

Education New Zealand

E.48 (2021)

Annual Report for
the year ended
30 June 2021

Pūrongo ā-Tau mō
te tau i mutu i te
30 o Pipiri 2021

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In accordance with the Crown Entities Act 2004, we approve this Annual Report on behalf of Education New Zealand's Board.



Steve Maharey | Board Chair
28 February 2022



Lyn Provost | Deputy Chair
28 February 2022

BOARD CHAIR'S FOREWORD

The global international education landscape changed dramatically as a result of the COVID-19 pandemic. Both in the short-term and the long-term, the changes have required us to be mindful of, and responsive to, the very real, and in some cases, existential, challenges facing the sector. To position New Zealand as a leader in a post COVID-19 world, Education New Zealand (ENZ) has worked on developing balanced solutions to challenges that have taken New Zealand, and the world, into unknown territory.

In 2020/21, ENZ embraced a wider strategic leadership role in diversifying the international education sector as it rebuilds. We used our reach and resources to support New Zealand's international education providers and international

KUPU TAKAMUA A TE MANUKURA

students, and to protect New Zealand's education brand. Our aim is to support the development of a more resilient and sustainable international education sector to ensure it can deliver on the goals of the New Zealand International Education Strategy 2018-2030.

ENZ has supported the development of innovative products and services, as well as turning our mind to how we can best support international students who have been directly impacted by COVID-19. Some international students in New Zealand have not seen family and friends for upwards of two years, and supporting those students, either directly or working with education providers and others, has been a new and rewarding focus for ENZ staff around the world.



ENZ's Board members as at 30 June 2021 (Left to right): Victoria Spackman, Rachael Tuwhangai, Lyn Provost, Chair Steve Maharey, Future Director Shruthi Vijayakumar, Daniel Wilson and Linda Sissons. Their biographies are included in Appendix Three.

I would like to acknowledge the remarkable work undertaken by ENZ staff, both in New Zealand and around the world, in adapting to this shifting environment. I would also like specifically to acknowledge those ENZ staff members based offshore, some of whom have now been working from home for up to two years. ENZ staff have worked tirelessly with the sector, government agencies both in New Zealand and offshore, and with other key stakeholders, to demonstrate New Zealand's ongoing commitment to international education. Their dedication to New Zealand will ensure that students, providers and other key stakeholders continue to be closely linked with New Zealand and with each other, which will be critical to the sustainable rebuild of the sector in the coming years.

For the sector to thrive, indeed to survive, we must remain adaptable, innovative and closely linked to the sector as we consider the challenges facing New Zealand's education brand. Adapting to a post COVID-19 future and continuing to realise the benefits of international education requires significant change across the sector.

In such a dynamic environment, ENZ, as the sole Crown Entity focused on international education, is working with the sector to adopt a broader view of international education and its contribution to New Zealand, while supporting a rapid and effective response to the still-changing global landscape.

A handwritten signature in black ink, appearing to read 'Steve Maharey', with a long horizontal flourish extending to the right.

Steve Maharey | Board Chair

CHIEF EXECUTIVE'S FOREWORD

KUPU TAKAMUA A TE MANUTAKI

Education New Zealand is an organisation facing and shaping significant change.

When COVID-19 was declared a pandemic by the World Health Organisation in March 2020, it was difficult to anticipate the ongoing impacts that we are experiencing. ENZ continues to grapple with the shifting nature of the challenges that will face us as we support the rebuild of the sector in the coming years.

Throughout our response to COVID-19, we have kept faith with the goals of the International Education Strategy 2018-2030 (NZIES), which provide the flexibility to adapt to the shifting landscape without losing sight of the importance of providing an excellent education experience, growing the sector sustainably, and developing global citizens. The NZIES continues to drive our longer-term objectives for rebuilding the sector, and provides a clear focus as we work to understand and adapt to the challenges of a changing operational environment.

During the 2020/21 year, the immediate challenges of COVID-19 saw us respond to the needs of the sector, international students and other stakeholders. The launch of the Strategic Recovery Plan for International Education in July 2020 gave us the mandate to lead the sector to diversify its products and services, leading to innovations such as the Global Education Pathways initiative, and new ways of thinking about and delivering international education, such as the Global Competence Certificate programme.

We undertook our most successful global marketing campaign ever to protect New Zealand's education brand, which saw New Zealand's brand messaging reach 55 million across social media platforms. This has helped ensure that a New Zealand education is front-of-mind for potential international students, who may take years to make decisions about an

international education experience. The work we undertake now to maintain New Zealand's education profile will help ensure the sector is resilient and sustainable as it recovers.

Closer to home, ENZ has focused on promoting the benefits of international education within New Zealand, supporting the sector to grow public understanding of those benefits and a welcoming environment for international students when the time is right.

We have taken a leading role in ensuring the sector's voice is heard within government, and that the impacts of COVID-19 are recognised and considered in decision making. This is critical, given that other countries and providers are adapting with new services, tools and delivery options.

We have leaned into supporting international students in New Zealand, working with education providers and others such as the International Students Association to ensure those students continued to have an excellent education experience. We worked to provide timely, relevant and accurate information for international students in relation to COVID-19, and to ensure that they feel connected at a time when many have faced challenging personal circumstances and ongoing uncertainty about their futures.

Over the past year ENZ has developed an organisation-wide framework and approach to give effect to section 4(d) of the Education and Training Act 2020 in regard to honouring Te Tiriti o Waitangi and supporting Māori Crown relationships. We are working now to embed this approach in our day-to-day operations, and to ensure that we bring te Ao Māori to the forefront

of New Zealand's education experience for international learners.

Alongside the Board Chair, and on behalf of ENZ's leadership team, I would like to acknowledge and say thank you for the

phenomenal efforts undertaken by ENZ staff to support the sector, international students, and each other. It is our people who make things happen and who have maintained a commitment to international education that will be invaluable as the sector rebuilds in the coming years.

A handwritten signature in black ink, appearing to read 'Grant McPherson'.

Grant McPherson | Chief Executive



OUR OPERATING CONTEXT

International education is a highly competitive global sector. New Zealand's international education sector is made up of schools, universities, institutes of technology and polytechnics (ITPs), private training establishments (PTEs), English language schools (ELS) and education businesses (like education technology).

