industry groups, including research related to greenhouse gases.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of quarterly reports reviewed and signed-off by Programme Steering Group	90%	90%	90%
Percentage of annual business plans reviewed and accepted in accordance with specific PGP agreements	90%	90%	90%
The annual meeting is held in accordance with the Investment Advisory Panel terms of reference	Achieved	Achieved	Achieved
Percentage of quarterly reports reviewed and signed-off by the chair of the New Zealand Agricultural Greenhouse Gas Research Centre Steering Group	85%	85%	85%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
The following approved programmes are recipients of grant funding from the PGP					
Transforming the Dairy Value Chain	13,688	13,165	14,190	See above	31 January 2018
Red Meat Profit Partnership (RMPP)	6,029	4,997	7,066	See above	30 September 2020

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Integrated Value Chain for Red Meat	6,381	6,381	5,520	See above	30 June 2017
Precision Seafood Harvesting	4,871	4,644	5,358	See above	31 March 2018
FoodPlus - Redefining Meat Horizons	2,773	2,546	4,674	See above	31 October 2019
Omega Lamb	2,328	2,245	2,781	See above	31 January 2023
Marble grass-fed beef	1,811	1,640	2,380	See above	31 July 2019
Shellfish - the Next Generation	1,866	1,545	2,372	See above	31 October 2019
W3-Wool Unleashed	-	1,065	1,782	See above	31 January 2023
Lifestyle Wines	2,068	1,785	1,500	See above	31 March 2021
NZ Avocados Go Global	732	673	1,320	See above	31 May 2019
ClearView Innovations	853	747	1,189	See above	31 October 2018
A New Vision for Pastoral Agriculture	1,223	1,201	1,174	See above	31 December 2018
NZSTX - NZ Sheep Industry Transformation	1,321	1,210	1,166	See above	30 June 2017
Pioneering to Precision	1,145	1,122	790	See above	31 October 2019
Passion2Profit	804	781	750	See above	30 June 2022
High-performance Manuka Plantations	333	333	264	See above	30 June 2018
Innovative Steep-land Tree Harvesting	759	759	-	See above	30 June 2016
New Dairy Products and Value Chains (IgA)	610	598	-	See above	31 December 2015
Other providers	5,036	7,194	22,587	See above	Dates vary depending on provider
Total	54,631	54,631	76,863		

The above table shows the main service providers for this appropriation and the figures provided are estimates only subject formal planning process.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Food Act Implementation	2016/17	-	(5,000)	-	-	-
National Biocontainment Facility	2015/16	(6,562)	(187)	-	-	-
Reprioritisation of funding to contribute towards cost of new National Biocontainment Facility	2015/16	(7,900)	-	-	-	-
Reprioritisation of funding to support Tb National Pest Management Plan	2015/16	(22,444)	-	-	-	-
Reprioritisation of funding to support Strengthening Biosecurity Capability	2015/16	(1,600)	(2,100)	-	-	-

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Reprioritisation of funding to support Doubling the Value of Primary Sector Exports	2015/16	(3,360)	(4,110)	-	-	-
Reprioritisation of funding to support Government budget priorities	2015/16	(400)	(1,500)	-	-	-
Reprioritisation of funding to contribute towards cost of new National Biocontainment Facility	2014/15	(15,562)	(9,187)	-	-	-
Reprioritisation of funding to strengthen food safety capability and address the Whey Protein Concentrate Contamination Incident Inquiry's recommendations	2014/15	(15,562)	(9,187)	-	-	-

Provision for Fisheries Debt Write Downs (M87)

Scope of Appropriation

This appropriation is limited to commercial fishing sector quota holder debt write-offs.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,000	1,000	1,000

What is Intended to be Achieved with this Appropriation

This technical appropriation is intended to achieve the provision of debt-write offs for fishing sector quota holders.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for non-departmental other expense is less than \$5 million

Response to the Kiwifruit disease *Pseudomonas Syringae* pv. *Actinidiae* (M87)

Scope of Appropriation

This appropriation is limited to supporting an industry-led programme for the kiwifruit disease *pseudomonas syringae* pv. *actinidiae*.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,310	1,310	500

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of support activities related to the industry-led response programme for *Pseudomonas Syringae* pv. *Actinidia*.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for non-departmental other expense is less than \$5 million.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Kiwifruit Vine Health Limited	1,810	1,310	500	See above	30 June 2016
Total	1,810	1,310	500		

Reasons for Change in Appropriation

The decrease in this appropriation for 2016/17 is due to:

- an expense transfer of \$860,000 from 2014/15 to 2015-16 due to the timing of the response to the Kiwifruit disease *Pseudomonas Syringae* pv. *Antinidia* (Psa-V), and
- a fiscally neutral adjustment of \$450,000 from the Biosecurity Incursion Response and Long Term Pest Management Appropriation in 2015/16 to fulfil the government \$25 million commitment to the kiwifruit industry led programme for responding to the Psa-V outbreak.

The decrease is partly offset by:

- an expense transfer of \$500,000 from 2015/16 to 2016/17 to support the Psa-V plan in 2016/17.

Subscriptions to International Organisations (M87)*Scope of Appropriation*

This appropriation is limited to New Zealand's membership of primary industry-related international organisations.

Expenses

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,208	3,208	3,208

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of New Zealand's memberships to primary industry-related international organisations.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for non-departmental other expense is less than \$5 million.

Water Storage and Irrigation Investment Proposals (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Water Storage and Irrigation Investment Proposals (M87) This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage. Commences: 01 July 2016 Expires: 30 June 2021	Original Appropriation	25,000
	Adjustments to 2014/15	-
	Adjustments for 2015/16	-
	Adjusted Appropriation	25,000
	Actual to 2014/15 Year End	-
	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	5,000
	Estimated Appropriation Remaining	20,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of grants to support the investment in regional water storage and off-farm irrigation infrastructure.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Total potential new irrigated area enabled by IAF supported projects that are commissioned, in construction or in development	222,000 ha	222,000 ha	222,000 ha

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Primary Industries in a report appended to the Ministry for Primary Industries Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Hurunui Water Project	-	-	1,917	See above	See below
Greater Wellington Regional Council	-	-	1,233	See above	See below
Hunter Downs Development Company	-	-	1,233	See above	See below
Mauherikia Catchment Water Strategy	-	-	617	See above	See below
Total	-	-	5,000		

The table above shows the main service providers for this appropriation.

