

17 March 2025

Hon Winston Peters

Minister of Foreign Affairs

Hon Nicola Willis

Minister of Finance

Hon Simon Watts

Minister for Climate Change

Dear Ministers,

We, the Aotearoa New Zealand development sector, call on the New Zealand Government to increase climate finance and foreign aid in Budget 2025.

As New Zealand reviews its climate finance commitments for the next five years, we urge you to ensure that our contribution reflects both the scale of the climate crisis and our responsibility to the Pacific. The *Doing Our Fair Share*¹ report recommends that New Zealand's contribution increases to at least NZ\$558 million in 2025 to meet our fair share of the global US\$100 billion target, increasing to at least NZ\$1.7 billion by 2035, in line with the updated global target.

We commend you for the Government's commitment to grant-based support for climate action, development and humanitarian assistance. Providing all climate finance as publicly funded grants has set a world-leading example, particularly in the Pacific, where too many countries have been forced into debt to rebuild after climate disasters. This approach should continue and be scaled up in alignment with our responsibilities and the needs of our region.

With New Zealand's climate finance up for renewal this year, we urge you to seize this opportunity to strengthen our partnerships across the Pacific and ensure New Zealand's contributions meet the scale of the challenges ahead.

It is as critical as ever that our country continues to stand with the Pacific by providing adequate, high-quality development assistance. New Zealand's development cooperation programme—including Official



Development Assistance (ODA), humanitarian aid, and grant-based climate finance—is an essential lifeline that supports progress and prosperity throughout the Pacific, preparing our region to face shared challenges.

New Zealand’s climate finance directly supports Pacific communities facing the most severe impacts of climate change—the greatest threat to our collective security, as identified by Pacific governments. Despite contributing the least to the crisis, Pacific communities are on the frontlines, needing urgent support to adapt, build sustainable livelihoods, and recover from extreme weather and rising seas. As climate impacts intensify, our climate finance grants must also increase to meet the growing need. Climate finance works in parallel with ODA and humanitarian aid to strengthen capacity and collective well-being across our Pacific region.

We know that New Zealand’s support is highly valued by Pacific governments and communities. We are sure you have experienced directly, as we have, the goodwill this creates in the Pacific towards the New Zealand Government and our people. By maintaining and stepping up our commitments over time, we are investing in strong relationships across our region. Moreover, by partnering with non-government organisations like ours, New Zealand is building resilience at every level, from strong and responsive national systems to thriving and inclusive communities.

Specifically, our organisations call on the New Zealand Government to:

1. Scale up New Zealand’s climate finance contribution to NZ\$558 million in 2025, meeting New Zealand’s fair share under the original US\$100 billion global climate finance goal.
2. Ensure climate finance remains additional to ODA, in line with New Zealand’s international obligations and commitments.
3. Maintain and strengthen grant-based climate finance, with at least 50% of funds allocated to adaptation and at least 50% designated for supporting the Pacific.
4. Develop a clear plan to meet New Zealand’s fair share of the updated US\$300 billion target (at least NZ\$1.7 billion) by 2035.
5. Maintain New Zealand’s Official Development Assistance contribution at current levels (at least) in the 2025 Budget.



6. Develop a clear plan and strategy towards increasing ODA to 0.7% of GNI by Budget 2030, aligning with the United Nations' target.²

As organisations belonging to global networks and confederations, we look forward to promoting New Zealand's best practice approach to providing climate grants as an example for other states to follow.

We look forward to collaborating to scale up New Zealand's climate finance commitments this year in a way that is fair, ambitious, and aligned with the principles of the Paris Agreement.

Let's keep up the good work together.

Yours faithfully,

Signed organisations: Council for International Development, Anglican mission, WWF, UnionAID, UNICEF, CWS, Leprosy Mission, Home in Place, ADRA NZ, Global Development Group, Salvation Army, Hagar, Church of Jesus Christ latter day saints, Mangrove Collective, Save the Children, Humanitarian Advisory Group, Oxfam, Caritas, World Vision, VSA, Sexual Wellbeing Aotearoa, Making everything Achievable, Human Rights Measurement Initiative

1 For details see: Oxfam Aotearoa and World Vision New Zealand (2024). Doing Our Fair Share: New Zealand's Responsibility to Provide Climate Finance, <https://www.worldvision.org.nz/campaigns/climate-finance-report/>

2 The 2023 OECD Peer Review of New Zealand's development cooperation outlined that New Zealand's ODA to GNI ratio remained below the DAC average of 0.33% and well below the UN target of 0.7%. The peer review recommended developing a medium-term plan to increase ODA with actionable targets, which would protect longer-term investments and better position New Zealand to catch up with the OECD DAC average