Before the onset of the COVID-19 pandemic in 2020, international education was New Zealand's fifth largest export sector. After tourism, it is the sector hardest hit by the pandemic and subsequent border closures.

How COVID-19 has changed international education

2020/21¹ was a year of huge challenges for international education globally. The pandemic has seen many prospective international students delay their studies, although research indicates that people want to travel overseas for study when they are able to.

At the same time, use of blended and online education delivery models has grown significantly worldwide, which has created opportunities for organisations and businesses with expertise and experience in delivering education in these ways. Many education providers are providing education globally via online or distance learning to maintain the interest of students still drawn to an overseas study experience.

In addition to the impact of reduced student fee income, student aspirations and behaviours will possibly change, particularly in an environment of global economic uncertainty. This will have flow-

TE HOROPAKI E MAHI NEI MĀTOU

on effects on the pipeline of international students who would otherwise undertake multi-year study.

ENZ has taken a strategic approach to maintaining New Zealand's international profile, and staff have focused on key international relationships to ensure we remain front-of-mind for potential learners who are now beginning to think about their future study options again.

How COVID-19 has changed New Zealand's international education sector

While impacts across the sector varied, 2020/21 was uniformly tough. Some sub-sectors have experienced a rapid and devastating decline in student numbers, with some providers now facing hibernation or permanent closure. Other sub-sectors have had slower but constant decline, with a flow on impact across the sector on capability and capacity to work with international students.

Results from the 2020 calendar year show that the decrease in international student enrolments in New Zealand was felt most heavily by PTEs, English Language schools (down 68%) unfunded (down 51%) and funded (down 24%). Schools (down 35%), ITPs (down 28%) and universities (down 23%) were all hit hard too.

Parts of the sector have sought to innovate away from a focus on inbound students. ENZ has supported many of these efforts to diversify modes of delivery and develop new education products and services.

In 2021/22, roughly half of the international students currently in New Zealand will complete their study. The Government's approval of two cohorts of international students in 2020/21 to

¹ This report includes calendar year and financial year information. With the exception of the Annual Financial Statements, dates such as 2020/21 refer to the

financial year while dates such as 2020 refer to the calendar year. All information in the Annual Financial Statements refer to the financial year

study in New Zealand has been a positive and well-received step by the international education sector; however, COVID-19 will continue to have a significant impact on the sector into 2021/22 as border restrictions remain in place.

Against this backdrop, ENZ has worked to help shape the future of New Zealand's international education sector and deliver on the goals of the NZIES. The COVID-19 pandemic means that 2020/21 has been a year of transition, consolidation and support for the international education sector. With the launch of the International Education Strategic Recovery Plan (the Recovery Plan) in July 2020, our purpose has been building a path to build back better as we support the Government's COVID-19 response and aid the recovery of the international education sector.

International Education Strategy 2018-2030

The NZIES continues to guide Education New Zealand's objectives and activities as it supports the rebuild of the sector within New Zealand. The NZIES sets out a clear path for New Zealand's international education sector. The three goals are:

- Excellent education and student experience
- Sustainable growth
- Global citizens.

These goals depend on, and also deliver, a strong, equitable, high-quality education system with a vibrant international focus, and globally connected students, workers and education providers.

While COVID-19 has shifted the operating environment for ENZ and for the sector, the goals of the NZIES continue to move towards an environment where international education can thrive and deliver economic, social and cultural benefits for New Zealand.

The NZIES guides ENZ's organisational strategy and our work with the New Zealand international education sector. However, as a result of COVID-

19 and the launch of the Recovery Plan, ENZ's 2020/21 medium term activities reflected the work required to support the international education sector and respond to the immediate challenges presented by the pandemic.

The Strategic Recovery Plan for International Education

The Recovery Plan was launched by the Prime Minister and Minister of Education on 27 July 2020 and included \$51.6 million of investment from the COVID-19 Recovery and Response Fund to help stabilise the international education sector. It outlined a work programme that builds on the NZIES to support the sector, and points towards a more sustainable and resilient future state. The Recovery Plan is made up of three workstreams:

- Stabilising the international education sector
- Strengthening the international education system by focusing on regulatory settings, policies and practices to support the sector's rebuild
- Transforming to a more sustainable future state.

ENZ works with the Ministry of Education and other relevant agencies to achieve its outcomes. ENZ leads the "Transforming to a more sustainable future state" workstream which moves to a broader, more diversified set of education products, services and approaches that will rely more on blended and online delivery.

Due to the system-wide nature of the Recovery Plan, a Senior Officials Group supports its governance and implementation to complement agencies' existing decision rights and reporting lines. On behalf of the Secretary for Education, ENZ convenes and chairs the Group.

ENZ also supports the Ministry of Education, with the delivery of other workstreams.

What comes next

The recovery for international education in New Zealand depends on re-opening borders, building on long-term reciprocal international relationships,

and shifting to more diversified education products, services and modes of delivery. This shift is a core element of the New Zealand International Education Strategy 2018-2030.

In 2020/21 we supported providers to see the longer-term opportunities from the Recovery Plan and to develop a more resilient and broader view of role of international education in the education system.

ENZ will continue working with the sector to understand the challenges in achieving this and to guide the sector to think differently about how it operates.



WHO WE ARE AND WHAT WE DO

KO WAI MĀTOU, HE AHA Ā MĀTOU MAHI

Our purpose is to take New Zealand's education experiences to the world for enduring economic, social and cultural benefits

International education delivers economic, social and cultural benefits for New Zealand. ENZ is the only Crown Agency solely focused on international education. It was established in 2011 to bring leadership to New Zealand's international education sector, supporting them to deliver on the Government's priorities for international education.

The Education and Training Act 2020 sets out ENZ's functions (refer to Appendix One) which include promoting New Zealand education overseas, providing information to international students in New Zealand, undertaking research and providing intelligence, and acting for the Government in relation to international education. Our monitoring agencies are the Ministry of Education and the Ministry of Business, Innovation and Employment.

Our detailed priorities for 2020/21 are outlined in ENZ's *Statement of Intent 2019-2023* and *Statement of Performance Expectations 2020-2021*. Our Outcomes Framework for 2020/21 is shown on page 13.

To support its efforts, ENZ completed a financial review and analysis of critical success factors in May 2021. ENZ also developed a four-year strategic plan to drive ENZ's prioritisation and direct our efforts to where the most impact will be achieved.

