



## BRIEFING

### Budget 2025 submission for New Zealand Trade and Enterprise

Date:	12 December 2024	Priority:	High
Security classification:	Budget - Sensitive	Tracking number:	BRIEFING-REQ-0007371

Action sought		
	Action sought	Deadline
Hon Melissa Lee <b>Minister for Economic Development</b>	<b>Agree</b> to send a letter to the Minister of Finance, summarising your agreed approach to New Zealand Trade and Enterprise-related Budget 2025 savings.	12 December 2024
Hon Todd McClay <b>Minister for Trade</b>	<b>Agree</b> to forward this briefing to the Minister for Science, Innovation and Technology.	

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Dean Ford	General Manager, Technology and Innovation	Privacy of natural persons	
Heather Kirkham	General Manager, Economic Development and Tourism		✓
Privacy of natural persons	Principal Policy Advisor		

The following departments/agencies have been consulted
N/A

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



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### Purpose

To seek your agreement to send the attached letter to the Minister of Finance related to New Zealand Trade and Enterprise savings options for Budget 2025.

### Recommended action

- a **Note** that the Ministry of Business, Innovation and Employment (MBIE) have previously provided you with advice on Budget 2025 initiatives for the Economic Development portfolio related to New Zealand Trade and Enterprise, identified in the letter to you from the Minister of Finance on 15 November 2024 [BRIEFING-REQ0007117 refers].

*Noted*

- b **Agree** to send a letter to the Minister of Finance, summarising your agreed approach to New Zealand Trade and Enterprise-related Budget 2025 savings (included as **Annex One**).

*Minister for Economic Development*

*Agree / Disagree*

*Minister for Trade*

*Agree / Disagree*

c **Agree** to forward this briefing to the Minister for Science, Innovation and Technology.

*Minister for Economic Development*

*Agree / Disagree*

*Minister for Trade*

*Agree / Disagree*



Dean Ford  
**General Manager, Technology and  
Innovation, MBIE**

12 / 12 / 2024

Hon Melissa Lee  
**Minister for Economic Development**

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Hon Todd McClay  
**Minister for Trade**

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## Background

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1. This briefing follows on from *Options for Budget 2025 for New Zealand Trade and Enterprise* provided to you last week [BRIEFING-REQ0007117 refers]. You agreed to two options in that briefing, including:
  - a. the reallocation of \$11.15 million per annum from NZTE to Invest NZ for the investment functions (including the \$1.204 million annual appropriation for the Strategic Investment Fund), and
  - b. making changes to the International Growth Fund to sharpen its focus on performance and impact and reduce the size of the fund to make total savings of \$6 million across 2024/25 and 2025/26 only.
2. A letter to the Minister of Finance, summarising the Budget 2025 submission for the Economic Development portfolio, is included as **Annex One**.
3. The Minister of Finance has requested that the Minister for Economic Development work with the Minister for Trade and the Minister of Science, Innovation and Technology on these initiatives. We recommend that you forward this briefing to the Minister of Science, Innovation and Technology for her noting.

## Letter to the Minister of Finance

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4. The draft letter outlines that you have considered a range of options for New Zealand Trade and Enterprise, the International Growth Fund and the Strategic Investment Fund. It highlights the importance of considering the impact of any savings options considering Cabinet's agreements to:
  - a. refocus New Zealand Trade and Enterprise's work to prioritise strong export outcomes; and
  - b. focus on growing the economy and double exports in the next ten years.
5. By following these objectives, the approach to the International Growth Fund and the Strategic Investment Fund proposed in the letter does not generate savings in the order suggested in the Minister of Finance's Budget 2025 letter.

## Next steps

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6. All MBIE-related initiatives, including those related to New Zealand Trade and Enterprise, are due to the MBIE central Budget team for submission to the Treasury on 17 December 2024.
7. The letter to the Minister of Finance needs to be submitted by 1pm, 23 December 2024.

## Annexes

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Annex One: Draft letter to the Minister of Finance

## **Annex One: Draft letter to the Minister of Finance**

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*Attached as separate document*