

1.0 Development Impact

High Level Outcome

Our development partners have reduced poverty and need less aid

Poverty comes in many forms, including:

- extreme poverty, where basic needs cannot be met
- poverty of opportunity, where individuals and communities have limited skills, opportunities or infrastructure to improve their own lives
- vulnerability to poverty, where individuals, communities and countries are vulnerable to circumstances which can damage their livelihoods or ability to meet basic needs.

Key approaches that are more likely to effect sustainable reduction in poverty include:

- working in ways which strengthen partner country ownership and capability
- being prepared to commit to long term solutions that require a sustained investment
- dealing with root causes rather than just symptoms of poverty
- supporting approaches that address poverty in an integrated way so work in one area considers the implications for other areas.

Any intervention can have unintended impacts, and the poor are often the most vulnerable to them. NZAID will pay attention to the different impacts of its activities on different groups of people such as women, men, girls and boys and those with special needs. The implications for human rights and environmental, social and economic issues will be taken into account.

Intermediate Outcome 1.1

Those in poverty empowered to improve their lives

People often need support to lift themselves out of poverty. Basic needs for water, food and shelter must be met. Education, good health, the ability to earn a livelihood and access to resources are all important to meeting these basic needs. Where any of these are compromised, those in poverty are very vulnerable.

Key strategies

Education

- Increase support for basic education, with priority on the Education For All⁴ goals for universal primary education and the elimination of gender disparities, particularly in those countries not on track to achieving the goals.
- Support strengthened leadership in Pacific education to improve quality and relevance.

⁴ Education For All expresses the international community's collective commitment to pursue a broad-based strategy for ensuring that basic learning needs of every child, youth and adult are met within a generation and sustained thereafter.

Health

- Improve access to appropriate and affordable health services including environmental (for example access to water and sanitation), social and medical services for people living in poverty.
- Address the needs of women and people with disabilities, with a focus on improving nutrition, reducing child mortality, improving maternal health and combating HIV/Aids.

Sustainable livelihoods

- Support the achievement of sustainable livelihoods by strengthening the quality of and access to services and resources, infrastructure and the policy and regulatory environment.
- Build on existing skills and assets to support food security and new livelihoods initiatives.

Environment

- Promote environmentally sustainable resource use and development that is consistent with the economic and social priorities of partners.
- Enhance assets of the poor through conservation of natural resources.

Measures

Evaluations of programme outcomes and strategies show NZAID is contributing to the achievement of MDGs and specifically to improvements in education, health, livelihoods and the environment in partner countries.

Intermediate Outcome 1.2

Governance addresses poverty

How well - or badly – a society is governed affects the well-being of its people. A greater say in government by poor and disadvantaged groups can help address their needs including access to resources. NZAID will work in conjunction with its partners to promote improved governance, leadership and economic development. Good governance is a prerequisite to the achievement of the poverty reduction outcomes above.

Key Strategies

Human rights

- Ensure that the protection and promotion of human rights, including those of women and girls, are fully integrated in all NZAID's programmes.
- Support community-level and national human rights capacity building, including through regional institutions and international instruments.

Leadership and Government

- Work to strengthen the institutions of government including capability, transparency, participation and accountability in policy and delivery processes.
- Support integrity and vision in leadership in national governments, civil society, and the private sector.
- Improve capability in poverty analysis, statistical reporting and pro-poor planning (aligned to budget processes) at the national, sectoral, local government and/or community levels.

Economic development

- Support development of policy, planning and regulatory environments which encourage pro-poor economic development, including through trade.
- Support more effective developing country engagement in creating fair, equitable rules in global trading and financial systems.
- Strengthen local capabilities for economic policy development and implementation.

Measures

Evaluations of programme outcomes and strategies show NZAID is contributing to improvements in human rights, governance and economic development in partner countries.

Intermediate Outcome 1.3

Vulnerability to poverty is reduced

Vulnerability to poverty arises from conflict, environmental disasters, disease epidemics, biosecurity risks, poor governance and economic instability. Specific strategies are needed to reduce vulnerability and supplement normal development strategies in the areas of health, economic development and sustainable livelihoods.

Key Strategies

Peace building and conflict prevention

- Ensure that all NZAID country strategies and programmes consider the risks of conflict and, wherever possible, contribute positively to peace building and conflict prevention.
- Support partners to address these risks and manage conflict constructively.

Humanitarian support

- Incorporate disaster preparedness strategies in programmes where appropriate.
- Ensure responses to emergency and disaster relief situations are timely, well targeted and relevant.
- Pursue a seamless transition from humanitarian to development phases of disaster recovery and address the risks of creating dependency and economic distortions.