The financial review and four-year strategic plan have laid the path to identifying and implementing key initiatives and investment for ENZ to lead the transformation of the international education sector to a more sustainable future state. These will influence ENZ's new Statement of Intent for



2022-2026 and the Statement of Performance Expectations for 2022/23.

Our work will evolve over 2021/22 to reflect the changing operating environment and our strategic priorities.

To fulfil our purpose, ENZ works with international students, the international education sector in New Zealand and offshore, government agencies in New Zealand and offshore, peak bodies, and New Zealand's regions. ENZ brings the international student voice into decision-making and is also part of the [New Zealand Story](#) which works to enhance global perceptions of, and favourability towards, New Zealand.

Our name, *Manapou ki te Ao*, means nourishing and empowering, and represents how New Zealand education enables students to flourish and creates the world's next generation of problem solvers.

ENZ employs approximately 90 staff globally. In New Zealand, ENZ has offices in Auckland, Wellington and Christchurch. ENZ's offshore staff

are generally co-located with other government agencies in New Zealand Embassies and High Commissions. Many of ENZ's offshore staff have been, and continue to be, directly impacted by the COVID-19 pandemic, including some staff now having worked from home for up to 18 months.

Sector engagement

We work directly with international education providers, including tertiary education organisations, English language schools, schools and organisations that export education products and services². We also work with international education peak bodies, education agents, and regional agencies with a strong interest in maintaining and growing the sector.

In 2020/21, our engagement with the sector focused on ensuring the voice of the sector was a prominent part of Government decision making, and providing a clear view of the impacts of COVID-19 across the sector. We also provided advice and support on diversifying products and

² These organisations include publishers, consultancy services and education technology businesses.

services, marketing and branding, and building social license within New Zealand.

Through our offshore network, we continued to identify opportunities for high level engagement for the international education sector in New Zealand, as well as opportunities for individual education initiatives. Our aim, even in the current operating context, continues to be building a strong network of stakeholders who are long term advocates for New Zealand at government, institution, and student levels.

New Zealand Government engagement

ENZ continued to work with other New Zealand international education and education sector agencies, including the Ministry of Education, the Ministry of Business, Innovation and Employment (including Immigration New Zealand), the Ministry of Foreign Affairs and Trade, the New Zealand Qualifications Authority, the Tertiary Education Commission and New Zealand Trade and Enterprise, including the Government-to-Government office.

This engagement includes both high level and working level collaboration and cooperation, ensuring international education is a key consideration for the Government as it makes decisions about New Zealand's ongoing response to the COVID-19 pandemic.

Offshore engagement

A key part of ENZ's role is building the reputation of New Zealand's education system internationally, as well as keeping New Zealand's education brand alive in key student attraction countries. ENZ identifies, initiates and supports activities to support long-term, sustainable benefits to New Zealand. We support, and in many cases undertake, government-to-government activities, and institutional, academic

and research relationships to help improve New Zealand's reputation and global connectivity.

Through our international relationships, and utilising data and market intelligence, we support the sector to leverage opportunities to position New Zealand as a high-quality education partner.

Positioning New Zealand globally

The international education sector is extremely competitive, even in light of the COVID-19 pandemic. Other markets have opened up faster, offered a variety of incentives for international students, or utilising their competitive advantage to attract students.

ENZ supports New Zealand's education brand through public relations, digital advertising, and using our digital platforms and social media communities. Our student facing website [Study in New Zealand](#) promotes New Zealand to potential international students. During 2021/22 this website was migrated to [Study With New Zealand](#).

Our funding

ENZ delivered its activities through \$33.142 million funding which mostly comes from the Crown through Vote Tertiary Education.

In 2020/21, ENZ received \$3.266m from the Covid Recovery and Response Fund to support services related to promotion and marketing, industry capability building, research and international student wellbeing. This funding replaced the Export Education Levy, which was suspended for the 2020/21 year. This funding supported the following initiatives:

- promotional and marketing activity to protect and maintain visibility of the New Zealand education brand
- Regional development and activities focused on student retention, student experience and social license
- research and resource development, including market intelligence and brand health research.

ENZ's work to support Māori-Crown relationships

ENZ is committed to giving practical effect to the Crown's Te Tiriti o Waitangi (Te Tiriti) responsibilities, including delivering on Ka Hikitia – Ka Hāpaitia and Tau Mai Te Reo in our day-to-day operations, and giving effect to Te Tiriti obligations in the Education and Training Act 2020. This will help establish and regulate an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relationships. We are committed to taking a wide and deliberate view of Te Tiriti across our structure, roles and functions to build a comprehensive and applied understanding of what it means in practice.

ENZ's ministerial expectations emphasise key system levers that have the potential to deliver longstanding change.

To provide direction for the next three to five years, in 2020/21 ENZ developed an organisation-wide strategic approach aligned with Te Arawhiti principles. We are planning on building more substantial relationships with Iwi / hapū in accord with Article 2 of Te Tiriti, expanding ENZ's role to empower and enable the fulfilment of Iwi visions and aspirations for the future of international education.

Our approach accounts for the legislative changes to bring Te Tiriti to the forefront of the Act and what they mean for ENZ, as well as detailed planning to enable ENZ to fully give effect to our Te Tiriti requirements in the coming years.

We will endeavour to fully embed practices across our functions to use Māori worldviews, by firstly involving Māori thought leaders in co-designing initiatives within the sector in an approach that we will pilot over the next year.