Note: Expiry of resourcing commitments is dependent on phase gate reviews, at which the level of funding for the next phase is decided and contracts signed.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Extending the Irrigation Acceleration Fund	2016/17	-	5,000	5,000	5,000	10,000

3.5 - Non-Departmental Capital Expenditure

Crown Irrigation Investments Limited (M87)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Crown Irrigation Investments Limited (M87)	Original Appropriation	40,000
This appropriation is limited to the Crown's investment in Crown Irrigation Investments Limited.	Adjustments to 2014/15	71,850
Commences: 01 July 2014	Adjustments for 2015/16	-
Expires: 30 June 2018	Adjusted Appropriation	111,850
	Actual to 2014/15 Year End	7,250
	Estimated Actual for 2015/16	3,000
	Estimated Actual for 2016/17	101,600
	Estimated Appropriation Remaining	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the establishment and delivery of Crown Irrigation Investments Limited activities.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
The percentage of investments made according to Crown Irrigation Investment Limited's mandate	100%	100%	100%
The number of forums held to assist in the accelerated development of targeted irrigation schemes	1	1	1

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Crown Irrigation Investments Limited (a Crown Entity) in its annual report

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

Multi-Category Expenses and Capital Expenditure

Administration and Management of Crown Forestry Assets and Operations (M87)

Overarching Purpose Statement

The overarching purpose for this appropriation is to achieve the outcome of obtaining the best return on the Crown's interest in forestry assets whilst seeking opportunities for the Crown to divest its interest in those assets.

Scope of Appropriation

Departmental Output Expenses

Administration and Management of Crown Forestry Assets

This category is limited to administration and management of the Crown's interest in forests and forestry-related assets.

Non-Departmental Output Expenses

Operational Management of the Crown Forest Estate

This category is limited to the purchase of forestry operations, management services, research and related forest asset expenditure including expenditure related to asset divestment.

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	70,494	70,494	64,191
Departmental Output Expenses			
Administration and Management of Crown Forestry Assets	1,382	1,382	1,404
Non-Departmental Output Expenses			
Operational Management of the Crown Forest Estate	69,112	69,112	62,787
Funding for Departmental Output Expenses			
Revenue from the Crown	1,266	1,266	1,288
Administration and Management of Crown Forestry Assets	1,266	1,266	1,288
Revenue from Others	116	116	116
Administration and Management of Crown Forestry Assets	116	116	116

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of the forestry assets and estate by Crown Forestry, with the view to divesting the Crown of those assets over time.

How Performance will be Assessed for this Appropriation

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly reports	Achieved	Achieved	Achieved

The Ministry for Primary Industries assess the performance of this appropriation by quarterly monitoring of the outputs produced by Crown Forestry. The individual performance measures for this MCA are listed below in the relevant categories.

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Administration and Management of Crown Forestry Assets			
This category is intended to achieve the effective administration and management of Crown Forestry assets to achieve its objective of leveraging the best return for the Government's portfolio of forestry assets.			
Number of hectares of the Crown forestry managed estate surrendered or sold	2,500	3,633	2,868
Percentage of forest management activities comply with all statutory requirements, lease agreements and other contractual arrangements as assessed by annual independent review of a sample of forests	100%	100%	100%
Percentage of costs and revenues are consistent with industry norms as assessed by annual independent review of a sample of forests	100%	100%	100%
Non-Departmental Output Expenses			
Operational Management of the Crown Forest Estate			
This category is intended to achieve the effective administration of the Crown's forestry operations			
Manage contracts to supply (within +/- 10%) 757,960 cubic metres (m3) of logs	757,960	857,730	775,000
Stumpage (\$ net profit) per cubic metre of logs sold (within +/- 10%)	43	51	45
Management fee (per net stocked hectare) exclusive of harvesting and re-investment fees (\$)	21	22	23
Hectares lost from fire attributable to the quality of Crown Forestry's response and systems (ha)	0	0	0

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Expiry of Resourcing Commitment
Non-Government Organisations				
NZ Forest Managers	46,930	46,969	47,665	Annual contracts with 1-3 month termination
Fortus Forestry Limited	1,379	1,562	342	Annual contracts with 1-3 month termination
Ngāi Porou Forests Limited	693	471	294	Annual contracts with 1-3 month termination
Taitokerau Forests Limited	244	107	237	Annual contracts with 1-3 month termination
PF Olsen Limited	1,019	1,025	148	Annual contracts with 1-3 month termination
Northland Forest Managers	-	1,644	-	Annual contracts with 1-3 month termination
Other providers	20,229	18,716	15,505	Annual contracts with 1-3 month termination
Total	50,265	51,778	48,686	

The table above shows the main service providers for this appropriation.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	104	76	-	-	-
Sale of the West Coast plantation forests to the land owner Ngāi Tahu Forest Estates Limited on 30 April 2014 consistent with Government policy to exit from commercial forestry activities on commercial terms	2013/14	(20,729)	(21,387)	(21,391)	(21,391)	(21,391)
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(3)	(3)	(3)	(2)	(2)

Reasons for Change in Appropriation

The decrease in this appropriation for 2016/17 of \$6.303 million is due to decreases in shipping, trucking and harvesting costs resulting in a lower cost of production and lower harvest volumes as a result of selling the Puwhenua, Mamuku North and Matahi forests as part of the government policy to exit from commercial forestry activity on commercial terms.

Border and Domestic Biosecurity Risk Management (M87)

Overarching Purpose Statement

The overarching purpose of this appropriation is to improve biosecurity risk management by providing operational support to prevent harmful organisms from crossing the borders and working to reduce the unwanted harm caused by organisms already established in New Zealand.

Scope of Appropriation

Departmental Output Expenses

Biosecurity Incursion Response and Long Term Pest Management

This category is limited to the assessment, containment and possible eradication of suspected biosecurity risk organisms within New Zealand.

Border Biosecurity Monitoring and Clearance

This category is limited to biosecurity monitoring and clearance programmes that manage the biosecurity risk associated with international trade and travel.

Border Biosecurity Systems Development and Maintenance

This category is limited to the development and maintenance of standards and systems that manage biosecurity risk associated with imports and exports.

Domestic Biosecurity Surveillance

This category is limited to domestic biosecurity surveillance activities.

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	181,388	181,388	190,761
Departmental Output Expenses			
Biosecurity Incursion Response and Long Term Pest Management	33,964	33,964	35,020
Border Biosecurity Monitoring and Clearance	89,919	89,919	96,497
Border Biosecurity Systems Development and Maintenance	19,289	19,289	19,747
Domestic Biosecurity Surveillance	38,216	38,216	39,497
Funding for Departmental Output Expenses			
Revenue from the Crown	120,681	120,681	104,272
Biosecurity Incursion Response and Long Term Pest Management	33,189	33,189	34,245
Border Biosecurity Monitoring and Clearance	37,246	37,246	18,190
Border Biosecurity Systems Development and Maintenance	13,390	13,390	13,700
Domestic Biosecurity Surveillance	36,856	36,856	38,137

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Revenue from Others	60,707	60,707	86,489
Biosecurity Incursion Response and Long Term Pest Management	775	775	775
Border Biosecurity Monitoring and Clearance	52,673	52,673	78,307
Border Biosecurity Systems Development and Maintenance	5,899	5,899	6,047
Domestic Biosecurity Surveillance	1,360	1,360	1,360

Components of the Appropriation

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Border Biosecurity Monitoring and Clearance			
Passengers & Crafts Clearance	49,102	49,102	52,694
Goods Clearance	35,648	35,648	38,257
Mail Clearance	3,653	3,653	3,920
Facilities Approvals and Assurance	1,516	1,516	1,626
Total	89,919	89,919	96,497

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve effective management of biosecurity monitoring and clearance programmes, the development and maintenance of biosecurity risk processes associated with imports and exports and the assessment, containment and possible eradication of suspected risk organisms. This includes the management of domestic biosecurity surveillance activities.

