

New Zealand Leadership in an Insecure World: A Unified Call to Increase Overseas Development Aid

An Open Letter to New Zealand's Prime Minister Christopher Luxon, Foreign Minister Rt Hon Winston Peters, and ACT leader Hon David Seymour

Dear Ministers,

The Council for International Development (CID), along with undersigned international development and humanitarian organisations plus supporting partners, write with one unified voice to implore you to **urgently raise New Zealand's Official Development Aid (ODA) to 0.5% in the 2024 budget.**

The resurgence of poverty, the pressing global hunger crisis, the increasing impacts of climate change, escalating insecurity and conflict, the emergence of new and prolonged refugee crises, and the enduring aftershocks of Covid-19 are pivotal challenges affecting both international and regional security as well as prosperity.

Without immediate and concerted efforts, involving enhanced global commitments with every nation fulfilling its ODA target, the hard-earned progress of decades of development will continue to erode at pace, with children especially impacted.

According to OECD 2022 official records, New Zealand's ODA ranks 26th out of 30 OECD countries. Our ODA currently stands at a mere **0.22% of Gross National Income (GNI)**. Unfortunately, this figure has remained almost stagnant for over five decades since the commitment to 0.7% was made in 1970. New Zealand is lagging behind countries like Hungary, Slovenia, Iceland and Lithuania, which consistently meet or exceed this benchmark.¹

Minister Peters, your words from 2018² resonate strongly with us:

“And if [the decline in ODA] is not arrested, it will fall below 0.21% by 2021. For a nation that prides itself on being a responsible international citizen, that is simply not good enough. This is why New Zealand must, over the term of this government, reverse this recent



¹ Official Development Assistance (ODA) in 2022, by members of the Development Assistance Committee: <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/official-development-assistance.htm>

² Speech at Lowy Institute, 1 March 2018: <https://www.lowyinstitute.org/publications/winston-peters-new-zealand-pacific>

³ Note, this advice also states: Developing a medium-term plan to increase ODA, with actionable targets, would protect longer term investments and better position New Zealand to catch up with the OECD DAC average. <https://www.oecd.org/dac/peer-reviews/New-Zealand-2023-Executive-summary-and-recommendations.pdf>

decline by expanding the size of our official development assistance program to help our Pacific neighbours improve their resilience, and through that, their autonomy. There might not be votes in it, but it is the right thing to do, and it shows New Zealand's seriousness in being an active and good neighbour."

In these challenging times, it is tempting to turn inward and focus solely on domestic challenges. However, as crises compound globally, the world looks to New Zealand to boldly live up to our international commitments. We have an important role to play both in the Pacific region, and to the most urgent humanitarian crises around the world.

Therefore, we implore you, Ministers, to increase New Zealand's overseas development assistance to **0.5% in this year's budget with a plan to incrementally increase this year on year to 0.7% in this term of Government.**

This follows the recommendations from New Zealand's most recent peer review that New Zealand should establish 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.³ By increasing ODA, we will be able to address the global hunger crisis, combat climate change, promote peace and security, and support refugees affected by conflict and displacement.

While there is understandably increased pressure to address domestic cost-of-living issues, failing to deliver a firm commitment to ODA will only ultimately increase pressures on the New Zealand economy.

Investing in increasing ODA expenditure is not only sound humanitarian policy but also good foreign policy. Addressing poverty is a significant factor in building resilience, maintaining independence, and improving security.

Foreign aid and ODA are not a handout; it is an investment in the type of world we all aspire to see. Our financial contribution to overseas development acts as a stake in the ground against rising authoritarianism, promoting democracy, women's and children's rights, and sustainable development.

Thank you again for your time and we look forward to progressing our shared goals.

Ngā mihi nui

Aotearoa New Zealand's leading international development & humanitarian aid agencies and partners