Taking te Ao Māori to the world

We will facilitate working with iwi, Māori and Māori providers of education services to transform the

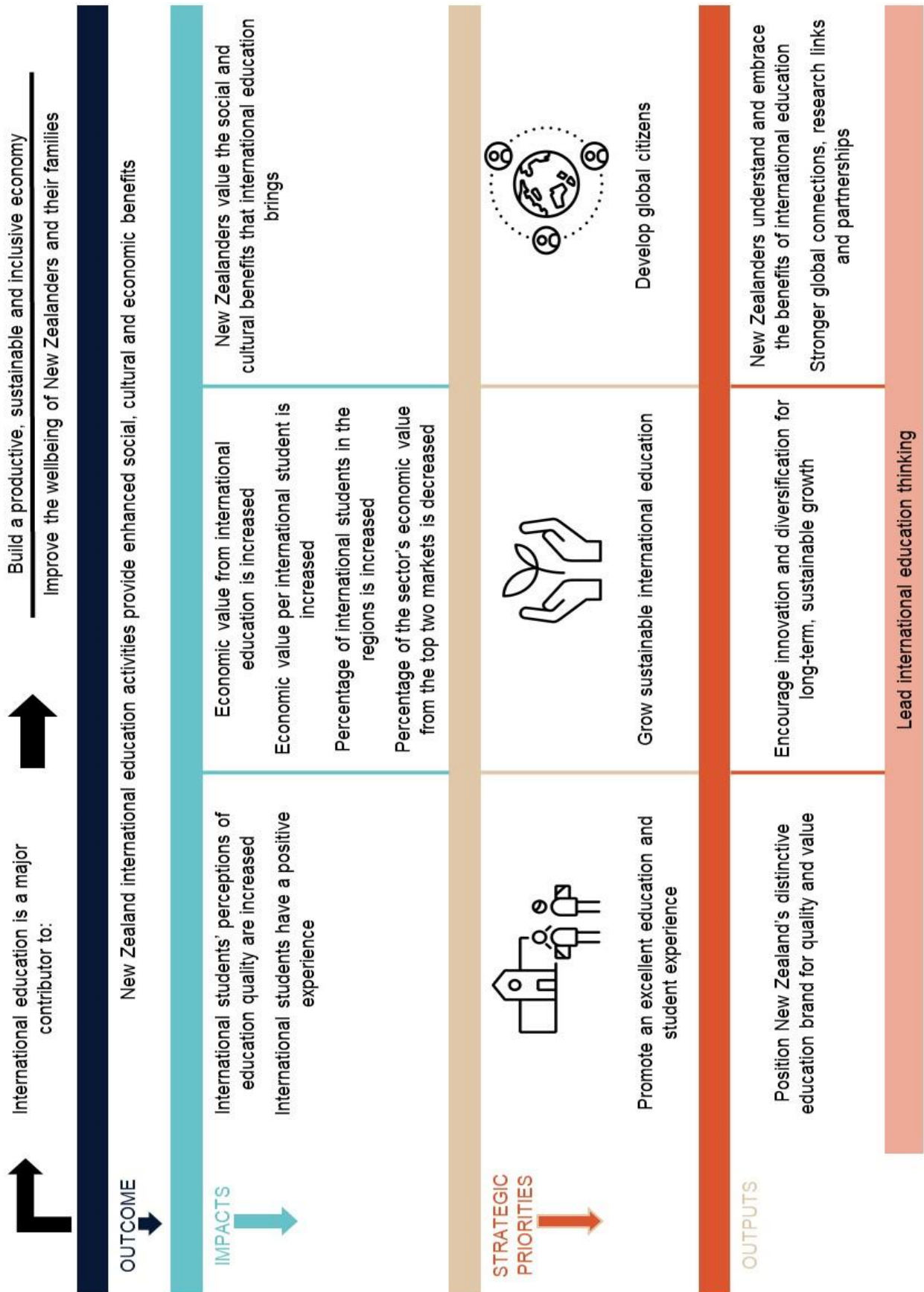
understanding of international education and ensure the education system delivers both with and for Māori in the international context. Our aim is to ensure that New Zealand's educational system is presented to the world in a way that acknowledges the importance of Te Tiriti and a Māori world view. We will also seek to build capability to catalyse the necessary shift in focus, and engagement to create a space for Iwi/Māori thought leaders to develop a guiding Māori vision for the future of Māori education in a global context.



Some of our existing programmes have been designed to satisfy our public service objectives for Māori-Crown relationships, such as our student facing platform, NauMai NZ. This platform allows international students to see te Ao Māori as unique to New Zealand, but also of international applicability and benefit. In the section on Our People (pages 34 – 37), we note our activities designed to lift leadership and staff cultural capability and practice to support the Crown to meet its public sector objectives for Māori-Crown relationships. This includes supporting te ao Māori and tikanga principles and te reo Māori in our organisation across a variety of platforms. We actively engage with Te Taura Whiri i te Reo Māori, including participating in events and programmes that support development, use and promotion of te reo Māori.

Our Outcomes Framework 2020/21

Tā Mātou Anga Putanga 2020/21



OUR ACHIEVEMENTS

Ā MĀTOU TUTUKINGA

Our outcome: New Zealand international education activities provide enhanced social, cultural and economic benefits

To support the rebuild of the international education sector in line with the Recovery Plan, in 2020/21, we focused on immediate, short-term measures within our existing resources to address the transformation of the sector in the future. We provided advice and support for international students in New Zealand, and protected New Zealand's education brand internationally to ensure a New Zealand education remains a viable option when the time is right.

We worked to ensure that cross-agency advice reflects the Government's priorities for international education and supported a coordinated approach across key government agencies in relation to policy and regulatory settings affecting international students. We also provided a key link back to the sector to ensure the Government's decisions and policy settings were well understood and implemented

Excellent Student Experience



Support international students

When New Zealand's borders closed due to the COVID-19 pandemic early in 2020, ENZ moved quickly to support the health and wellbeing of the 60,000 international students studying in New Zealand, far from home, during an unprecedented global crisis. This included providing links to key pandemic-related information, connecting international students with access to support services and working with providers to ensure that government was well informed about the health and wellbeing of international students.

As border restrictions continued through the summer of 2020/21, ENZ's cross-team student wellbeing group, Kāhui Oranga, supported peak bodies and providers, as signatories of the Code

of Pastoral Care, to ensure students were well-informed and had access to the information, care and support they needed to stay healthy and well.

ENZ supported the Ministry of Education with the consultation for the new Code of Pastoral Care, promoting and arranging engagement with students and other stakeholders to provide feedback directly.

The group has continued to engage with key agencies, peak bodies and international student associations to ensure measures are in place to address any mental health and wellbeing issues for international students. Where ENZ has not been able to provide direct support, we have shared intelligence and insights with other government agencies to ensure these students are supported.



Supporting students to return to New Zealand

To support cross-agency work regarding the two border exceptions for international students announced in late 2020 and early 2021, the “Returning to New Zealand” page on NauMai NZ provides information on a variety of subjects, such as Managed Isolation and Quarantine (MIQ), health and wellbeing, and critical COVID-19 information (see paragraph below for further detail).

