Commitment to Development Index 2018

New Zealand

New Zealand ranks 13th on the Commitment to Development Index, with strong performances on the aid and migration components. It ranks three places lower than in the 2017 CDI publication, largely due to decreases in its security and finance scores. Finance is New Zealand’s weakest area on this year’s CDI.

Aid

In 2017, New Zealand provided 0.23 percent of its GNI for development assistance. This is significantly below the international commitment of 0.7 percent GNI and below the average among the CDI countries. But what New Zealand lacks in quantity, it makes up in quality. The quality of New Zealand’s aid program ranks first among all CDI countries. It provides 81 percent of aid bilaterally and 19 percent multilaterally. New Zealand scores very well on all four dimensions of bilateral aid quality: maximizing efficiency, fostering institutions, reducing burden, and transparency and learning. In particular, it is rewarded for giving aid to well-governed countries.

SCORE: 6.1  RANK: 4

Finance

Finance is New Zealand’s weakest CDI area. It ranks 25th on this component, ahead of only Japan and the United States. New Zealand receives a good score on its international investment agreements, as they take into account the public policy goals of developing countries and incorporate a sustainable development approach. However, it scores lower than any other CDI country on international commitments. New Zealand could step up its efforts for sustainable development for all by putting in place a national action plan on business and human rights, as set out in the OECD guidelines on multinational companies, and by providing funding to the Extractives Global Programmatic Support (EGPS) Multi-Donor Trust Fund. New Zealand’s performance is also poor on the financial secrecy subcomponent, with room for improvement on public company ownership, country-by-country reporting, and anti-money laundering policies.

SCORE: 4.2  RANK: 25
Technology
New Zealand performs slightly below average on the technology component. This is mainly because of limited government support for research and development (R&D); in 2017 New Zealand’s government provided just 0.52 percent of its GDP (weighted) to R&D, and the government’s provision of incentives for business R&D activities remain limited. New Zealand deserves praise, however, for its intellectual property rights, which are the most development friendly among all the CDI countries. In particular, the design of its rights-loss provisions and TRIPS+ regulations better enables the sharing of knowledge and its spread to developing countries.

SCORE: 4.9  RANK: 17

Environment
At 20th place, New Zealand performs poorly on the environment. Its fishing subsidies are not very high (relatively), it has the second-lowest tropical woods imports of all CDI countries, and it is a party to important international conventions, such as the Paris agreement and the UN fish stocks agreement. However, its greenhouse gas emissions per capita are relatively high and its emissions reduction rate is low compared to its peers. New Zealand could also improve by raising its gasoline taxes and better meeting its reporting obligations under the different biodiversity treaties.

SCORE: 4.8  RANK: 20

Trade
New Zealand performs moderately on trade, ranking eighth despite having the lowest income weighted tariffs of all CDI countries and the lowest agricultural subsidies. It also places only moderate restrictions on trade in services. However, New Zealand’s otherwise strong trading policies are hampered by poor trading logistics: its customs procedures are difficult, and its trading infrastructure needs improvement.

SCORE: 5.3  RANK: 8

Security
New Zealand does poorly on security, ranking 22nd overall. This is mainly due to it not publishing its data on arms exports, and thus being penalised. It also does not contribute to the protection of sea lanes and should make such contributions to improve its score in this component. Against this, however, New Zealand has ratified all the major international security agreements.

SCORE: 4.6  RANK: 22

Migration
New Zealand has development-friendly migration policies, ranking third on this component. It has the most open borders for students from developing countries among CDI countries. It also welcomes more migrants from developing countries than average. After Sweden and Portugal, New Zealand also has the best integration policies. It could enhance its efforts to accept more refugees and asylum seekers, where its efforts currently lag behind. New Zealand could also improve its commitment to international frameworks by ratifying the Convention on the Treatment of Migrant Workers and not excluding provisions on the Migration for Employment Convention.

SCORE: 5.9  RANK: 3

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