How Performance will be Assessed for this Appropriation

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly reports	Achieved	Achieved	Achieved

The Ministry for Primary Industries will assess its Border and Domestic Biosecurity Risk Management MCA by quarterly monitoring of the outputs relating to the maintenance of New Zealand's biosecurity systems and programmes. The performance measures for the MCA are listed below in the relevant categories.

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Biosecurity Incursion Response and Long Term Pest Management			
This category is intended to achieve effective management of the leadership and co-ordination of activities relating to all biosecurity and food responses, in order to mitigate the adverse impacts of risk organisms.			
Industry sign-up of Government Industry Agreements (GIAs) deeds	5	5	5
Percentage of key stakeholders are satisfied with major biosecurity responses	80%	80%	80%
Border Biosecurity Monitoring and Clearance			
This category is intended to achieve the effective monitoring and clearance of passengers, vessels, mail and goods arriving in New Zealand to prevent exposure of our community and environment to a range of biosecurity risks.			
Percentage of international air passengers that comply with biosecurity requirements by the time they leave the airport	98.50%	98.50%	98.50%
Percentage of international mail that complies with biosecurity requirements by the time it leaves the International Mail Centre	99%	99%	99%
Percentage of import clearance processes completed within agreed timeframes	80%	80%	80%
Number of identified and mitigated biosecurity risks resulting from targeted evaluations of imported goods	10,000-12,000	10,000-12,000	10,000-12,000
Percentage of cost recovered external stakeholders rate overall service as 4 or higher	80%	80%	80%
Border Biosecurity Systems Development and Maintenance			
This category is intended to achieve the effective maintenance of New Zealand's biosecurity system that prevents the introduction and establishment of serious notifiable organisms through manageable pathways.			
Percentage of milestones met for the Sanitary and Phytosanitary Standards Market Access Programme, as agreed with key meat, dairy, seafood and horticulture sector stakeholders	75%	75%	75%
Percentage of OIE and IPPC standards that are acceptable to New Zealand	90%	90%	90%
Percentage of certificates issued which meet biosecurity technical requirements of importing countries as specified by overseas competent authorities	99%	99%	99%

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Domestic Biosecurity Surveillance			
This category is intended to achieve effective management of the information received from the public, industry and the scientific community about suspected exotic pests or diseases. It also includes the collection, sampling and testing of organisms suspected of carrying or being infected with a potential biosecurity risk.			
ISO 17025 accreditation maintained for all laboratory processing, testing, and reporting	100%	100%	100%
Percentage of incursion investigations reach an outcomes decision within specified timeframes	80%	80%	80%
With any suspected high risk or serious pest or disease notification, the investigation commences within 24 hours of notification	100%	100%	100%
No export markets are closed due to the standard of MPI's active surveillance programmes	100%	100%	100%
Specifically targeted pests or diseases are detected early enough to enable effective risk management interventions	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Trusted Trader Traveller - Providing a world class experience at the border	2016/17	-	1,557	1,734	-	-
Wilding Conifers - Protecting farmland, biodiversity and iconic landscapes from invasive conifers	2016/17	-	4,000	4,000	4,000	4,000
Biosecurity, Food Safety, and Food Act 2014 cost recovery decisions	2015/16	6,000	6,000	6,000	6,000	6,000
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(255)	(255)	(255)	(150)	(150)
Strengthening Biosecurity Capability	2015/16	1,600	2,100	2,700	2,700	2,700
Border Clearance Levy and Strengthening Biosecurity System	2015/16	2,000	4,600	4,600	4,600	4,600
National Biocontainment Facility	2015/16	4,837	4,894	6,659	6,659	6,659
National Biocontainment Facility - Final funding requirements and revised expenditure profile	2015/16	380	(35)	(845)	2,707	2,707
Queensland Fruit Fly Incursion Response Programme return of contingency and savings FY15/16	2015/16	(1,430)	-	-	-	-
Implement a Queensland fruit fly response programme	2014/15	4,642	-	-	-	-
Kauri Dieback programme	2014/15	1,229	1,229	1,229	1,229	1,229
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16, and 2016/17.	2012/13	4,510	2,189	-	-	-

Reasons for Change in Appropriation

The increase in this appropriation for 2016/17 is mainly due to:

- \$4 million for a new initiative to protect farmland, biodiversity, iconic landscapes and cultural values from the impacts of invasive conifers
- a transfer of \$3.096 million in 2016/17 from the Primary Growth Partnership appropriation to cover legal costs associated with Kiwifruit disease *Pseudomonas Syringae* pv. *Antinidiae* (Psa-V) Litigation
- \$2.600 million in 2016/17 to establish the Border Clearance Levy and Strengthening Biosecurity System
- a transfer of \$2.535 million to cover an increase in expected demand for cost recovered services provided by the Ministry
- \$1.557 million to develop the Trusted Trader and Trusted Traveller initiatives in order to provide a world class experience at the border
- a transfer of \$1.500 million in 2016/17 from the Primary Growth Partnership appropriation to cover costs associated with implementing in Government Industry Agreements for biosecurity readiness
- a one-off transfer of \$801,000 from 2015/16 to 2014/15 to enable the earlier than anticipated move from the existing Physical Containment level 2 (PC2) laboratory to a vacated building
- an increase of \$500,000 in 2016/17 for Strengthening Biosecurity Capability through enhanced border protection and pathways assessments
- a one-off fiscally neutral adjustment of \$450,000 in 2015/16 within the Vote to top-up the non-departmental expense Psa-V, and
- a transfer of \$148,000 to cover an increase in expected demand for cost recovered services provided by the Ministry.

The increase is partly offset by:

- the ending of \$5.179 million of funding in 2015/16 following the successful completion of the eradication of the Queensland Fruit Fly
- a decrease of \$4.855 million due to a reduction in retention of underspends transferred from 2012/13 and a number of other small changes of no material concentration
- a fiscally neutral adjustment of \$1.925 million in 2015/16 for the response to a Velvetleaf incursion, offset by a further adjustment of \$450,000 in 2016/17, and
- \$380,000 decrease due to the realignment of operational funding for the National Biocontainment Laboratory to reflect timing of the project.