‘Returning to New Zealand’ resources have also been translated into Chinese language and uploaded to the NauMai NZ WeChat mini programme.

The number of total followers across all our student facing social media communities is 1,087,700 (including Facebook, Instagram, Twitter, Weibo and WeChat).



NauMai NZ

NauMai NZ³, the official government digital platform for international students, provides consistent, relevant and accessible information and resources on a broad range of topics and themes relevant to international students. It supports an excellent education and student experience for international students, helping fulfil the NZIES.

In early 2020, NauMai NZ became the central government platform for international students. In 2020/21, the database of registrations with NauMai NZ grew by nearly 4,000, to a total of 11,687 by 30 June 2021.

ENZ has used NauMai NZ to provide a broad range of regularly updated COVID-19 specific information via a single trusted source. We ran a

campaign to promote NauMai NZ from July to September 2020 that generated 14,490 active visits to the platform. The campaign was aimed at students who had decided to stay in New Zealand through the initial Alert Levels and border restrictions, rather than returning to their home country, and to make them aware of the resources and support available to them. The campaign ran across ENZ’s social channels, YouTube, Google, digital advertising, native advertising and ENZ-owned channels.



Student summer retention programme

Over summer 2020/21, ENZ ran a short-term campaign to encourage students already in New Zealand to remain. ENZ worked with other government agencies and other stakeholders to develop new ‘Summer in NZ’ pages for NauMai NZ to ensure students had access to information addressing topics such as visa requirements, further study options, regional travel, study and experience offerings, skills development, health and wellbeing resources, and connection with other international students.

Content was developed for those international students who were finishing study in 2020, those who were continuing study in 2021, and those who were undecided about their 2021 plans. The ‘Your Great Kiwi Summer’ fair on 31 October 2020 was ENZ’s first event for international students in New Zealand, providing useful data to inform the design of future events such as WeChat livestreams, Instalive sessions, and an Instagram Live series.

³ NauMai NZ (<https://naumainz.studyinnewzealand.govt.nz/>) embodies the spirit of manaakitanga and provides information on New Zealand’s culture and

lifestyle, including Tikanga Māori to help international students understand and respect Māori customs and how to interact in Māori culture.

To encourage students to develop new skills over the summer period, ENZ offered 5,000 3-month LinkedIn Learning licenses for international students to access LinkedIn learning modules through to the end of February 2021. Licenses were offered to everyone who attended the 'Great Kiwi Summer' fair, and to international students via their education providers.

ENZ worked with the Ministry of Primary Industries to showcase horticulture and viticulture job opportunities over the summer, accompanied by strong advice regarding work rights to mitigate any risk of exploitation.

The 'Summer in NZ' pages remained live until 30 March 2021 and were visited 11,400 times, and exceeded our retainment target of 40-50%, retaining 59% of students over the summer period. As of 11 October 2020, there were 42,593 people in New Zealand with a valid student visa. As of 12 April 2021, there were 25,061 people in New Zealand with a valid student visa.



WeChat mini programme

NauMai NZ's WeChat mini programme was launched in October 2020 to provide support to Chinese international students in New Zealand

who prefer to navigate within the WeChat ecosystem. Various livestreams were held covering topics such as the importance of building and maintaining networks, to provide advice and connection opportunities for students. By 30 June 2021, the programme had 873 students registered with 11,299 unique visits.



ENZ's social media channels such as Facebook, Twitter, Instagram, Weibo, and WeChat were updated throughout the year, and we also connected NauMai NZ to the [Study in New Zealand](#) website in 2020/21, enabling international students to navigate easily from specific information to more general information about studying in New Zealand.

Sustainable Growth



Support the sector

ENZ worked with the international education sector and the Ministry of Education on implementing the Recovery Plan and progressing key areas of work, including facilitating the return of international students to New Zealand.

We continued to work with regional economic development agencies, peak bodies and education providers in 2020/21, to ensure New Zealand's regions benefit from international education. This included marketing support,

helping promote international education that aligns to regional skills needs, and supporting capability building within regional international education networks.



Recovery Plan Senior Officials Group

On behalf of the Secretary of Education, ENZ leads the governance of the Senior Officials Group overseeing the implementation of the Recovery Plan. ENZ is responsible for the establishment, administration and monitoring of the Chief Executives' and General Managers'

Groups to drive, enable and influence the delivery of the Recovery Plan.

The Chief Executives' Group seeks to generate coherent views across agencies about New Zealand's values and expectations in relation to the future of international education.

Outcomes to date from the Senior Officials Group have included a broader impact valuation of international education being undertaken to better identify the benefits, costs and value to New Zealand (see paragraph below) of international education.



Supporting international student cohort development

Supporting the re-entry of international students to New Zealand has been a key priority for the sector and relevant government agencies. ENZ supported the Minister's announcement to allow a visa exemption for an initial cohort of 250 PhD and Master's students to return to New Zealand in October 2020, which acknowledged the deepening impacts of COVID-19 on the sector.

ENZ worked with the Ministry of Education and sector peak bodies to support the re-entry of these students, including developing targeted communications collateral for international students via our websites and social media, agents and international education media. ENZ seconded a staff member to support Ministerial advice and cross-government engagement on this exception class approval, as well as providing in-market intelligence and insights from our offshore staff to inform the Government's decisions.

In January 2021, the Minister of Education announced a second, 1,000-student, returning undergraduate and postgraduate student exception class. Returning students are required to hold or have held a student visa to be eligible for consideration.

ENZ supported the Ministry of Education with its first group from this cohort of 400 students from China. We worked with the Ministry of Education to monitor and communicate the impact of the pressures on the managed isolation and

quarantine system (MIQ) on the international student cohorts, and worked with providers to develop a process to identify and nominate students who met the criteria.



Broader impact valuation of international education

ENZ has commissioned the design and build of a Broader Impact Valuation (valuation) for New Zealand's international education sector.

This valuation is intended to measure the economic, social (including educational and cultural), and international impact of international education for New Zealand. It will provide a whole-of-system view of the impacts of the COVID-19 pandemic and inform the rebuild of a diverse, resilient and sustainable international education sector.

The valuation will also help demonstrate progress towards achieving the outcomes of the NZIES



through evidence-based insight, informing operational decisions about how to best achieve the greatest impacts for New Zealand. We expect the Broader Impact Valuation outcomes to be available in early 2022.