Community safety

- Support initiatives to address problems affecting the safety of communities, with particular focus on women and children.
- Build awareness of community safety issues.
- Strengthen community policing capability, including in regard to domestic violence.

Measures

Achievement of measures identified in strategies show NZAID is addressing vulnerability to poverty through its humanitarian support, its work in peace building and conflict prevention and in community safety.

2.0 Engagement

High Level Outcome

Development outcomes are achieved through engagements based on mutual openness, trust and respect.

It takes more than money and programmes to address poverty. Clear focus and the quality of engagement are crucial to effective development outcomes. Development partners and agencies need to have a clear focus on people living in hardship, an understanding of what makes them or keeps them disadvantaged, and a commitment to address the causes on a sustained basis. NZAID's impact will depend on the quality of its engagement with development partners around both policy and programme issues.

Intermediate Outcome 2.1

Harmonisation

Recent international experience indicates that the effectiveness of aid delivery can be greatly increased through alignment of donor support with partner countries policies and strategies, and enhanced coordination between donors. NZAID's partner countries in the Pacific have identified local ownership and trust within donor/partner relationships as the most important factors to enabling this to happen.

Key Strategies

Programming approaches

- Support multi-donor alignment with development partners' own policies and plans.
- Help strengthen partner capability and promote equitable power relationships.
- Ensure the most appropriate aid delivery approach is applied within each programme.

Participatory planning processes

- Encourage development planning that is inclusive, participatory and ensures women's involvement.
- Build government and civil society capacity to engage effectively with each other and support policy dialogue processes.

Innovation and leadership

- Search out new ideas in order to improve the effectiveness of our development partnerships and programmes.
- Develop channels for sharing experience and practice among the development partners we work with and with others.

Measures

Evaluations show:

- NZAID has maximised alignment with partners policies, plans and processes and coordination among donors.
- Programme strategies have been developed in ways that achieve high levels of partner country ownership.
- Reduced transaction costs for partner countries

Intermediate Outcome 2.2

Effective engagement with New Zealand stakeholders

NZAID is part of a wider New Zealand development community. Working with the expertise and experience of others in government, civil society and the private sector extends the reach and effectiveness of New Zealand's ODA. Communication and education about global and local development issues and challenges is needed to increase the public's understanding of and support for New Zealand's engagement in international development.

Key Strategies

New Zealand Public

- Strengthen public support for development work overseas through increasing awareness and understanding of international development issues and activities.
- Build collaborative relationships with key New Zealand stakeholders in order to achieve increased public awareness.

New Zealand civil society groups

- Apply the principles of partnership and participation underpinning the *Strategic Policy Framework for Relations between NZAID and New Zealand NGOs*⁵ to our engagement with civil society groups, including Tangata Whenua and Pacific Island groups.

New Zealand Government

- Pursue effective whole-of-government approaches to New Zealand's ODA and take a lead in advice and implementation on issues affecting developing nations
- Align programmes to Government priorities and international agreements by increasing policy engagement across New Zealand agencies on issues such as trade, immigration, remittances, security, health and education.

Measures

- Surveys show that the public generally understands and supports New Zealand's ODA programme.
- New Zealand stakeholders have appropriate opportunities to engage in NZAID's policy and programme activities.
- Evidence of influence on outcomes of domestic policy processes in which NZAID participates.

⁵ www.nzaid.govt.nz

Intermediate Outcome 2.3

Influential policy engagement

New Zealand's support for development through multilateral agencies and engagement in international fora complements NZAID's geographic coverage by extending reach into the global arena. It offers the opportunity for a New Zealand contribution to global debates on development issues, defining good practice, and the implementation of human rights commitments.

Key Strategies

Ministerial advice

- Provide Ministers with timely, focused, well-consulted and relevant advice on development issues.

International and regional fora

- Represent New Zealand whole of government development and human rights policies and experience effectively in international and regional fora.

Measures

- Through annual surveys, ministers express satisfaction at the accuracy, timeliness and usefulness of NZAID policy advice.
- Through the CEO performance appraisal process, ministers and government agencies report satisfaction with the whole-of-government approach on ODA.
- Evidence of influence on outcomes of international policy processes in which NZAID participates.

3.0 Agency Capability

High Level Outcome

NZAID has well aligned policies, strategies, culture, processes and resources to support its programmes.

Achieving the key outcomes in this strategic plan requires:

- staff capability that matches NZAID's evolving business needs
- credibility as an effective and professional agency
- a culture which mirrors good development practice
- robust learning and accountability processes
- well-aligned policies, strategies and programmes
- sufficient funding to achieve outcomes.

To meet its obligations as a part of the New Zealand public sector, NZAID needs to meet all the accountability and transparency requirements of a Government department.

