

policy statement

towards a safe and just world free of poverty



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Nau te rourou,

Naaku te rourou,

Ka ora ai te iwi.

Your food basket

My food basket

Together feed the tribe.

Maori Proverb

FOREWORD

In 2000 the Government commissioned an independent review of New Zealand's aid programme. The result of the review *Towards Excellence in Aid Delivery* was the decision taken in September 2001 to create the New Zealand Agency for International Development (NZAID).

Nga Hoe Tuputupu-mai-tawhiti - the paddles that bring growth from afar - is the Maori name for NZAID. This evocative name reflects New Zealand's Pacific heritage and the partnership principles of the Treaty of Waitangi.

NZAID's vision of "a safe and just world free of poverty" inspires the new agency's *Policy Statement*. The establishment of an agency with poverty elimination as its central focus and the Pacific as its regional focus reflects the Government's commitment to be a good international citizen and neighbour.

The developed countries of the international community are moving towards committing 0.7 percent of their gross national income to development assistance. New Zealand, too, is committed to that goal.

As a development agency, NZAID will look to the long term. It will measure the results and effectiveness of its development assistance activities against goals and targets set by the international community, and through consultation with our development partners. The agency will help to coordinate and facilitate the aid contributions of other government departments with the aim of ensuring a coherent and strategic approach.

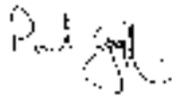
To achieve the standards of excellence that we expect of it, the agency is committed to being a responsive and learning organisation, well informed about development needs and aware of the aspirations of its developing country partners.

NZAID will also recognise the major contribution made today by civil society, including non-governmental organisations and private individuals, to New Zealand's international development assistance efforts. It will be transparent and inclusive in its policy development processes, and also in its monitoring and evaluation of the programmes and projects that it supports, to ensure that they best meet the needs of partners and the high expectations of New Zealanders.

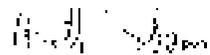


People and partnerships are at the heart of NZAID's work. NZAID works alongside its many partners in development, including tangata whenua and the Pacific people who have made New Zealand their home. The approach is inclusive.

We are confident that NZAID will make a substantial contribution to a safe and just world free of poverty.



Hon Phil Goff
Minister of Foreign Affairs and Trade



Hon Matt Robson
Associate Minister of Foreign Affairs and Trade

Wellington
July 2002

GLOSSARY OF TERMS

International Development Targets (IDTs) - development targets agreed by world governments at United Nations conferences in the 1990s.

Millennium Development Goals (MDGs) - international development goals set by the United Nations at the Millennium meeting of the General Assembly in 2000. They include targets for economic well-being, human development, and environmental sustainability, as well as qualitative elements of accountability, human rights and the rule of law.

Monitoring and evaluation - the ongoing and systematic collection, analysis and use of information on the progress and impacts of NZAID activities, projects and programmes.

Official Development Assistance (ODA) - development assistance that meets the criteria for assistance set down by the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development.

Unuhia te rito o te harakeke.
Kei hea koe te komako e ko?
Kii mai ki ahau, he aha te mea nui?
Maku e kii atu, he tangata, he tangata, he tangata.
Pull out the central stem of the flaxplant.
Where will the bellbird call?
Ask me what is the most important thing?
'Tis people, people, people.

Maori proverb

TOWARDS A SAFE AND JUST WORLD FREE OF POVERTY

THE NZAID POLICY STATEMENT



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 overseas.

This Policy Statement is supported by more detailed strategy and policy documents prepared by NZAID, including an annual Business Plan and regional, country and sectoral strategies.¹ The Statement will be reviewed and updated periodically.

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Maori Proverb

OUR VISION

- a safe and just world free of poverty.

OUR MISSION

- eliminating poverty through development partnerships.

OUR VALUES

We:

- place people at the heart of our activities;
- are responsive to people and communities in developing countries;
- act ethically, fairly and with respect to all partners;
- are practical, flexible and adaptable;
- are strategic and long-term in our approach;
- are focused on the effectiveness of New Zealand's development assistance.

NZAID is committed to the partnership principles of the Treaty of Waitangi. It draws on and reflects the diversity of New Zealand society.

¹ Current policy documents may be accessed on the NZAID website at www.nzaid.govt.nz



OUR STRATEGIC OUTCOMES

We seek through our development partnerships:

- fulfilment of basic needs;
- sustainable livelihoods;
- sustainable and equitable development; and
- safe, just and inclusive societies.

