The Treasury

Budget 2026 Information Release

September 2026

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Key to sections of the Act under which information has been withheld:

[1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government

[2] 6(b)(i) - to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government

[4] 6(c) - to avoid prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial

[7] 6(e)(ii) - to prevent serious damage to the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the regulation of banking or credit

[12] 7(a)(i) - to avoid prejudice to the security or defence of the self-governing State of the Cook Islands

[13] 7(a)(ii) - to avoid prejudice to the security or defence of the self-governing State of Niue

[14] 7(a)(iii) - to avoid prejudice to the security or defence of Tokelau

[15] 7(a)(iv) - to avoid prejudice to the security or defence of the Ross Dependency

[23] 9(2)(a) - to protect the privacy of natural persons, including deceased people

[25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information

[26] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied

[27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest

[31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility

[33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials

[34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions

[35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;

[36] 9(2)(h) - to maintain legal professional privilege

[37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice

[38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice

[39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage

[40] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

[41] 18(d) - information requested is or will soon be publicly available

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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TE TAI ŌHANGA
THE TREASURY

Treasury Report: International Visitor Conservation and Tourism Levy 2026/27 Investment Plan

Date:	26 March 2026	**Report No:**	T2026/605
		File Number:	AD-1-181-M136416

Action sought

	Action sought	Deadline
Hon Nicola Willis **Minister of Finance**	**Indicate** your comfort with the current allocation of IVL discretionary funds for the 2026/27 Financial Year. **Agree** to forward this report to Joint Ministers and communicate your expectation that 2026/27 IVL investment plans are finalised as a matter of urgency.	30 March 2026 (or before your scheduled meeting with Joint Ministers at 9am 31 March 2026)

Contact for telephone discussion (if required)

Name	Position	Telephone		1st Contact
Emily Richardson	Analyst, Climate Energy and Resources	[39]	N/A (mob)	✓
Henry Dieudonne-Demaria	Acting Manager, Climate Energy and Resources		N/A (mob)	

Minister's Office actions (if required)

Return the signed report to Treasury.

Forward a copy of this report to the Minister of Conservation and the Minister of Tourism and Hospitality; and communicate the expectation that 2026/27 IVL Investment Plans are finalised as a matter of urgency

Note any feedback on the quality of the report	

Enclosure: No

Treasury Report: International Visitor Conservation and Tourism Levy 2026/27 Investment Plan

Purpose of Report

1. A Joint Minister's meeting is scheduled for Tuesday 31st March to discuss the 2026/27 International Visitor Conservation and Tourism Levy (IVL) Investment Plans for both the Conservation and Tourism portfolios.

2. This report provides an update on the development of the 206/27 investment plans, a proposed approach to finalising these and recommendations to improve this process in future.

Background

3. The Minister for Tourism and Hospitality and the Minister for Conservation are currently developing 2026/27 investment plans for the IVL discretionary allocations within their respective portfolios.

4. You have previously provided direction that you expect IVL investment plans to focus on substantive and high value investments that demonstrate robust value for money, with information provided akin to a Budget bid. You also set the expectation that these plans should be finalised by the end of February each year (TR2024/3353).

5. IVL revenue is split 50:50 between the Tourism and Conservation portfolios. However, prior to Budget 2025, a portion of discretionary IVL funding was used to backfill baselines elsewhere in the Tourism portfolio. This resulted in different discretionary allocations being set in Budget 2025. These are baselined amounts, set at $35million for Tourism and $55million for Conservation, annually.

6. [33]

7. You have previously agreed that IVL revenue above the discretionary allocations should be attributed to existing Tourism and Conservation activity, consistent with the purpose of the levy (TR2024/3353). This practise swaps general Crown revenue with IVL revenue in excess of the discretionary amounts baselined in Vote Conservation and Vote Tourism.

8. This approach means that the up and downside risks of fluctuations in IVL revenue are currently managed at a whole of Crown level. Increases in IVL revenue above forecasts drives a positive fiscal impact, however, decreases in IVL revenue below forecast still require the Crown to meet the baselined funding amounts.

[33]

IVL Investment Plans and Budget 2026

The near final Tourism Investment Plan meets investment expectations

13. We have received a near final version of the Tourism Investment Plan from the Ministry of Business Innovation and Employment (MBIE). We consider the plan's focus on prioritising investments that increase demand for tourism aligns with the Government's Going for Growth agenda. Around sixty per cent of funding is allocated to these demand-side initiatives, with just under half of this package ($10 million) pre-committed to the Events Boost Fund. The remaining investments support supply-side initiatives that seek to address system pressures. MBIE's investment plan largely focuses on the IVL objective of increasing visitor numbers.

14. Information on proposed investments has been provided akin to a budget bid, as per your direction (T2025/718), and we are generally satisfied MBIE have been able to demonstrate value for money.

However, the draft Conservation Investment Plan does not reflect your earlier request, and this has implications for the development of your Budget package

15. The Minister for Biosecurity, supported by the Minister of Conservation, has submitted a Budget initiative, seeking $104.000 million over three years to secure existing gains in wilding conifer control. You have indicated your preference to progress a scaled version of this initiative ($79.190 million over three years) funded through the Department of Conservation's discretionary IVL allocation (T2026/458). The initiative could be scaled further, however doing so defers a compounding cost, (resulting from deferred maintenance), increasing whole of life costs.

16. Your preferred approach has no impact on your Budget 2026 operating allowance, and the wilding conifers bid is not currently included in the Budget package. Accounting for the $24.5million already pre-committed from 2026/27 Conservation discretionary allocation, this would leave approximately $61.000 million of discretionary IVL funding remaining for allocation to other conservation priorities across 2026/27 to 2028/29.

17. We are yet to have oversight of a version of the Conservation Investment Plan that reflects the funding of the wilding conifers initiative, despite your request that the plan set out options to do so (ADVM-25). We received the most recent draft on 26 March; however, this contains insufficient information to assess the value for money of the initiatives proposed or the trade-offs with other IVL priority investments.

18. Based on the draft information provided, we do not consider the quality of the initiative level information presented in the Conservation Investment Plan meets the expectations you communicated last year. In contrast, the wilding confers bid clearly demonstrates benefits and alignment with IVL investment directives.

Finalising the IVL plans and improving future process

19. The current process for developing and finalising investment plans could be improved. Development of plans is disjointed and uncoordinated across agencies, and the timeframes for finalisation have been not well understood or adhered to.

20. Given the delay, we suggest forwarding this report to Joint Ministers to communicate your expectation that 2026/27 IVL Investment Plans are finalised and provided to you as a matter of urgency.

21. To achieve this, we recommend reiterating your expectation the 2026/27 Conservation Investment Plan reflect the funding of the wilding conifers budget bid in full, from discretionary allowances.

22. [33]

Recommended actions

We recommend that you:

a **indicate** you are comfortable with the current allocation of IVL funds for the 2026/27 Financial Year.

Agree/disagree.

b agree to forward this report to Joint Ministers and communicate your expectation 2026/27 IVL Investment Plans are finalised as a matter of urgency, including reflecting your preference that wilding conifers is fully funded through the Conservation Investment Plan

Agree/disagree.

c [33]

Henry Dieudonne-Demaria
Acting Manager, Climate, Energy and Resources

Hon Nicola Willis
Minister of Finance

_____/_____/_______