

Unclassified

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5 April 2024

DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE

Peer Review

Management Response to the 2023 Peer Review of New Zealand

The management response is submitted by New Zealand in response to the 2023 Peer Review of New Zealand.

JT03540975

OECD DAC Peer Review of New Zealand 2023 – Ministry of Foreign Affairs and Trade Management Response

Recommendation (Lead Division, Support Division)		Accepted (Yes/Partially/ No)	Planned Action for Implementation (if no action planned, explain why)	Timeline
1.	<p>To maximise the benefits of the Ministry’s integrated model, MFAT should:</p> <p>1a. use the 2024 strategy refresh to define how development co-operation is central to the ministry’s strategic goals and provide a clear line of sight between the various policy statements.</p> <p>1b. enable the Pacific and Development Group to more actively co-ordinate all international development co-operation work across government, in line with the ministry’s mandate.</p>	Yes	<p>1a. The Ministry reviews its Strategic Framework every few years. The review currently underway (2023) has a number of drivers and objectives, including better integrating international development cooperation across the Strategic Framework. We will proactively consider OECD’s recommendations as part of the review.</p> <p>1b. The Ministry plans undertake a comprehensive stakeholder mapping exercise of our government agency partners, with a view to identifying thematic clusters and establishing clearer communication and coordination channels with our New Zealand government partners.</p>	<p>The review will be undertaken over the 2023 calendar year, with a new Strategic Framework taking effect from 1 July 2024.</p> <p>Stakeholder mapping complete by end of FY 2023/24</p>
2	<p>To ensure it has the capabilities for effective delivery, co-ordination and quality assurance, MFAT should:</p> <p>2a. undertake strategic workforce planning, putting in place the incentives and resources to build, deepen and maintain development expertise, including among non-development specialist staff</p> <p>2b. explore how best to harness expertise outside of MFAT.</p>	Yes	<p>2a. The Ministry plans to develop an international development workforce strategy. The Ministry currently puts significant thought into how we best build international development expertise when we make key personnel decisions, and this strategy should help us do this more systematically.</p> <p>2b. The workforce strategy will include thinking about when to strengthen in house expertise, and when to look outside the Ministry.</p>	Workforce Strategy complete by end of FY 2023/24
3	<p>To enable more effective design and delivery, MFAT should:</p> <p>3a. revise the membership, roles and responsibilities of Governance Groups to support efficient decision making that draws fully on relevant expertise, including of posts</p> <p>3b. take a more flexible approach to delegating decision making to posts.</p>	Partially	<p>3a. As part of a broader continuous improvement programme the Ministry will review the roles and responsibilities; and membership profiles of Governance Groups to support more effective design, delivery and ongoing monitoring of outcomes. This review will include consideration of enabling increased membership in Governance Groups by staff at Post¹.</p> <p>3b. We do not intend to take any formal steps to enable more flexible delegation of decision-making to Posts. We acknowledge that we have a centralised model for decision-making. We think this is best served by ensuring country-level perspectives are incorporated into Governance Group decision-making.</p>	Review complete and changes in place by July 2024
4	<p>To strengthen accountability to its citizens and those in partner countries, MFAT should dedicate resources and leadership to further improve transparency.</p>	Yes	<p>We have committed to delivering a work plan centred on improving the transparency of our IDC programme, in line with international standards and recommendations. Since the peer review visit we have employed a senior adviser to drive this work. As a top priority, we are currently developing a website to make project-level data on the whole IDC programme readily accessible and easy to use.</p>	Website by end 2023

¹ There is currently just one permanent Governance Group member who is based at Post.