WHO WE ARE

Official Development Assistance (ODA) is one of New Zealand's major contributions to building a just world. It reflects both the nation's responsibility to be a good international citizen, and New Zealanders' humanitarian concerns.

NZAID has as its central focus the elimination of poverty in developing countries through working with partners to achieve sustainable and equitable development for those most in need.

NZAID has a core geographical focus on New Zealand's immediate neighbourhood, the Pacific region, with which we have close historical and human links. Within the region the ODA programme supports New Zealand's special relationships with the Cook Islands, Niue and Tokelau, and delivers economic assistance in fulfilment of New Zealand's constitutional obligations to Niue and international obligations in respect of Tokelau. NZAID policy and practice, including in relation to allocation of resources and forms of economic assistance, respects these commitments.

NZAID aims to improve the quality of life of women and men, girls and boys by protecting and promoting their human rights and extending the choices available to them. The NZAID programme seeks to foster a peaceful and stable environment in our Pacific neighbourhood and beyond, consistent with New Zealand's broad external interests.

NZAID is a semi-autonomous body within the Ministry of Foreign Affairs and Trade, with which it cooperates in accordance with the Government's strategic directions for foreign policy and ODA.

OUR PARTNERS

NZAID works with a wide range of partners to achieve poverty elimination. Partners may be governments, regional and multilateral agencies, as well as civil society, especially non-governmental organisations (NGOs), community groups, private sector organisations and individuals both overseas and in New Zealand.

CORE BUSINESS

In consultation with its partners, the core business of NZAID is to:

- design and manage effective development assistance strategies, programmes and projects transparently and accountably;
- provide input to, and collaborate with, the poverty elimination work of others;
- provide policy advice on ways to eliminate poverty in developing countries, especially in the Pacific; and,
- forge and maintain relationships that achieve poverty elimination with developing country partners, development organisations and agencies, civil society and the wider New Zealand community.

Poverty is the worst form of violence.

Mahatma Gandhi



CENTRAL FOCUS ON POVERTY ELIMINATION

Poverty elimination is NZAID's central focus. Our work addresses:

- extreme poverty - an inability to meet basic needs, frequently inter-generational;
- poverty of opportunity - where opportunities to participate in economic, social, civil and political life are seriously limited;
- vulnerability to poverty - where individuals, communities and countries are particularly vulnerable to circumstances likely to damage their:
 - livelihoods;
 - ability to meet basic needs; and,
 - ability to participate actively in economic, social, civil and political life.

NZAID will draw on poverty analysis in the preparation of its development programmes. Poverty analysis will take into account human rights, gender issues, equity and environmental principles. These are integrated into all aspects of NZAID's work.

NZAID supports activities that contribute to poverty elimination at many levels - from working with civil society and communities at the grass roots, to support for the development of national, regional and international policy frameworks.

In the context of an overall strategic approach that addresses the underlying causes of poverty, NZAID recognises that effective aid can be both direct and indirect.

- **Direct assistance** aims to help communities and individuals to fulfil their basic needs.
- **Indirect assistance** aims to create and sustain social, cultural, environmental and economic conditions conducive to the elimination of poverty.

NZAID seeks to ensure that activities at these different levels are coherent and mutually reinforcing.

STRATEGIC OUTCOMES

NZAID concentrates its development assistance on activities that contribute to poverty elimination by: creating safe, just and inclusive societies; fulfilling basic needs; and achieving environmental sustainability and sustainable livelihoods.

NZAID pursues its development objectives in the context of New Zealand's obligations to protect and promote the achievement of human rights as recognised by international instruments, standards and principles.

NZAID supports a range of activities chosen with partners as being the highest priority and likely to be most effective in supporting pro-poor policy and practice.

Examples include:

Fulfilment of basic needs

- food security;
- water and sanitation;
- shelter;
- health;
- education;
- emergency and humanitarian assistance.

Sustainable livelihoods

- economic growth;
- human resource development;
- private sector development.



Sustainable and equitable development

- sustainable natural resource management (marine and terrestrial);
- maintenance of biodiversity.

Safe, just and inclusive societies

- governance and participation;
- gender equality and gender equity;
- economic and social development;
- community development;
- civil society development;
- conflict prevention and resolution and post-conflict support.

