# Te Kawa Mataaho Report





## Progressing the option to withdraw from the Open Government Partnership

Date:	19 March 2024		
То:	Hon Nicola Willis, Minister for the Public Service		
Action Sought:	Decision	Due Date	26 March 2024
Report No:	2024-0089		
Contact Person:	Hugo Vitalis, Deputy Commissioner Integrity, Ethics and Standards		
Contact No:	9(2)(a) privacy		
Encl:	No	Priority:	High
Security Level:	BUDGET-SENSITIVE		

# Progressing the option to withdraw from the Open Government Partnership

# **Executive summary**

- 1. This paper seeks your agreement to progress the option to withdraw from the Open Government Partnership (OGP), based on our advice that it is not effective in the New Zealand context. In our view, New Zealand should withdraw from OGP due to:
  - a. limited evidence of OGP's effectiveness (internationally or in New Zealand),
  - b. the high transaction costs of OGP for Ministers, Te Kawa Mataaho Public Service Commission (the Commission) and across Government,
  - c. the fundamental tension posed by needing to balance OGP expectations for co-creation with New Zealand's model of Cabinet decision-making and prioritisation,
  - d. ongoing dissatisfaction of civil society stakeholders with the current approach, and
  - e. the uncertainty that further Ministerial time or additional resourcing for OGP advocated for by civil society stakeholders would improve its effectiveness or resolve these issues.
- 2. Our advice is based on a review of OGP, that also assessed options for improving its effectiveness (BR2023-0321 refers). At your request, we developed further advice, with input from the Ministry of Foreign Affairs and Trade (MFAT) on the implications of withdrawal, and an approach to remaining in OGP while achieving cost savings. Based on that input and analysis, we continued to recommend withdrawal from OGP (BR2024-0040 refers). We noted that a Cabinet decision would be required.
- 3. On 7 March 2024, you asked for further advice on progressing our recommendation to withdraw. This paper seeks your agreement to include the rationale and recommendation to withdraw from OGP as part of the Budget decision paper for Cabinet consideration on 29 April 2024.

## **Recommended action**

We recommend that you:

a. **note** that officials have reviewed the Open Government Partnership, consider it ineffective for fostering open government in New Zealand, and recommend withdrawing from its membership

Agree/disagree

b. **agree** to progress the option to withdraw from the Open Government Partnership to Cabinet for a final decision and that this is incorporated into the 29 April Budget 2024 Cabinet paper

Agree/disagree

c. **note** that the appropriation administered by the Commission for OGP membership subscriptions is included in cost saving proposals and can be disestablished through the Budget process if Cabinet approves withdrawal from OGP

Agree/disagree

d. **agree** that Commission officials consult with the Ministry of Foreign Affairs and Trade, Department of Internal Affairs and Department of the Prime Minister and Cabinet when preparing the rationale and recommendations for withdrawal

Agree/disagree

e. **agree** that if Cabinet approves withdrawal from OGP, the OGP work programme including delivery of National Action Plan 4 stop with immediate effect

Agree/disagree

- f. agree that if Cabinet approves withdrawal from OGP,
  - a letter from you notifying the OGP Support Unit of the Government's decision to withdraw be sent shortly after Budget announcements are made, and
  - following notification of withdrawal, proactively release this briefing as part of a package of advice relating to OGP membership.

Agree/disagree.

Hon Nicola Willis

**Minister for the Public Service** 

## **Purpose of Report**

4. This paper provides you with advice on progressing the option to withdraw from the Open Government Partnership to Cabinet, as requested on 7 March 2024.

# **Analysis**

- 5. Our previous advice (BR2023-0321) was based on our review of OGP, which involved other OGP member countries, agencies, and civil society stakeholders. We recommended that New Zealand withdraw from the Open Government Partnership due to:
  - a. limited evidence of OGP's effectiveness (internationally or in New Zealand),
  - b. the high transaction costs of OGP for Ministers, the Commission and across Government,
  - the fundamental tension posed by needing to balance OGP expectations for co-creation shared prioritisation and decision-making between Ministers and civil society stakeholders – with New Zealand's model of Cabinet decision-making and prioritisation,
  - d. ongoing dissatisfaction of civil society stakeholders with the current approach, and
  - e. the uncertainty that more Ministerial time or additional dedicated resourcing for OGP, which have been consistently advocated for by civil society stakeholders, would improve its effectiveness or resolve these issues.
- 6. On 23 January 2024, you asked us to seek input from MFAT on the implications of withdrawal from OGP and to consider how we could remain a member while achieving cost savings.
- 7. In February 2024, we provided that advice (BR2024-0040 refers). We continued to recommend withdrawal because, in addition to our concerns about OGP's effectiveness:
  - a. MFAT advised that potential bilateral risks associated with withdrawal could be appropriately managed. Their suggested timing for withdrawal (i.e. after April and before August) aligns well with the Budget timing.
  - b. remaining in OGP while achieving cost savings may be possible in the short term but is likely to attract further criticism from civil society stakeholders, and the level of investment would likely need revisiting soon after agreeing the next national action plan.
- 8. As we have previously noted, withdrawal from OGP may attract international and domestic criticism from the OGP Support Unit, civil society stakeholders and the media. This is likely to focus on a perceived weakening of New Zealand's commitment to open government rather than OGP's lack of effectiveness. However, in our view much of New Zealand's success and reputation in fostering open government is due to work initiated prior to or outside OGP membership and we expect this will continue (BR2023-0321 and BR2024-0040 refer).
- 9. We also advised that just prior to the 2023 general election, civil society stakeholders surveyed six political parties asking them to confirm their support for New Zealand's membership of OGP. All parties, including Coalition Government partners, responded yes to three questions on continuing