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5	To build public understanding of why and how investments contribute to New Zealand's goals, MFAT should develop a comprehensive communication strategy linked to the ministry's strategic purpose, and work across government to build global citizenship among New Zealanders.	Yes	The Ministry will develop a communication strategy that recognises Aotearoa New Zealand's partnership-driven approach. As part of this strategy, we will focus on our role as an equal partner in the Pacific, and as an active global citizen.	Communication strategy by end of FY 23/24
6	To translate its strong principles into outcomes across the whole portfolio, MFAT should clarify and formalise mainstreaming and safeguarding requirements, including the integration of gender equality, climate and the environment, child and youth well-being, and human rights at all stages of the development and approval of investments, and ensure the capacities are in place to follow through.	Yes	<p>The Ministry remains committed to successfully embedding mainstreaming and safeguarding across the IDC programme to ensure good development outcomes.</p> <p>A planned mainstreaming work programme includes reviewing and updating activity business processes, tools, templates and guidance, and developing specific knowledge products and training to support the implementation of cross cutting issues and safeguarding considerations throughout the activity lifecycle (planning, design and implementation).</p> <p>The Ministry also aims to review and update social and environmental safeguarding policies, guidelines and training, including The Ministry's PSEAH policy and guidance, and develop a child protection policy to ensure we remain current, survivor centred, and adhere to best practice and international alignment.</p> <p>The Ministry aims to review capacity in PSEAH and child protection, and work more closely with the human rights and child youth and well-being advisers to ensure safeguarding considerations and understanding are embedded into development thinking and practice.</p>	<p>Mainstreaming work programme completed and implemented by end of FY 23/24.</p> <p>Updated safeguarding policies and guidance by end of FY 23/24.</p> <p>Safeguarding capacity review by end of 2023.</p>
7	<p>To further strengthen the focus on sustainable development outcomes, MFAT should:</p> <p>7a. ensure project design and implementation are based on a solid and regularly tested theory of change and results framework</p> <p>7b. build a results culture among staff and within Governance Groups, including through internal leadership that links monitoring and results to the outcomes MFAT seeks to deliver</p> <p>7c. prioritise and use strategic evaluations to inform key policy questions and strengthen cross-programme learning.</p>	Yes	<p>The Ministry is committed to strengthening capacity and incentives, which enable a stronger focus on results and outcomes.</p> <p>7a.The Ministry is currently implementing an expanded Monitoring, Evaluation, Research and Learning (MERL) training offer. Sessions focus on: designing robust theory of change and MERL (results) frameworks; Activity monitoring; and Activity evaluation.</p> <p>7b. The Ministry will address this recommendation as part of a broader continuous improvement programme (see response to 3a). In addition, will conduct an internal review of the MERL relationship management model to identify opportunities to strengthen The Ministry's results culture.</p> <p>7c. MFAT will prioritise an increased number of strategic evaluations undertaken annually. We intend to formalise evaluation dissemination to maximise learning and insights for PDG.</p>	<p>Full training offer by end 2023/34</p> <p>Review complete and changes in place by July 2024 (see 3a.)</p> <p>Relationship management model internal review by end 2023</p> <p>3-4 strategic evaluations are planned for 2023/24</p> <p>A dissemination plan piloted by the end of 2023</p>
8	To ensure its development co-operation is locally led, MFAT should complement its strong partner-led approach and use of budget support by prioritising a whole-of-society approach with local stakeholders in its partner countries, and further investing in protecting and promoting civic space.	Yes	<p>Recognising a need for ongoing and continued improvement in our approach to locally-led development cooperation, MFAT has several ongoing workstreams that address this recommendation, including:</p> <ul style="list-style-type: none"> commissioning independent research directly with CSOs in the Pacific and Timor Leste to understand the challenges and opportunities for more direct support at the community and sub-national level. developing a funding modality that will support more direct climate finance reaching CSOs engaged in community development in the Pacific and Timor Leste. developing an organisational strengthening initiative for CSOs in the Pacific and Timor-Leste 	<p>Research findings available in July 2023</p> <p>Funding modality designed by the end of 2023, and operational in 2024</p> <p>Initiative designed and trialled in 2024</p> <p>Initial workshop by September 2023</p>

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			<p>which will be informed by the research and early lessons learned from the climate finance modality, as noted in the above two points.</p> <p>MFAT is committed to protecting and promoting civic space. We will bring together senior representatives from New Zealand international NGOs to jointly consider where we see opportunities to protect and promote civic space.</p>	
9	<p>To maximise the impact of its recently increased funding for climate change action, MFAT should:</p> <p>9a. support its partner countries, including SIDS, to better access and co-ordinate climate finance, including from multilateral organisations and funds</p> <p>9b. ensure that new climate-related projects also consider and target interconnected challenges such as fragility and biodiversity from the outset.</p>	Yes	<p>9a. Aotearoa New Zealand advocates in international fora for better measurement of sustainable development to better incorporate SIDS' unique vulnerabilities, which are worsening due to climate change. We actively support better reflection of SIDS vulnerabilities in development agencies decisions on access to finance.</p> <p>9b. MFAT acknowledges the interrelationships between climate change and fragility and climate change and biodiversity, and that these issues need to be addressed early on in the project cycle to improve development outcomes.</p> <p>We acknowledge that climate change is both a driver and a result of ecosystem degradation that threatens to accelerate environmental crises and the environmental services on which people depend for their security and well-being.</p> <p>These issues are considered across the IDC Programme, in addition to climate finance and planning is under way to improve how we mainstream these inter-connected issues.</p>	Ongoing
10	<p>New Zealand should allocate resources to deliver on its strategic goals, catch up with the DAC average, and safeguard long-term development investments by:</p> <p>10a. establishing a roadmap with clear targets to increase ODA in volume and as a proportion of GNI, with a trajectory towards achieving 0.7% ODA/GNI</p> <p>10b. taking current total ODA levels that include the 2022-25 climate finance commitment as the baseline for future budget planning.</p>	No	<p>10a. This is a decision for Cabinet, and outside the Ministry's control. The Ministry will continue to improve its transparency and information sharing about importance of international development cooperation, building on our foreign affairs' select committee investigation into aid to the Pacific in 2020/21.</p> <p>10b. This is a decision for Cabinet. The Ministry will provide advice at the appropriate time.</p>	N/A