I see an investment of some of our material wealth now as a means of helping to safeguard the future of that greater treasure - our human treasure - those who follow after us. This is an investment in justice, in people.

Rt Hon Norman Kirk, 31 March 1973

OPERATING PRINCIPLES

NZAID's programmes and activities are guided by the following operating principles:

Protecting and promoting human rights

NZAID is committed to protecting and promoting fundamental human rights - civil, political, economic, social and cultural - as set out in the Universal Declaration of Human Rights and all the core international human rights instruments².

Strategic approach to poverty elimination

NZAID seeks to be strategic and outcome-focused in its operations, ensuring that the poverty elimination focus is central to its partnership building, planning and implementation activities.

Sustainability

NZAID is committed to assessing and supporting the sustainability of development outcomes as set out by the 1992 Agenda 21 and, in the context of NZAID's Pacific focus, the 1994 Barbados Plan of Action.

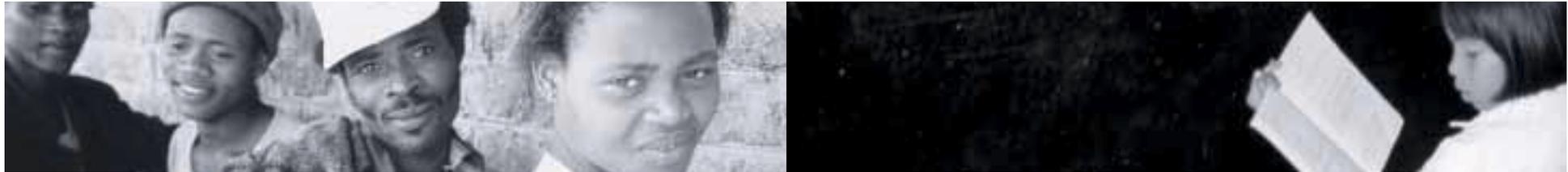
Equity

NZAID is committed to achieving equitable development benefits for women and men, girls and boys.

Partnerships

NZAID recognises that sustainable development is achieved only through effective partnerships - with a wide variety of partners - that are based on trust, openness, respect and mutual accountability.

² Including the Convention on the Elimination of All Forms of Racial Discrimination (CERD), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Convention on the Rights of the Child (CROC) and the Convention Against Torture (CAT).



Participation

NZAID encourages the rights of women and men, girls and boys to participate in decision-making and other processes that affect their lives. It is committed to greater participation of all people in the self-identification of the causes and consequences of poverty and the means of eliminating it.

Coordination

NZAID believes that donors must coordinate their development assistance in ways that allow developing nations to own, control and achieve their development goals.

Access and accountability

In its activities NZAID will encourage ease of partner access and promote mutual accountability.

TARGETING ASSISTANCE AND MEASURING EFFECTIVENESS

The United Nations' **Millennium Development Goals (MDGs)** and the **International Development Targets (IDTs)** help to target and prioritise national and international development assistance efforts. The MDGs were first elaborated in 2000. They build on the IDTs, which were agreed by world governments at United Nations conferences in the 1990s. They seek to promote fundamental human rights by establishing targets for economic well-being, human development, and environmental sustainability, as well as qualitative elements of accountability, human rights and the rule of law.

Recognising that effective development takes time, these international goals and targets have a medium to long-term focus. For example, the first MDG is to halve the number of people living in extreme poverty by 2015 ³.

³ See Annex 1 for the detailed MDGs and IDTs.

Millennium Development Goals

Goal 1: Eradicate extreme poverty and hunger

Goal 2: Achieve universal primary education

Goal 3: Promote gender equality and empower women

Goal 4: Reduce child mortality

Goal 5: Improve maternal health

Goal 6: Combat HIV/Aids, malaria and other diseases

Goal 7: Ensure environmental sustainability

Goal 8: Develop a Global Partnership for Development

NZAID's strategies and policies reflect the agency's long-term commitment to working with partners and the international community to achieve the MDGs and IDTs.

The agency recognises that it needs to work with partners on a case-by-case basis to identify and select the targets and indicators that are most relevant for the circumstances of the partner and for the particular aid programmes and projects.