Focus Area 3.1

Organisational development

To be an effective development agency NZAID needs the people and organisational culture that reflect key principles of effective development: participation, partnership and joint ownership of processes and outcomes. The degree of development impact New Zealand can have will also depend on the volume, as well as the quality, of ODA. While New Zealand has endorsed in principle the OECD target of ODA reaching 0.7 % GNI, in 2003/04 New Zealand's volume of development assistance was 0.23% GNI (19th out of 21 countries). It will be important to ensure NZAID's capability and resourcing matches changes in programmes and approaches including any growth in the ODA programme.

Key Strategies

Capability

- Develop a professional, flexible and diverse workforce in Wellington and overseas with the skills and structure to implement NZAID's mandate.
- Apply simple business systems, which are aligned with the needs of users, are adaptable to changing business needs and support efficient and accountable use of tax payer funds.
- Develop a team approach across programme, advisory and service functions with clear alignment between responsibilities and accountabilities.

Funding

- Pursue sufficient resourcing to achieve the ODA outcomes sought by the Government.

Culture and values

- Ensure that NZAID's vision, mission and values are central to the way all staff work.
- Build a work environment that values team work, supports learning and improvement, and where everyone has the opportunity to contribute to the strategic direction of NZAID and to provide leadership in their area of expertise.
- Build a culture in which people communicate openly, with influence and integrity.

Measures

- Vote ODA is sufficiently resourced to effectively deliver outcomes agreed with Ministers.
- External audit and central crown agency reporting indicates that NZAID is operating in accordance with good public sector practice.
- Surveys carried out as part of the NZAID *Walking the Talk*⁶ project indicate NZAID is operating in accordance with its stated values

Focus Area 3.2

Learning and accountability processes

The quality of NZAID's work is dependent on a sound base of knowledge and analysis. Evaluation of policies and programmes will contribute to accountability and continuous learning, including the development of plans and good practice guidelines. The generation and sharing of knowledge is recognised as a whole of agency responsibility.

Key Strategies

Planning

- Implement an agency planning framework, ensuring performance measures cascade from the Policy Framework to the Strategic Plan, the Statement of Intent, the annual business plan, group plans and individual work plans.

Evaluation

- Develop and implement an evaluation policy framework with good practice guidelines, a professional development plan and a focus on development impacts.
- Ensure that lessons learned from reviews and evaluations lead to improved design and performance of policies, strategies and programmes.

Knowledge management

- Develop a strong analytical basis for all policy, strategy and programme development.
- Develop and update good practice guidelines and professional development tools.
- Ensure systems and team practices are in place which support the sharing of knowledge.

Measures

- All annual plans are consistent with overarching policies and strategies.
- Evaluations are undertaken in line with the evaluation framework and good practice guidelines.
- Good practice guidelines and professional development tools are in place and used by staff.

⁶ www.nzaid.govt.nz

Focus Area 3.3

Policies and Strategies

As manager of the smallest OECD development programme, NZAID can only have an impact on poverty if it is very focussed in its efforts. This requires careful selection of sectors, countries or multilateral/regional agencies in order to create opportunities for deeper engagement. The areas of policy development below are those identified as the priority areas in which NZAID intends to have an impact. These will be developed in consultation with development partners and other stakeholders and will support policy coherence across Government. Strategies, based on these policies, underpin agreements with development partners and enable NZAID to take a long-term well-focussed approach to its programming.

Key Strategies

Policies

- Develop or update policies and sectoral or thematic strategies for the key areas where NZAID seeks impact: education, health, sustainable livelihoods, gender, human rights, environment, governance, trade, conflict and peace-building.

Programme strategies

- Ensure clear prioritisation and maximum impact of NZAID programmes through development and implementation of five year regional (Pacific, Asia, Africa and Latin America) and bilateral programme strategies.
- Engage with core partner multilateral and regional agencies, in accordance with NZAID's overarching multilateral framework and with specific agency engagement strategies.

Programme framework

- Use bilateral, multilateral and regional agency assessment frameworks to identify core partnerships and minimise the risk of the overall programme being dispersed too widely and thinly.
- Ensure that NZAID's framework of programmes align well with the priorities described in NZAID's policies, strategies and assessment frameworks.

Measures

NZAID policies, strategies and annual plans will be subject to periodic evaluation to ensure they conform to the following:

- all policies and strategies are kept current
- strategies include clearly expressed outcomes, success measures and well-defined mechanisms for evaluating success
- programme strategies are developed in accordance with the agreed priorities and needs of partners within our agency mandate
- all policies and strategies have been signed off by ministers following consultation with partners and relevant New Zealand stakeholders.