- membership, showing leadership and appropriately resourcing OGP.<sup>1</sup> The Commission's review, which explored evidence of effectiveness of OGP in New Zealand in more depth, was in progress when these parties were surveyed.
- 10. As we have also previously noted, much has changed since New Zealand joined OGP. At that time, OGP's expectations were aligned more closely to the Open Government Declaration (endorsed by all members) and focused on building effective partnerships between governments and citizens.<sup>2</sup> Since then, OGP has prioritised a model of co-creation that promotes direct dialogue between civil society 'umbrella' organisations and senior government decision-makers and does not recognise the many other ways citizen voices are brought into government decision-making in New Zealand. The Commission has previously raised concerns with the OGP Support Unit about shifts in strategic focus, definition of co-creation, and 'one-size-fits-all' approach.

## Cabinet decisions needed to withdraw

- 11. On 7 March 2024, you requested further advice on progressing the option to withdraw from OGP. Withdrawal from OGP requires Cabinet approval. Subject to Cabinet approval, the final step would be notification of the OGP Support Unit, by way of letter from you, of the Government's decision to withdraw from OGP membership.
- 12. A decision to withdraw from OGP has Budget and cost-saving implications:
  - a. The Commission manages a standalone appropriation of \$200,000 per year for OGP membership subscriptions. We included this as potential cost savings in our proposal for the Government's fiscal sustainability programme (BR2023-0321 refers).
  - b. Agencies absorb the costs of developing and delivering national action plans within baselines. Many of these costs are hidden but we estimate them to be \$1 million-\$1.5 million per annum for National Action Plan 4 (NAP4). This estimate considers the steps agencies had taken prior to December 2023 to reprioritise resources to meet government priorities, but not any additional savings identified as part of their fiscal sustainability proposals. It also does not include the (opportunity) cost of Cabinet and Ministerial time.
- 13. If Cabinet approves withdrawal, the appropriation can be disestablished through the Budget process. We will work with Treasury to insert the rationale for withdrawal and required recommendations into the 29 April Budget decision paper. We have discussed this with Treasury and believe it will meet Budget timeframes while enabling appropriate Ministerial consultation.
- 14. We will need to consult with MFAT, Department of Internal Affairs and Department of Prime Minister and Cabinet regarding the option to withdraw being included in the Budget 2024 Cabinet paper, and its implications for domestic and international relationships.

<sup>&</sup>lt;sup>1</sup> The survey contained three questions: their support for New Zealand to remain a member of the Partnership, that their cabinet would support strong ministerial leadership during the co-creation of Open Government Action Plan commitments, and that their government would support the effective delivery of commitments, ensuring that they are appropriately resourced. The National Party noted that it "remains committed to New Zealand's participation in the Open Government Partnership, a membership we proudly entered back in 2014". See Transparency International NZ: <a href="https://www.transparency.org.nz/blog/parliamentary-parties-express-support-for-the-ogp">https://www.transparency.org.nz/blog/parliamentary-parties-express-support-for-the-ogp</a>. On 18 October 2023, a *Business Desk* news alert email reported OGP was the type of programme officials would propose ending as a cost cutting measure and civil society stakeholders had sought reassurance this would not occur.

<sup>&</sup>lt;sup>2</sup> New Zealand's first national action plan included Better Public Services initiatives as commitments, aligning to OGP grand challenges around government effectiveness, openness and transparency.

## **OGP National Action Plan 4**

15. NAP4 was approved by the previous Government in December 2022 and is due to end in December 2024. It contains eight commitments led by six agencies. Over 2023, reprioritisation of resources and a lack of alignment with Government priorities resulted in delays to NAP4 commitments. More delays are likely if agencies reprioritise work to further align to this Government's priorities. If Cabinet approves withdrawal, we recommend that the OGP work programme, including delivery NAP4, stop with immediate effect.

# **Next steps**

- 16. If you agree to progress the option to withdraw from OGP, we will work with Treasury to incorporate the rationale for withdrawal and appropriate recommendations into the Budget 2024 Cabinet paper to be considered on 29 April 2024. These decisions would include an immediate stop to delivery of NAP4.
- 17. We will work with your office to ensure Ministers and agencies are appropriately made aware of the proposals.
- 18. If Cabinet approves withdrawal from OGP, the final step would be sending a letter of withdrawal to the OGP Support Unit. We recommend this be sent immediately after Budget announcements. We would provide a draft of this letter for your consideration.
- 19. With your agreement, we intend to proactively release this briefing and other advice relating to OGP membership (to include the letter of withdrawal, BR2023-0321, BR2024-0040, and documents relating to our review of OGP) as soon as possible after the written notice of withdrawal is sent.