In addition, a decrease in appropriation due to expense transfers from 2014/15 to 2015/16 of:

- \$230,000 to reflect the change in the expenditure and timing profile of the National Biocontainment Laboratory project
- \$201,000 is due to the delayed work across a number of areas, involving negotiations with various third party groups for the delivery of specific completion of project milestones

- \$111,000 for the Joint Border Management Systems programme, and
- \$100,000 for training in the management and containment of foot and mouth disease delay as a result of the Nepal Earthquake.

Memorandum Account

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Border Biosecurity Clearance Fees			
Opening Balance at 1 July	(4,166)	(4,166)	(427)
Revenue	39,911	39,799	40,596
Expenses	(35,589)	(36,060)	(37,930)
Closing Balance at 30 June	156	(427)	2,239
Phytosanitary Exports			
Opening Balance at 1 July	1,173	1,173	661
Revenue	2,222	2,052	2,052
Expenses	(2,506)	(2,564)	(2,415)
Closing Balance at 30 June	889	661	298
Border Biosecurity Traveller Clearance Levies			
Opening Balance at 1 July	-	-	110
Revenue	-	13,152	38,413
Expenses	-	(13,042)	(38,523)
Closing Balance at 30 June	-	110	-

Memorandum accounts record the accumulated balance of surpluses and deficits incurred for outputs provided to third party users of those services on a full cost recovery basis.

The Border Biosecurity Clearance Fees memorandum account covers:

- levies imposed on all importations of goods for which a document is lodged with the New Zealand Customs Service under regulations 26(2) of the Customs and Excise Regulations 1996
- all other fees collected under the Biosecurity Costs Regulations 2010 including inspection of risk goods, offshore inspection of ships, and approval and audit of transitional containment facilities and facility operators.

The Phytosanitary Exports memorandum account covers fees for certification of plant and forestry exports.

The Border Biosecurity Traveller Clearance memorandum account covers fees and costs associated with the biosecurity clearance costs of travellers coming into New Zealand.

The Ministry for Primary Industries has a strategy of maintaining each memorandum account in a balanced state over the long term. It allows for changes in volumes resulting from fluctuations in economic activity and other matters. The charging model is periodically reviewed to ensure that the services are being provided in the most efficient cost-effective way and that the fees/levies reflect the cost of services provided.

Development and Implementation of Food Safety Policy Advice (M33)

Overarching Purpose Statement

The overarching purpose of this appropriation is to provide both policy and operational advice and support to Ministers in discharging their policy and operational decision-making responsibilities with regards to food safety.

Scope of Appropriation

Departmental Output Expenses

Development of Policy Advice

This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to food safety.

Implementation of Policy Advice

This category is limited to implementing policy decisions, operational policy, and administering legislation relating to food safety matters, and ministerial servicing.

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,427	8,427	11,087
Departmental Output Expenses			
Development of Policy Advice	4,381	4,381	4,189
Implementation of Policy Advice	4,046	4,046	6,898
Funding for Departmental Output Expenses			
Revenue from the Crown	8,413	8,413	11,073
Development of Policy Advice	4,371	4,371	4,179
Implementation of Policy Advice	4,042	4,042	6,894
Revenue from Others	14	14	14
Development of Policy Advice	10	10	10
Implementation of Policy Advice	4	4	4

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the development, provision and implementation of policy advice relating to food safety matters.

How Performance will be Assessed for this Appropriation

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly reports	Achieved	Achieved	Achieved

The Ministry for Primary Industries will assess the development and implementation of policy advice in relation to food safety by quarterly monitoring of the policy advice briefings it produces, the satisfaction of the Minister for Food Safety with the advice and services provided and the timeliness with which outputs under this MCA are produced. The performance measures for the Development and Implementation of Policy Advice MCA are listed below in the relevant categories of the MCA.

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Development of Policy Advice			
This category is intended to achieve the provision of policy advice to ensure that food safety systems are managed to enable an increase in a real export earnings from the primary sector in a sustainable way.			
Technical quality assessment of MPI policy advice on a scale of 1 to 10	7	7	7
Total cost per output hour (\$)	158	158	158
The Minister for Food Safety rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months	8	8	8
Implementation of Policy Advice			
This category is intended to achieve the implementation of policy advice relating to food safety matters and ministerial servicing.			
Percentage of ministerial requests from the Minister for Food Safety completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Food Act Implementation	2016/17	-	2,500	2,500	2,500	2,500
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(14)	(14)	(14)	(8)	(8)
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16 and 2016/17	2012/13	194	94	-	-	-

Reasons for Change in Appropriation

The increase in this appropriation for 2016/17 is mainly due to a transfer of \$2.500 million for the implementation of the Food Safety Act 2014.

Development and Implementation of Primary Industries Policy Advice (M87)*Overarching Purpose Statement*

The overarching purpose of this appropriation is to provide both policy and operational advice and support to Ministers in discharging their policy and operational decision-making responsibilities with regards to primary industries.

*Scope of Appropriation***Departmental Output Expenses***Agriculture and Forestry Policy Advice*

This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to agriculture and forestry, animal welfare and climate change.

Biosecurity Policy Advice

This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to biosecurity.

Fisheries Policy Advice

This category is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to the development of standards and guidelines for the sustainable and efficient utilisation of New Zealand's fisheries and promotion of New Zealand's interests in an international context.

Implementation of Agriculture and Forestry Policy Advice

This category is limited to implementing policy decisions, operational policy, and administering legislation relating to agriculture and forestry, animal welfare and climate change matters, and ministerial servicing.

Implementation of Biosecurity Policy Advice

This category is limited to implementing policy decisions, operational policy, and administering legislation relating to biosecurity matters, and ministerial servicing.

Implementation of the Emissions Trading Scheme and Indigenous Forestry

This category is limited to the implementation of the agriculture and forestry provisions of the Climate Change Response Act 2002 and the indigenous forestry provisions of the Forests Act 1949.

Operational Advice on Sustainability and Management Controls in Fisheries

This category is limited to operational advice to support decision-making by Ministers on Government policy matters relating to operational advice on sustainability and management controls for New Zealand's fisheries.