Future Focus Programme

The FFP provided \$1.2 million to international education sub-sectors (\$200,000 for each sub-sector via peak bodies) to help them innovate their offerings and ways of working in response to the COVID-19 pandemic. While some peak

bodies have made good progress implementing their projects, other peak bodies have encountered challenges due to continuing strategic uncertainty. During 2020/21, ENZ worked with peak bodies to expedite delivery of the remaining projects, with the final projects expected to be completed by July 2022. Projects supported by the Future Focus Programme have included:

- Exploring the alignment of universities' programmes with the United Nations Sustainable Development Goals and the promotion of sustainability-based programmes to prospective international students.
- Seeking to develop a discoverability rights platform to increase the visibility of sales of New Zealand educational materials internationally.
- Research to identify opportunities, understand consumer demand for innovative English language products, and inform future decisions in relation to potential diversification of products and services.
- Developing a recovery planning framework to support school leaders, including the development of a recovery readiness appraisal, and a scenario planning framework which supports schools to map out responses to a range of post-COVID-19 future scenarios.



Sector deep-dive workshops

During February 2021, ENZ led, with support from the Ministry of Education, a series of intensive workshops with representatives from across the international education sector to better understand specific impacts of the COVID-19 pandemic beyond the headline economic impact and student numbers.

Attendees included representatives from schools, universities, institutes of technology, English language providers, private training establishments, and education products and

services exporters, as well as regional economic development agencies, who are key partners in achieving NZIES outcomes.

Attendees outlined a number of wider impacts across the sector including the impact on domestic learners, course provision, and how the recruitment pipeline has been disrupted, as well as other impacts specific to different sub-sectors. The findings from these workshops have informed advice to the Minister of Education and helped build a picture of the broad nature of the impacts of the pandemic. ENZ continues to work with the sector to monitor these impacts and ensure they are effectively communicated across government.



International Education Forum

During May and June 2021, and as an outcome of the sector deep dive workshops, ENZ organised a sector-based International Education Forum with the Minister of Education. The Forum took place on 13 July 2021 at The Cloud in Auckland and was an important opportunity for the international education sector to engage directly with the Minister and share their views.

More than 160 people attended the event in-person and online from the wider international education sector, regional economic development agencies, EdTech and Publishing, a small number of education agents based in New Zealand, and the New Zealand International Students Association. The Minister and attendees welcomed the opportunity for direct engagement and the ability to build a shared understanding of the COVID-19 landscape and impacts within the sector.



Working with New Zealand's regions

ENZ has continued its work with regional partners to help achieve the following goals of the NZIES.

- International students are welcome and safe
- New Zealand delivers an excellent overall international student experience
- Regions throughout New Zealand increasingly share the benefits of international education
- International education provides stronger global connections, research links and partnerships for New Zealand.

Throughout the first half of 2021, ENZ undertook planning and preparation for a programme of work with New Zealand's regions to deliver scalable and deliverable projects via co-funding of initiatives focusing on three key areas:

- Long term retention – to encourage the retention of international students in longer pathways of study within New Zealand's regions.
- National student ambassador programme – to improve the experience and wellbeing of international students within the current COVID-19 environment.
- Social license – to build the support of local and regional communities toward international students and international education.

Funding for these projects was approved in June 2021 and the selected projects are currently underway. We anticipate completion of most projects by June 2022.

We also delivered workshops and webinars to help build regional capability, exploring how best to work with regional economic development agencies, and helping us better understand the differences between pre-COVID-19 and current student enrolments.



Working with education agents

Education agents will be a critical part of rebuilding the sector and have been significantly impacted by the COVID-19 pandemic globally and by New Zealand's border restrictions. ENZ administers the ENZ Recognised Agency (ENZRA) programme, which recognises high quality education agencies who are highly engaged in promoting a New Zealand education.

During 2020/21, ENZ delivered more than 60 global webinars via AgentLab to provide COVID-19, marketing-specific and New Zealand government updates for ENZRA agents. We also worked with Immigration New Zealand to provide regular immigration updates to those agents.

In New Zealand, we hosted a multi-sector event in Auckland in June 2021 to provide capability and business practices training, and facilitated engagement and networking. More than 70 New Zealand-based ENZRA agents, 23 regional representatives and more than 50 New Zealand education providers attended. Each ENZRA was offered bespoke business consultations with an external provider to support their business.

We also provided co-funding for offshore education agents via the ENZRA Activity Fund, which provides co-funding for targeted, specific marketing activities proposed by education agencies to promote New Zealand.





Protect New Zealand's education brand

ENZ continued to explore opportunities to grow and diversify both where and how New Zealand education is delivered globally. This work included supporting specialisation in niche areas by providers or sub-sectors, while continuing to ensure that New Zealand's education experience is sought after by prospective international students.

Throughout 2020/21, our focus for brand reputation moved toward brand protection to retain awareness of the benefits of a New Zealand education and to reintroduce the New Zealand education brand into several key markets.



Brand awareness campaign

ENZ delivered three successful global brand campaigns across the year to maintain brand awareness. The online video campaigns targeted Brazil, Germany, Indonesia, the United Kingdom and Viet Nam. The campaigns aimed to maintain visibility with students, demonstrate that New Zealand continues to value international education, and position New Zealand against competitors. The standout international brand campaign ran in November 2020 across Facebook, YouTube, Google, Twitch and Instagram, reaching 55 million (reach is duplicated across platforms), making this the most successful set of brand awareness campaigns ENZ has ever run. ENZ also ran three virtual student fairs focusing on Japan, Thailand and Viet Nam.



Global product campaigns

ENZ launched two product marketing campaigns in June 2021, promoting the New Zealand Global Education Pathways programme and a partnership with FutureLearn.

More information on the Global New Zealand Education Pathways and our FutureLearn partnership can be found in the section 'Leading the diversification of products and services.'

Paid media promotions were launched in China, Indonesia, Korea, Malaysia, Thailand and Viet Nam from June 2021 through to August 2021, running across Facebook, YouTube, Google, TenCent, Naver, WeChat and ENZ-owned channels.

The FutureLearn campaign targeted a global audience, while the Global New Zealand Education Pathways campaign targeted China, Indonesia, Malaysia, South Korea, Thailand and Viet Nam. Paid advertising adverts appeared on YouTube, Facebook, Google, WeChat, and Baidu, and creative messaging ran in five different languages.

