



Five Year Strategy

(2004/05 - 2009/10)

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Overview

The New Zealand Agency for International Development, Nga Hoe Tuputupu-mai-tawhiti – ‘*the paddles that bring growth from afar*’ is the agency responsible for managing New Zealand’s official development assistance (ODA) programme overseas.

NZAID is a semi-autonomous body within the Ministry of Foreign Affairs and Trade (MFAT). It works in accordance with the Government’s strategic directions for foreign policy and ODA.

Why does New Zealand have an ODA programme?

One of the greatest challenges facing the world is the gap between rich and poor countries and between rich and poor within societies. Effective international development through ODA helps to close these gaps and contributes to building a safe and just world free of poverty.

Successive Governments have supported an ODA programme because:

- New Zealand has a responsibility to be a good international citizen
- a more stable, peaceful and prosperous world is of direct benefit to New Zealand’s own trading, diplomatic and domestic development interests
- New Zealanders want to assist in international humanitarian crises.

Since the 1960’s the Organisation for Economic Co-operation and Development (OECD) countries, including New Zealand, have committed themselves to provide 0.7% of their Gross National Income (GNI) in ODA. In addition to this quantitative target, in 2002 the international community signed up to the Millennium Development Goals (MDGs¹). These set a number of poverty reduction targets to be achieved by 2015. These targets provide the framework for New Zealand’s development objectives.

The Partnership Approach

The term ‘partnership’ is used extensively throughout this Strategic Plan. NZAID and the broader development community internationally have learned through decades of experience that the most effective ODA is based on partnership principles. This means:

- working with development partners in other countries in ways that ensure local ownership, while growing leadership skills and self-reliance
- ensuring relationships between international development agencies and development partners in other countries are based on mutual respect and mutual accountability.

Together, these approaches ensure high levels of developing country ownership and engagement in ODA programmes.

Underpinning NZAID’s commitment to partnership is the Treaty of Waitangi that provides a basis from which understanding and application of partnership principles can be drawn.

In line with this concept, NZAID refers to countries where it has bilateral ODA programmes as ‘partner countries’.

¹ The Millennium Development Goals are 8 goals, related to eliminating poverty in the world, which were agreed to by all 189 United Nations Member states in 2000. These goals are due to be achieved by 2015. They are outlined in the NZAID policy statement.



What underpins New Zealand's ODA Programme?

The vision, outcomes and operating principles of New Zealand's ODA programme are detailed in NZAID's Policy Statement, *Towards a Safe and Just World Free of Poverty*, published in July 2002.

The Policy Statement guides NZAID to:

- have a central focus on eliminating poverty in developing countries;
- work with local partners and with other agencies including governments, civil society organisations, communities and other donors;
- use medium to long term horizons in its planning;
- focus its programmes on the following outcomes:
 - fulfilment of basic needs;
 - sustainable livelihoods;
 - sustainable and equitable development;
 - safe, just and inclusive societies.

NZAID's geographic focus is primarily on the Pacific. It also has regional and bilateral programmes in Asia, Africa and Latin America that build on broader historical, cultural, economic, political and social links. These programmes will match partner needs to New Zealand expertise. As a Pacific nation, New Zealand has unique experience in ensuring a cultural context is considered in economic and community development, community safety, land issues and in access to education and health services. New Zealand's approaches to biosecurity, resource management and conservation are well regarded. Our approaches to governance are recognised as having a high level of integrity, because of the emphasis on civil society participation, human rights, and gender equality.

As a result of the Monterrey Consensus² there are international commitments to significantly increased aid flows over the next five years. This will require more coordination with other donors and better alignment to development partner policies processes and plans. Increasingly NZAID's engagement with development partners will focus on policy issues as well as programming. The goal is to achieve better coherence between international development outcomes and New Zealand's own policies in areas such as human rights, trade, immigration, environment, health, education, security and remittances.

NZAID also engages at the global level through the United Nations and Commonwealth agencies and international development banks. This extends New Zealand's reach into the global arena. NZAID's relationship with the multilateral system also offers the opportunity for a New Zealand contribution in global debates on development issues and for working with multilateral partners to strengthen responses to challenges that transcend national boundaries.

This strategy identifies ten priority areas for development impact. NZAID decides which of these areas to focus on in the process of developing a programme strategy for each of the countries it is involved in. This involves analysis and discussions. Decisions are made after taking into account partner country policies and plans, and conflict and poverty assessments including progress against the MDGs. NZAID also takes into account New Zealand's comparative advantages and relative influence as a donor, and what areas other donors are working in.

² The Monterrey Consensus is a declaration of global commitment to meeting the challenges of financing for development. This was agreed at a meeting of Heads of State in 2002.

NZAID's Planning Framework

Where does this strategic plan fit?

This strategic plan provides a five-year framework for the development, performance and impact of NZAID in line with its mandate and Government priorities. The plan:

- sets out high level outcomes which the agency will pursue
- explains the rationale for agency priorities
- outlines core strategies which will guide NZAID programmes and engagement.

The plan sits within a framework consisting of NZAID's overarching policy statement *Towards a Safe and Just World Free of Poverty* and is underpinned by sectoral and thematic policies and strategies and the annual *Statement of Intent and Business Plan*³.



³ www.nzaid.govt.nz

Strategy Shape

Drawing on the metaphor of a gateway opening to the future, the strategy has three components. The lintel embodies development impact and is supported by two pillars: engagement and agency capability. Engagement is crucial because achieving effective development outcomes depends on good processes for engagement with partners. Capability requires special attention in a new agency, to ensure that the resources, policies and strategies, and culture are in place to deliver the outcomes. It is recognised that the various strategies that follow are in reality interconnected in complex ways that it is not possible to represent in this framework.