*E dua nomu waqa levu, e dua nomu vusi levu
If you have a great canoe, great will be your labour too. In other words, the
result of wealth is adding care.*

Fijian Proverb



FUNDING MECHANISMS AND ASSESSMENT FRAMEWORKS

The NZAID budget is disbursed through various means, including:

- bilateral programmes with country partners;
- core contributions and grant funds to multilateral and regional agencies and International Financial Institutions (IFIs);
- regional, sectoral and thematic programmes;
- core contributions and grant funds to non-governmental and civil society organisations overseas and in New Zealand;
- emergency and disaster relief funds; and,
- Head of Mission Funds managed by New Zealand posts overseas.

NZAID uses assessment frameworks to help decide where to assist. These cover NZAID's bilateral, regional and multilateral programmes.

STRATEGIES

NZAID recognises that effective contributions to poverty elimination require a strategic approach based on multi-year commitments. As a development agency, NZAID focuses on medium to longer-term horizons (five-15 years) in its planning processes.

Regional and country strategies

NZAID works primarily, but not exclusively, with the developing countries of the Pacific. Priorities for assistance are identified in regional and country programme strategies, which are based on poverty analyses and developed in conjunction with development partners. These strategies periodically examine - usually at approximately four to five-yearly intervals in the case of country strategies - the rationale for NZAID programmes. They make recommendations on strategic direction, sectoral or other focus, the level of NZAID and partner commitment, delivery mechanisms and administrative support.

The fact that a vast gap exists between the rich nations and the poor and that it is widening not narrowing, is one of the great international issues - perhaps the greatest - of our time.

Rt Hon Norman Kirk, 31 March 1973

NZAID's contributions to multilateral and regional agencies complement the NZAID programme by adding to its geographical and sectoral coverage. NZAID recognises the importance of engaging with such agencies and institutions because of their contribution to the global debate about development assistance, their norm-setting functions, their regulatory roles and for the expertise that they bring to bear on development issues.

Multilateral strategies complement regional and country strategies. NZAID engages with those multilateral and regional agencies and institutions whose development programmes accord most closely with those of NZAID's partners and NZAID itself.

Sectoral and thematic strategies

NZAID develops sectoral and thematic strategies where it can make significant development contributions that meet partners' needs and best contribute to the agency's strategic outcomes (see page 11). Sectoral and thematic choices are also informed by lessons learned from international experience. Attention is paid to sectors where New Zealand has a special contribution to make.

Emergency and humanitarian assistance

Through annual subscription to selected operative agencies and through support to regional and bilateral partners, NZAID seeks to build capacity to respond to emergency situations.



In the event of a humanitarian emergency or natural disaster, NZAID is likely to work with specialised agencies which have the most appropriate expertise, structures, mechanisms and relationships to provide immediate targeted assistance to those in greatest need.

Civil society

NZAID acknowledges the complementary roles that civil society and government play in the elimination of poverty. Recognising the importance of partnerships with civil society, the agency will develop a strategy that sets out the operational principles of such partnerships.

Public outreach and engagement strategy

NZAID is committed to increasing public awareness and understanding of, and support for, development through working with a wide range of organisations and groups, including Maori and Pacific communities. The agency will inform the public about, and involve the public in, New Zealand's overseas development assistance efforts. To this end, NZAID supports development education programmes.

We will spare no effort to free our fellow men, women and children from the abject and dehumanising conditions of extreme poverty...
We are committed to making the right to development a reality for everyone and to freeing the entire human race from want.

United Nations Millennium Declaration, September 2000

Quality assurance strategy

NZAID recognises the critical importance of monitoring and evaluation for quality assurance and achieving excellence in aid delivery. Monitoring and evaluation is the ongoing and systematic collection, analysis and use of information on the progress and impacts of NZAID activities, projects and programmes. It involves the primary participants in programmes in the collection and analysis of data. It aims to improve learning, decision-making and management to ensure that development objectives are achieved. All NZAID programmes and projects incorporate appropriate monitoring and evaluation mechanisms.

Sound programme preparation, including appraisal and design, is a prerequisite for effective assistance. Lessons learned from monitoring and evaluation directly influence the management of current development activities and shape future NZAID policy and activities.

The agency's monitoring and evaluation activities are systematised in its Monitoring and Evaluation Strategy. This strategy monitors the application of *Towards a Safe and Just World Free of Poverty* and measures the contribution of NZAID to eliminating poverty and achieving sustainability. It assesses the outcomes and impact of NZAID activities against goals and targets set by the international community and agreed with partners and reflected in the agency's performance indicators.