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	101,750	101,750	105,071
Departmental Output Expenses			
Agriculture and Forestry Policy Advice	26,438	26,438	27,316
Biosecurity Policy Advice	3,015	3,015	2,951
Fisheries Policy Advice	3,710	3,710	3,629
Implementation of Agriculture and Forestry Policy Advice	26,659	26,659	27,355
Implementation of Biosecurity Policy Advice	3,146	3,146	3,150
Implementation of the Emissions Trading Scheme and Indigenous Forestry	10,049	10,049	9,406
Operational Advice on Sustainability and Management Controls in Fisheries	28,733	28,733	31,264
Funding for Departmental Output Expenses			
Revenue from the Crown	100,682	100,682	103,503
Agriculture and Forestry Policy Advice	25,818	25,818	26,196
Biosecurity Policy Advice	3,005	3,005	2,941
Fisheries Policy Advice	3,586	3,586	3,505
Implementation of Agriculture and Forestry Policy Advice	26,596	26,596	27,292
Implementation of Biosecurity Policy Advice	3,138	3,138	3,142
Implementation of the Emissions Trading Scheme and Indigenous Forestry	10,006	10,006	9,363
Operational Advice on Sustainability and Management Controls in Fisheries	28,533	28,533	31,064
Revenue from Others	1,068	1,068	1,568
Agriculture and Forestry Policy Advice	620	620	1,120
Biosecurity Policy Advice	10	10	10
Fisheries Policy Advice	124	124	124
Implementation of Agriculture and Forestry Policy Advice	63	63	63
Implementation of Biosecurity Policy Advice	8	8	8
Implementation of the Emissions Trading Scheme and Indigenous Forestry	43	43	43
Operational Advice on Sustainability and Management Controls in Fisheries	200	200	200

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the development, provision and implementation of policy advice relating to agriculture, forestry (both indigenous and exotic), biosecurity, the emissions trading scheme and fisheries management.

How Performance will be Assessed for this Appropriation

The Ministry for Primary Industries will assess this MCA by quarterly monitoring of the quality of policy advice briefings it produces, the satisfaction of the Minister for Primary Industries with the advice and services it provides and the timeliness with which outputs under this MCA are produced. The performance measures for the Development and Implementation of Policy Advice MCA are listed below in the relevant categories of the MCA.

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly reports	Achieved	Achieved	Achieved

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Agriculture and Forestry Policy Advice			
This category is intended to achieve the development and provision of policy advice relating to agriculture and forestry matters, including animal welfare and climate change.			
Technical quality assessment of MPI policy advice on a scale of 1 to 10	7	7	7
Total cost per output hour (\$)	158	158	158
The Minister for Primary Industries rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months	8	8	8
Biosecurity Policy Advice			
This category is intended to achieve the development and provision of policy advice relating to biosecurity matters, including contributing to policy advice led by other agencies.			
Technical quality assessment of MPI policy advice on a scale of 1 to 10	7	7	7
Total cost per output hour (\$)	158	158	158
The Minister for Primary Industries rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months	8	8	8
Fisheries Policy Advice			
This category is intended to achieve the development and provision of policy advice relating to fisheries matters, including the development of standards and guidelines for the sustainable management of New Zealand's fisheries, both domestically and internationally.			
Technical quality assessment of MPI policy advice on a scale of 1 to 10	7	7	7
Total cost per output hour (\$)	158	158	158
The Minister for Primary Industries rates the quality of policy advice provided as 8 or better on a scale of 1 to 10 via discussion with MPI officials every six months	8	8	8

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Implementation of Agriculture and Forestry Policy Advice			
This category is intended to achieve the implementation of policy advice relating to agriculture and forestry matters and ministerial servicing.			
Percentage of ministerial requests from the Minister for Primary Industries completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%
Implementation of Biosecurity Policy Advice			
This category is intended to achieve the implementation of policy advice relating to biosecurity and ministerial servicing.			
Percentage of ministerial requests from the Minister for Primary Industries completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%
Implementation of the Emissions Trading Scheme and Indigenous Forestry			
This category is intended to achieve the implementation of regulatory policies that incentivise land-based sustainable economic and environmental outcomes, especially afforestation.			
Percentage of applicants that participate in the customer satisfaction survey give the quality of MPI's ETS service delivery a rating of at least 4 out of 5 (where 1 represents poor performance and 5 represents excellent performance)	75%	75%	75%
Percentage of draft sustainable forest management plans and sustainable forest management permit applications processed within 60 calendar days	100%	100%	100%
Percentage of post-harvest inspections that comply with harvest limits and management prescriptions under approved Annual Logging Plans	80%	80%	80%
Percentage of registered sawmills inspected that comply with Part 3A of the Forests Act 1949 and the Forestry (Indigenous Timber Milling) Regulations	90%	80%	80%
Operational Advice on Sustainability and Management Controls in Fisheries			
This category is intended to achieve the development and provision of operational advice for the sustainable management of New Zealand's fisheries.			
Percentage of fisheries research projects completed for which objectives are fully achieved	95%	95%	95%
Percentage of fisheries research projects that meet the Research and Science Information Standard for New Zealand Fisheries	95%	95%	95%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Regional Economic Development funded from Primary Growth Partnership	2015/16	3,360	4,110	-	-	-
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(213)	(213)	(213)	(126)	(126)
Implement recommendations of the inquiry into the whey protein concentrate contamination incident to strengthen the food safety system including increasing the Ministry for Primary Industries presence in overseas markets	2014/15	2,960	4,147	4,147	4,147	4,147
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16, and 2016/17	2012/13	2,423	1,176	-	-	-

Reasons for Change in Appropriation

The increase in this appropriation for 2016/17 is mainly due to:

- an expense transfer of \$2 million from 2015/16 to 2016/17 due to milestones delays in fisheries research contracts caused by adverse marine weather conditions and researcher availability
- a transfer of \$1.977 million of efficiency savings realised in 2015/16 to 2016/17 to allow the Ministry to meet baseline cost pressures
- an increase in funding of \$750,000 in 2016/17 to contribute to doubling the values of Primary Sector exports
- a fiscally neutral adjustment of \$500,000 to implement the agricultural cooperation commitments under the New Zealand-Korea Free Trade Agreement, and
- a one-off transfer of \$224,000 in 2015/16 to Vote Business and Innovation for the Dairy Industry Reconstruction Act.

The increase is partly offset by:

- a decrease of \$2.234 million due to a reduction in retention of underspends transferred from 2012/13 and a number of other small changes of no material concentration, and
- a transfer of \$383,000 for the New Zealand Story to develop New Zealand firms, sectors and regions.

In addition, a decrease due to expense transfers from 2014/15 to 2015/16 of:

- \$1.403 million of fisheries research programmes due to adverse weather conditions
- \$400,000 for international relations to cover the cost of activities under free trade agreements and for implementation of agricultural cooperation arrangements
- \$375,000 to support the programme of improvements to the administration of the Forest Act 1949

- \$350,000 for implementation costs required to assist in delivering greater national consistency in managing the effects of plantation forestry under the Resource Management Act 1991 (RMA)
- \$305,000 reflecting an interruption in work programmes, caused by diverting resources to Operation Concord food protection response
- \$300,000 relating to fisheries policy advice third party negotiations
- \$269,000 reflecting delays in the procurement process for all-of-government ICT initiatives for an Electronic Content Management System (ECMS) and Telecommunication as a Service (TaaS), and
- \$150,000 to address Whey Protein Concentrate inquiry recommendations to provide improved capacity for engagement with China and other new markets.