Both campaigns are part of ENZ's drive to support the international education sector to diversify its offering of education products and services.



New Zealand Partners Workshop Week 2021

ENZ hosted a week-long virtual event in June 2021, bringing together more than 2,700 international education partners from the Asia region. The event aimed to maintain New Zealand's visibility and engagement with key in-market stakeholders, support New Zealand's education relationships and showcase New Zealand's education expertise.

It was ENZ's first large-scale, virtual event targeting Asian government stakeholders, education institutes, agents and media. The event, which was opened by New Zealand's Minister of Education, helped protect New Zealand's brand, showcase our expertise and unique qualities, and engage with key stakeholders across Asia at a government and institution level.

Attendees included key government stakeholders across Asia, education agents, representatives from across New Zealand's international education sector, and their international

counterparts. The event created opportunities for attendees to network and to build and strengthen joint relationships that will support a more sustainable and resilient sector.

The event was streamed live to Hong Kong, India, Indonesia, Japan, Macau, Malaysia, the Philippines, South Korea, Thailand and Viet Nam with a combination of live and pre-recorded content. Content was delivered in English, Japanese, Korean, Bahasa Indonesian, Thai and Vietnamese in 234 sessions (128 live streamed) across the week, equating to 23 hours of content, with more than 45 international speakers. The sessions covered New Zealand updates, exclusive country-specific sessions, Heads of Mission updates, panel discussions, keynote presentations, professional development workshops, live Q&A sessions with experts, and virtual exhibitions.

Topics included K-12 education, education technology, higher education, vocational training and work-based education, as well as the English language sector.

We have continued to support new and existing relationships following the event and will investigate utilising the same format in future events also.



'Kōrerorero: conversations that matter' series

Due to the COVID-19 pandemic and ongoing travel restrictions in many countries, ENZ was unable to undertake or participate in in-market events and promotions, such as international education fairs or conferences.

ENZ developed a series of six events called 'Kōrerorero: conversations that matter', focusing on topical issues to promote New Zealand's academic excellence, highlight its connections to innovative business sectors in key economic areas, and maintain New Zealand's position as a desirable partner for scientific cooperation, academic connections and student mobility.

The series was initially promoted in Latin America. The final episode in March 2021, 'Sustainability in Aotearoa New Zealand through the lens of Māori values and culture' was also promoted in the United States and Europe.

The full series had more than 2,700 registrations and simultaneous translation was provided. The final episode was attended by 414 people including students, academics, institution representatives and government officials.



ENZ Masterclasses

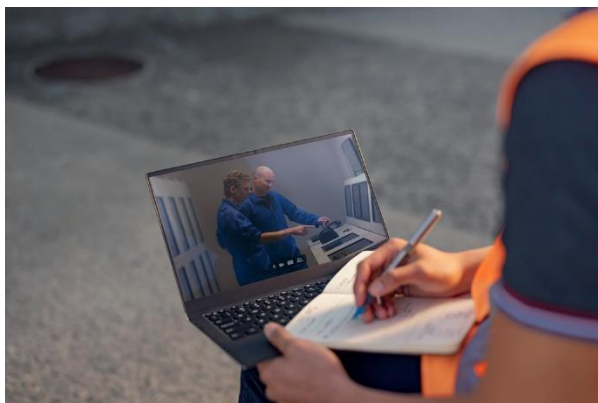
The ENZ Masterclasses Week was another initiative that was developed to compensate for the inability to undertake or participate in in-market events and promotions.

Masterclass series took place in India and in Latin America, working with seven of New Zealand's universities. Classes were designed to give attendees an opportunity to experience a taste of the New Zealand style of teaching with world class academics, and aimed to raise awareness of connections between the New Zealand education and business communities while maintaining positive/neutral sentiment towards New Zealand.

The Latin America Masterclasses ran in May 2021 and were delivered by 16 New Zealand academics from seven universities with live translations into Spanish and Portuguese. In total there were 10,219 registrations with 5,296 attendees across the four-day event.

ENZ ran the India Masterclasses between March and June 2021 in collaboration with seven New Zealand universities and included academics who

would usually provide guest lectures at partner institutions.



Leading the diversification of products and services

As part of the Recovery Plan launched in July 2020, ENZ is responsible for delivering the 'Transforming to a more sustainable future state' workstream.

In October 2020, ENZ received approval to draw down \$1 million to work with the sector to progress the development of new education products, services and platforms in 2020/21. In September 2021, a further \$8.15 million funding was approved for 2021/22 and 2022/23 to work with providers to develop new education products that speak to New Zealand's unique points of difference.

ENZ focused on implementing two multi-year workstreams:

- new products and services to bring more New Zealand products to global learners, including the development of new products that speak to New Zealand's unique points of difference
- diversification of delivery modes to complement in-bound student mobility with new and different ways of learning (online, partnerships, offshore delivery and pathways).

To support the workstreams, ENZ will continue to engage with education providers and peak bodies and learners via hui, roadshows, and digital media. The workstreams are being guided by an Innovation Steering Group made up of representatives from government, the education sector, broader industry and tangata whenua to ensure the work is on track to achieve its intended objectives.

The COVID-19 pandemic has accelerated existing trends, such as accelerating technological change, ageing demographics and the shift to a sustainable carbon-neutral economy. The still changing COVID-19 landscape has the potential to permanently shift how learners see New Zealand and how they make choices about study and work. We are supporting the sector to innovate, reach a wider learner base, and increase diversification of delivery modes.



Developing new products and services

This work was largely exploratory, consolidating existing knowledge and understanding where the opportunities are strongest. ENZ worked with innovation think tank leaders and key government agencies, identifying and testing potential projects to align them with global challenges, the United Nations Sustainability Development Goals and Te Ao Māori.

ENZ will support providers to develop and pilot new products in strategic areas. ENZ will also provide a link across government to ensure efforts are focused on maximising New Zealand's strengths. and that providers can compete at scale.

ENZ is also focusing on building new partnerships with iwi, Māori and Māori providers of education services to transform the understanding of international education and ensure that the education system delivers with and for Māori in the international context.