An in-house audit programme supports quality through systems and financial audits, promotion of best practice and risk management.



ORGANISATIONAL CAPABILITY

NZAID aims to be a responsive and learning organisation that is knowledgeable about the development aspirations, needs, culture and environment of its partners. It is committed to encouraging diversity, professionalism and contestability of ideas among all its employees.

NZAID will maintain and enhance the following policy, staff and systems capabilities in order to increase the effectiveness of NZAID:

development focus: through a commitment to excellence in aid policy, particularly in knowledge of poverty and poverty elimination, management and delivery and through a development ethos that brings it national and international respect;

experienced and motivated staff: through valuing and promoting diversity among staff including seconded and locally engaged staff at posts; fostering learning at the group and individual level; encouraging enterprise, versatility and flexibility; and enhancing development and career opportunities for staff;

efficient and effective systems: through appraisal, audit, monitoring, review and evaluation systems that ensure that lessons learned from NZAID activities and wider international development trends are incorporated into NZAID policies and practices; and through maintaining high quality management systems, information, resource and data management capability.

NZAID will invest in a comprehensive staff development strategy that:

- enhances professional development through an ongoing programme of developmentally-focused staff skills-building, education and training;
- enhances career paths for staff;
- increases diversity;
- promotes and facilitates secondments and exchanges with other relevant agencies and civil society in New Zealand and overseas;
- helps to build capacity in counterpart agencies of partners through inward secondments and other staff development opportunities;
- pursues policy coordination with appropriate New Zealand Government agencies;
- reflects the best international development practice in ongoing policy formulation; and
- encourages active participation in international aid policy development.

Small island developing states have valuable resources, including oceans, coastal environments, biodiversity and, most importantly, human resources. Their potential is recognised, but the challenge for small island developing states is to ensure that they are used in a sustainable way for the well-being of present and future generations.

1994 Barbados Programme of Action for the Sustainable Development of Small Island Developing States



ANNEX 1: The Millennium Development Goals and International Development Targets

Millennium Development Goals

Goal 1: Eradicate extreme poverty and hunger

Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Goal 2: Achieve universal primary education

Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary education.

Goal 3: Promote gender equality and empower women

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and at all levels of education no later than 2015.

Goal 4: Reduce child mortality

Target 5: Reduce by two-thirds between 1990 and 2015 the under-five mortality rate.

Goal 5: Improve maternal health

Target 6: Reduce by three-quarters between 1990 and 2015, the maternal mortality rate.

Goal 6: Combat HIV/Aids, malaria and other diseases

Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/Aids.

Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.

Goal 7: Ensure environmental sustainability

Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.

Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.

Target 11: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.

Goal 8: Develop a global partnership for development

Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system.
Includes a commitment to good governance, development and poverty reduction - both nationally and internationally.

Target 13: Address the special needs of the least developed countries (LDCs).
Includes tariff and quota free access for LDC exports, enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt, and more generous development assistance for countries committed to poverty reduction.

Target 14: Address the special needs of landlocked countries and small island developing states (through Barbados programme and 22nd General Assembly provisions).

Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable long term.



- Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth.
- Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries.
- Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.

How can we call human beings free and equal in dignity when over a billion of them are struggling to survive on less than one dollar a day, without safe drinking water, and when half of all humanity lacks adequate sanitation?... Unless we redouble and concert our efforts, poverty and inequality will get worse.

United Nations Secretary-General Kofi Annan, "Millennium Report", April 2000

ANNEX 2: International Development Targets

- A reduction by one half in the proportion of people living in extreme poverty by 2015.
- Universal primary education in all countries by 2015.
- Demonstrated progress towards gender equality and the empowerment of women by eliminating gender disparity in primary and secondary education by 2005.
- A reduction in two-thirds in the mortality rates for infants and children under age 5 and a reduction by three fourths in maternal mortality - all by 2015.
- Access through the primary healthcare system to reproductive health services for all individuals of appropriate ages as soon as possible, and no later than the year 2015.
- The implementation of national strategies for sustainable development in all countries by 2005, so as to ensure that the current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015.
- A reduction in the number of undernourished people to half their present level by 2015.

NOTES:

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