Food Safety (M33)

Overarching Purpose Statement

The overarching purpose of this appropriation is to protect consumers from food borne disease and maintain and enhance New Zealand's reputation as a trusted supplier of safe and suitable food.

Scope of Appropriation

Departmental Output Expenses

Assurance

This category is limited to justifying and delivering assurances to consumers, the public, overseas authorities and other stakeholders that food, food-related products and inputs into the production of food (whether undertaken or produced in New Zealand or imported) are managed, audited, approved, registered and/or monitored in accordance with New Zealand legislation and, for exports, relevant importing countries' market access requirements.

Information

This category is limited to engagement of, and information for, stakeholders about food safety and suitability, to encourage participation in, and compliance with, the food regulatory programme, and to enable consumers to make appropriate food choices.

Response

This category is limited to the investigation of, preparedness for, and response to, food related events, incidents, emergencies, complaints and suspected breaches of legislation and taking appropriate sanctions and enforcement action.

Standards

This category is limited to the scientific inputs and development and implementation of food related standards (including as appropriate international and joint Australia/New Zealand standards) and standards related to inputs into food production, imports, exports, new and emerging issues and the domestic market.

Non-Departmental Other Expenses

Joint Food Standards Setting Treaty

This category is limited to the development of joint food standards, codes of practice, and guidance material for Australia and New Zealand by Food Standards Australia New Zealand in accordance with the Joint Food Standards Setting Treaty.

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	97,439	97,439	101,304
Departmental Output Expenses			
Assurance	70,879	70,879	73,593
Information	1,057	1,057	1,055
Response	4,969	4,969	5,990
Standards	18,434	18,434	18,566
Non-Departmental Other Expenses			
Joint Food Standards Setting Treaty	2,100	2,100	2,100
Funding for Departmental Output Expenses			
Revenue from the Crown	24,372	24,372	26,036
Assurance	11,692	11,692	12,819
Information	1,055	1,055	1,053
Response	4,957	4,957	5,630
Standards	6,668	6,668	6,534
Revenue from Others	70,967	70,967	73,168
Assurance	59,187	59,187	60,774
Information	2	2	2
Response	12	12	360
Standards	11,766	11,766	12,032

Components of the Appropriation

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Assurance			
Verification Services	38,460	38,460	39,933
Certification Services	12,749	12,749	13,237
Monitor Compliance	10,896	10,896	11,314
Issue Approvals	6,268	6,268	6,508
Imports Clearance	2,506	2,506	2,602
Total	70,879	70,879	73,593

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide assurances, standards, information and response activities that protect consumers from food borne diseases, as well as maintaining and enhancing New Zealand's reputation as a trusted supplier of safe and suitable food.

How Performance will be Assessed for this Appropriation

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly report	Achieved	Achieved	Achieved

The Ministry for Primary Industries will assess the performance of this appropriation by quarterly monitoring of the outputs produced by this MCA. The individual performance for this MCA are listed below in the relevant categories.

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Assurance			
This category is intended to achieve effective administration and management of New Zealand's food assurance systems.			
Percentage of access to overseas markets maintained after overseas audits	100%	100%	100%
Five or fewer export certificates per financial year are rejected due to a verification error	5 or fewer	5 or fewer	5 or fewer
Stakeholder satisfaction with MPI's verification services is increasing.	80%	80%	80%
Information			
This category is intended to achieve effective provision of information programmes related to general food safety and the food regulations.			
Food safety information is provided in line with programmes	Achieved	Achieved	Achieved
Response			
This category is intended to achieve the effective administration and management of responses linked to food-related incidents, emergencies, complaints and suspected breaches of food legislation.			
Percentage of complex investigations completed within legislative requirements	100%	100%	100%
Percentage of non complex investigations completed within 6 months	100%	100%	100%
Percentage of food recalls completed and closed within 60 days	100%	100%	100%
Percentage of Priority 1 complaints are recorded and responded to within 24 hours of notification to MPI	100%	100%	100%

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Standards			
This category is intended to achieve the effective administration of food standards, including those related to food production - ensuring standards are in place to manage industry compliance.			
Percentage of milestones met for the Sanitary and Phytosanitary Standards Market Access Programme, as agreed with key meat, dairy, seafood and horticulture sector stakeholders	75%	75%	75%
Percentage of certificates issued which meet food safety technical requirements of importing countries as specified by overseas competent authorities	99%	99%	99%
Percentage of Codex standards that are acceptable to New Zealand	90%	90%	90%
Non-Departmental Other Expenses			
Joint Food Standards Setting Treaty			
This category is intended to achieve the development of joint food standards between New Zealand and Australia.			
This appropriation is exempt from end-of-year performance reporting under s.15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation is less than \$5 million	Exempted	Exempted	Exempted

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Share of costs for Budget 2015 whole-of-government initiatives	2016/17	(52)	(52)	(52)	(30)	(30)
Strengthen food safety capability and address the Whey Protein Concentrate Contamination Incident Inquiry's recommendations.	2015/16	1,400	1,900	2,300	2,300	-
Biosecurity, Food Safety and Food Act 2014 cost recovery decisions	2015/16	6,910	6,910	6,910	6,910	-
Wine Act 2003 Cost Recovery	2015/16	903	903	903	903	-
Implement recommendations of the enquiry into the Whey Protein Concentrate Contamination Incident, to strengthen the food safety system including increasing presence in overseas markets, increasing dairy capability and accelerating the standards integration programme	2014/15	4,210	5,398	5,398	5,398	5,398
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16, and 2016/17	2012/13	393	345	-	-	-

Reasons for Change in Appropriation

The increase in this appropriation for 2016/17 is mainly due to:

- fiscally neutral adjustments of \$1.901 million from increases in demand and funding for services to other public sector agencies and third parties
- an increase of \$1.688 million to strengthen food safety and address the Whey Protein Concentrate Contamination Inquiry's recommendations
- a transfer of \$480,000 efficiency savings realised in 2015/16 to 2016/17 to allow the Ministry to meet baseline cost pressures, and
- an expense transfer from 2015/16 to 2016/17 of \$300,000 reflecting a delay in commencing the free trade agreement implementation and cooperation programme due to trading partner's availability.

The increase is partly offset by \$48,000 due to a reduction in retention of underspends transferred from 2012/13.

In addition, a decrease due to expense transfers from 2014/15 to 2015/16 of:

- \$600,000 reflecting an interruption in work programmes, caused by diverting resources to Operation Concord food protection response
- \$450,000 to address Whey Protein Concentrate inquiry recommendations to provide improved capacity for engagement with China and other new markets
- \$120,000 reflecting an interruption in work programmes, caused by diverting resources to Queensland Fruit Fly incursion response, and
- \$97,000 reflecting the delays in the procurement process for all-of-government ICT initiatives for an Electronic Content Management System (ECMS) and Telecommunication as a Service (TaaS).

Memorandum Account

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Approvals, Accreditations and Registrations			
Opening Balance at 1 July	601	601	423
Revenue	4,187	4,155	4,155
Expenses	(4,211)	(4,333)	(4,343)
Closing Balance at 30 June	577	423	235
Food Standards and Assurance - Food Act 2014			
Opening Balance at 1 July	-	-	110
Revenue	-	605	605
Expenses	-	(495)	(498)
Closing Balance at 30 June	-	110	217

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Standards Setting for the Food Industry			
Opening Balance at 1 July	2,203	2,203	329
Revenue	18,071	18,032	18,033
Expenses	19,995	(19,906)	(19,929)
Closing Balance at 30 June	279	329	(1,567)
Verification of the Food Regulatory Programme			
Opening Balance at 1 July	(1,556)	(1,556)	1,187
Revenue	41,983	42,693	41,842
Expenses	(39,631)	(39,950)	(39,967)
Closing Balance at 30 June	796	1,187	3,062
Wine Standards Management - Wine Act 2003			
Opening Balance at 1 July	-	-	245
Revenue	-	2,135	2,176
Expenses	-	(1,890)	(1,930)
Closing Balance at 30 June	-	245	491

Memorandum accounts record the accumulated balance of surpluses and deficits incurred for outputs provided to third party users of those services on a full cost recovery basis.

The Approvals, Accreditations and Registrations memorandum account covers the provision of approval and registration services to regulated parties under the Agricultural Compounds and Veterinary Medicines Act 1997 and the Animal Products Act 1999.

The Food Standards and Assurance - Food Act 2014 memorandum account covers services provided by the Ministry for Primary Industries under the Food Act 2014.

The Standards Setting for the Food Industry memorandum account covers standards setting activities and fees for certification and reconciliation services under the Animal Products (Dairy Industry Fees and Charges) Regulations 2007.

The Verification of the Food Regulatory Programme memorandum account covers verification and certification activities undertaken by the Ministry for Primary Industries in accordance with section 7 of the Animal Products (Fees, Charges and Levies) Regulations 2007.

The Wine Standards Management - Wine Act 2003 memorandum account covers certification, assurance, standard setting, market access, systems implementation and monitoring services provided under the Wine Act 2003.

The Ministry for Primary Industries has a strategy of maintaining each memorandum account in a balanced state over the long term. It allows for changes in volumes resulting from fluctuations in economic activity and other matters. The charging model is periodically reviewed to ensure that the services are being provided in the most efficient cost-effective way and that the fees/levies reflect the cost of services provided.

Grants and Programmes (M87)

Overarching Purpose Statement

The overarching purpose for this appropriation is the administration of schemes, grants, programmes and assistance which are designed to achieve the outcome of innovation and sustainable resource management within the primary sector.

Scope of Appropriation

Departmental Output Expenses

Administration of Grants and Programmes

This category is limited to the administration of government approved schemes, grants and assistance to the land-based sectors.

Non-Departmental Other Expenses

Adverse Climatic Events

This category is limited to providing recovery assistance to the primary sector in the aftermath of adverse climatic events and assistance to rural support trusts.

Hill Country Erosion Fund

This category is limited to projects that protect erosion-prone hill country.

Sustainable Farming Fund

This category is limited to community driven programmes aimed at improving economic and environmental performance in farming.

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	20,852	20,852	19,445
Departmental Output Expenses			
Administration of Grants and Programmes	6,285	6,285	7,719
Non-Departmental Other Expenses			
Adverse Climatic Events	2,556	2,556	526
Hill Country Erosion Fund	2,200	2,200	2,200
Sustainable Farming Fund	9,811	9,811	9,000
Funding for Departmental Output Expenses			
Revenue from the Crown	6,236	6,236	7,670
Administration of Grants and Programmes	6,236	6,236	7,670
Revenue from Others	49	49	49
Administration of Grants and Programmes	49	49	49

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective administration and management of the grants, programmes and funds overseen by the Ministry for Primary Industries. It also supports the delivery of operational activities related to adverse climatic events, hill country erosion and community economic and environmental programmes.

How Performance will be Assessed for this Appropriation

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly reports	Achieved	Achieved	Achieved

The Ministry for Primary Industries will assess its Grants and Programmes MCA by quarterly monitoring of the quality and delivery of the programmes and funds supported by this MCA. The performance measures for the Grants and Programmes MCA are listed below in the relevant categories of the MCA.

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Administration of Grants and Programmes			
This category is intended to achieve the effective administration of the Ministry's Grants and Programmes activities.			
Percentage of processed applications and funded programmes meet	100%	100%	100%
Non-Departmental Other Expenses			
Adverse Climatic Events			
This category is intended to achieve the effective management and administration of recovery assistance funds in the aftermath of adverse climatic events.			
This appropriation is exempt from end-of-year performance reporting under s.15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation is less than \$5 million	Exempt	Exempt	Exempt
Hill Country Erosion Fund			
This category is intended to achieve the effective management and administration of projects and regional activities developed to protect erosion-prone hill country.			
This appropriation is exempt from end-of-year performance reporting under s.15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation is less than \$5 million	Exempt	Exempt	Exempt
Sustainable Farming Fund			
This category is intended to achieve the effective management of grants to support community programmes aimed at improving economic and environmental benefits to land-based primary industries and the aquaculture sector			
Percentage of project milestones met	85%	85%	85%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Service Providers

Provider	2015/16 Final Budgeted \$000	2015/16 Estimated Actual \$000	2016/17 Budget \$000	Expiry of Resourcing Commitment
Hill Country Erosion Fund				
Local Government Organisations				
Horizons Regional Council	1,333	1,333	1,190	21 June 2019
Taranaki Regional Council	302	302	302	31 May 2019
Greater Wellington Regional Council	264	264	186	15 July 2019
Northland Regional Council	138	138	176	21 June 2019
Waikato Regional Council	92	92	136	30 June 2019
Hawkes Bay Regional Council	71	71	81	30 June 2019
Other providers	-	-	129	Dates vary depending on provider
Total	2,200	2,200	2,200	
Sustainable Farming Fund				
The following organisations are recipients of grant funding from the Sustainable Farming Fund				
Other communities of interest	3,223	3,223	2,283	See below
Levy Organisations	2,571	2,571	1,644	See below
Crown Research Institutes	1,395	1,395	1,206	See below
Māori Agribusiness	1,695	1,695	885	See below
Universities	404	404	612	See below
Regional councils	182	182	140	See below
Other providers	341	341	2,230	See below
Total	9,811	9,811	9,000	

Note: Expiry of resourcing commitments for the Sustainable Farming Fund varies depending on the grant recipients with:

- 32 grant schemes due for completion by June 2017
- 41 grant schemes due for completion by June 2018.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(15)	(15)	(15)	(9)	(9)
Response to severe weather event in June 2015 affecting Manawatu-Whanganui, Taranaki and Westland	2015/16	1,680	-	-	-	-
Sustainable Farming Fund reprioritisation to support Government budget priorities	2015/16	(1,000)	(1,000)	(1,000)	(1,000)	-
Afforestation Grants Scheme	2015/16	500	500	500	500	-
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16, and 2016/17	2012/13	181	88	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2016/17 is mainly due to:

- a one-off increase in appropriation of \$1.680 million in 2015/16 in response to a severe weather event in June 2015 affecting Manawatu-Whanganui, Taranaki and Westland, and
- a decrease of \$1.466 million due to a reduction in retention of underspends transferred from 2012/13 and a number of other small changes of no material concentration.

The decrease is partly offset by:

- a transfer of \$2 million to the Sustainable Farming Fund to fund high value projects
- a transfer of \$1 million to cover costs associated with administering the Irrigation Acceleration Fund, and
- a transfer of \$122,000 of efficiency savings realised in 2015/16 to 2016/17 to allow the Ministry to meet baseline cost pressures.

Sustainable Economic Development and Trade (M87)

Overarching Purpose Statement

The overarching purpose for this appropriation is to efficiently manage New Zealand's primary production and natural resources in a sustainable manner.

Scope of Appropriation

Departmental Output Expenses

Animal Welfare Education and Enforcement

This category is limited to education and enforcement intended to improve animal welfare in New Zealand.

Aquaculture

This category is limited to implementing aquaculture policy advice, supporting and monitoring the growth of the aquaculture industry.

Fisheries Enforcement and Monitoring

This category is limited to informing, assisting, directing and enforcing adherence to New Zealand fisheries laws.

Fisheries Management

This category is limited to implementing ministerial decisions on sustainability and management controls for New Zealand fisheries.

Non-Departmental Other Expenses

Fisheries Quota Shares and ACE Administration Costs

This category is limited to the administration of the sale of Crown Quota Shares and Annual Catch Entitlement (ACE).

Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	61,494	61,494	60,732
Departmental Output Expenses			
Animal Welfare Education and Enforcement	8,450	8,450	8,558
Aquaculture	4,665	4,665	4,142
Fisheries Enforcement and Monitoring	37,881	37,881	37,690
Fisheries Management	10,474	10,474	10,318
Non-Departmental Other Expenses			
Fisheries Quota Shares and ACE Administration Costs	24	24	24

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	58,617	58,617	57,855
Animal Welfare Education and Enforcement	8,431	8,431	8,539
Aquaculture	4,649	4,649	4,126
Fisheries Enforcement and Monitoring	35,946	35,946	35,755
Fisheries Management	9,591	9,591	9,435
Revenue from Others	2,853	2,853	2,853
Animal Welfare Education and Enforcement	19	19	19
Aquaculture	16	16	16
Fisheries Enforcement and Monitoring	1,935	1,935	1,935
Fisheries Management	883	883	883

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective management of animal welfare, aquaculture, fisheries programmes and related enforcement activities to support sustainable economic development.

How Performance will be Assessed for this Appropriation

The Ministry for Primary Industries will assess the performance for this appropriation by quarterly of the outputs relating to the monitoring and maintenance of New Zealand's animal welfare, aquaculture and fisheries management and enforcement programmes. The performance measures for the Sustainable Economic Development and Trade MCA are listed below in the relevant categories of the MCA.

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Completion of quarterly reports	Achieved	Achieved	Achieved

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Animal Welfare Education and Enforcement			
This category is intended to achieve improvements in the education and enforcement of New Zealand's animal welfare laws and regulations.			
Percentage of Priority 1 (Grade 1 - significant/acute) complaints are recorded and responded to within 24 hours	100%	100%	100%

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of agreed animal welfare education initiatives progressed as per the 'Safeguarding our Animals, Safeguarding our Reputation' programme	100%	100%	100%
Percentage of complex investigations completed within legislative requirements	100%	100%	100%
Percentage of non complex investigations completed within 6 months	100%	100%	100%
Aquaculture			
This category is intended to achieve support for the all-of-government pathway to promote growth in the aquaculture sector.			
Percentage of project milestones for the annual aquaculture plan met	90%	90%	90%
Fisheries Enforcement and Monitoring			
This category is intended to achieve the adherence to New Zealand fisheries laws.			
Percentage of commercial operators inspected are found to be voluntarily compliant	90%	90%	90%
Percentage of recreational fishers inspected are found to be voluntarily compliant	95%	95%	95%
Percentage of serious offenders do not reoffend within the next year	95%	95%	95%
Percentage of complex investigations completed within legislative requirements	100%	100%	100%
Percentage of non complex investigations completed within 6 months	100%	100%	100%
Percentage of the Crown's obligations to Māori is delivered	100%	100%	100%
Fisheries Management			
This category is intended to achieve sustainability and management controls for New Zealand fisheries.			
Percentage of ministerial requests from the Minister for Primary Industries completed to agreed standards	95%	95%	95%
Percentage of OIA, Privacy Act and Ombudsmen requests delivered within statutory timeframes	95%	95%	95%
Non-Departmental Other Expenses			
Fisheries Quota Shares and ACE Administration Costs			
This category is intended to achieve the effective administration and management of work relating to the sale of Crown Quota Shares and Annual Catch Entitlement (ACE).			
This appropriation is exempt from end-of-year performance reporting under s.15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation is less than \$5 million.	Exempt	Exempt	Exempt

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(134)	(134)	(134)	(78)	(78)
Strengthening the Animal Welfare System	2015/16	2,677	2,677	2,317	2,317	-
Retention of 2012/13 underspends to meet staff remuneration cost pressures in 2014/15, 2015/16, and 2016/17	2012/13	1,937	1,152	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2016/17 is mainly due to:

- a decrease of \$2.280 million due to a reduction in retention of underspends transferred from 2012/13 and a number of other small changes of no material concentration.

In addition, a decrease in appropriation due to expense transfers from 2014/15 to 2015/16 of:

- \$750,000 reflecting an interruption in work programmes, caused by diverting resources to the Queensland Fruit Fly incursion response
- \$150,000 to address Whey Protein Concentrate inquiry recommendations to provide improved capacity for engagement with China and other new markets
- \$62,000 reflecting the delays in the procurement process for all-of-government ICT initiatives for an Electronic Content Management System (ECMS) and Telecommunication as a Service (TaaS), and
- \$35,000 reflecting an interruption to work programmes, caused by diverting resources to Operation Concord food protection response.

The decrease is partly offset by:

- a transfer of \$1.151 million of efficiency savings realised in 2015/16 to 2016/17 to allow the Ministry to meet baseline cost pressures, and
- an expense transfer of \$100,000 from 2015/16 to 2016/17 in Aquaculture to allow sufficient planning between regional councils and stakeholders to occur.