Global Competence Certificate

The New Zealand Global Competence Certificate (NZGCC) is part of ENZ's strategy to strengthen the cultural competence of New Zealanders, support New Zealand's bilateral relationships, and improve understanding within New Zealand of the importance of international education. It strengthens New Zealand's international reputation, and helps build social license for international education within New Zealand. It also supports delivery of the Recovery Plan through diversifying New Zealand's education products and services.

The GCC is a research-backed certification⁴ which utilises a blended delivery model to cultural self-awareness, empathy for other cultures, and ways to connect in multicultural settings. It comprises online modules and live dialogue sessions to facilitate self-awareness and increase awareness of others. It nurtures strategic relationships and targets New Zealand students from lower socio-economic areas to share in the benefits of international education.

In 2020/21, ENZ offered a first tranche of 500 places on the GCC as part of its Student Retention programme for international students remaining in New Zealand due to COVID-19. This provided an ongoing learning opportunity for international students who remained in New Zealand, and also enabled New Zealand students to undertake a subsidised virtual programme to develop their global citizenship competencies.



ENZ also initiated the development of a customised version for school students in Viet Nam and Manawatū with support from the Central Economic Development Agency.

As ENZ has been developing the GCC as a product offering, other audiences have been identified to increase the value of the programme as a contribution to the development of New Zealand relationship with key international stakeholders. For example, the GCC was delivered to a group of English language teachers and government officials in Chile, Colombia, Perú and Mexico via the Pacific Alliance, a strategic trading bloc in Latin America. This cohort was strongly supported by the Ministry of Foreign Affairs and Trade in strengthening New Zealand's trading relationship with, and demonstrating New Zealand's commitment to, the Pacific Alliance.

ENZ provided around 100 NZGCC scholarships to students from lower socio-economic areas in regions around New Zealand to broaden the benefits of international education. Students will experience a virtual exchange with peers in Asia, reflecting our obligations under Te Tiriti, as ENZ is dedicated to supporting more Māori students to participate in international education. Northland students are in a class with students from India, with other cohorts made up of students from Whanganui and Japan. ENZ's approach is to match a New Zealand region with Asian country to promote regional relationships and leverage these in future.



Diversification of delivery modes

ENZ explored the diversification of delivery modes for education, taking a 'whole of New Zealand' approach and promoting education pathways that enable students to begin their study journey to New Zealand from their home country.

⁴ Informed by The Georgetown Consortium Research Project (Vande Berg, et al, 2009).A Purdue University study (<https://hubicl.org/publications/49/2>) confirmed that students

who participated in the programme achieved significant gains in the Intercultural Development Inventory

Offshore face to face delivery – NCUK partnership

In 2020/21 ENZ partnered with the United Kingdom-based qualifications provider University Consortium (NCUK). Launched under the banner of New Zealand Global Education Pathways in December 2020, the partnership with the New Zealand university sector and NCUK enables students to begin their New Zealand education journey from more than 80 delivery sites across 30 countries and then transition to study in New Zealand when the time is right.

The long-term objective is to build New Zealand's university sector's transnational education capability and intellectual property over time. The launch of the partnership included up to \$300,000 in scholarships across New Zealand's eight universities each year.

The partnership is New Zealand's biggest university sector international education collaboration to date, and aims to build the sector's transnational education capability and intellectual property over time. This is a pilot agreement and will inform our approach to exploring opportunities with other sectors.

To promote options that enable students to start their study from their home country ENZ extended the functionality of its [Study in New Zealand](#) website by adding a new 'Global Pathways' page, offering a range of offshore pathway programmes. This underpins ENZ's June to July 2021 marketing campaign for targeting students/parents who could enter offshore education programmes from September 2021 onwards.

In 2020/21, ENZ also undertook a request for proposals process for phase two of the Global New Zealand Education Pathway, which would see the establishment of dedicated New Zealand Education Centres offshore. These will provide a bespoke New Zealand experience, supported by New Zealand-focused curricula and campus facilities, a fuller range of programmes and in-depth partnerships to create broader education and trade outreach into source markets.

Offshore digital delivery – FutureLearn pilot

The growth of online and blended education delivery in New Zealand and overseas due to the COVID-19 pandemic can help grow awareness and visibility of New Zealand's education products, services and approaches.

Even prior to COVID-19, the need for a response to digital disruption was identified as a key component of increasing the sector's resilience. New Zealand is exploring two possible delivery options:

- placing New Zealand education products on a platform owned by an existing third-party online education provider, or
- co-designing and prototyping a New Zealand-owned specific platform.

ENZ's pilot programme with FutureLearn is a way of testing the placement of New Zealand education products on a third-party education provider's platform, utilising their existing reach to make New Zealand education products more accessible to more global learners, as well as continuing to reshape what international education looks like in a post-COVID-19 world.



FutureLearn is an online learning platform with an existing userbase of more than 15 million learners worldwide. The pilot scheme launched on 8 June 2021, offering online courses from more than 15 New Zealand education providers. It acts as a New Zealand 'shop window' for learners to sample innovative ways of learning. This pilot will enable us to learn and make adjustments as we diversify the way we deliver and make international education more accessible to more

global learners, as well as continuing to reshape what international education looks like in a post-COVID-19 world.

The pilot showcases sustainability-related short courses under a national New Zealand Education banner from education providers including universities, English language and Teaching English to Speakers of Other Languages educators, vocational/institutes of technology and edtech educators, including virtual reality developers and game designers. The pilot will run for 12 months and will inform future decisions in relation to products and learners.



Study with New Zealand

ENZ also shifted digital investment towards enhancing ENZ digital properties, specifically the move from studyinnewzealand.govt.nz (SINZ) to the studywithnewzealand.govt.nz (SWINZ) platform to reflect and cater for the diversification of our portfolio, such as Global Pathways and FutureLearn.

Global Citizens



Building social licence

ENZ has been developing a fresh narrative for international education in New Zealand. The work reflects the new global operating environment and seeks to improve people's understanding that international education is broader and deeper than people travelling to New Zealand for study.

ENZ undertook research within New Zealand into how New Zealanders perceive international education, and how it aligns with their values and beliefs. The research showed that around half our population already understands and accepts the wider benefits of international education, however, the perception of those benefits was focused mainly on the economic benefits.

We have used the results of the research to help shape our social license strategy and a Social License toolkit which was released in July 2021. The toolkit supports regional economic development agencies, sector peak bodies and other stakeholders to help generate awareness and understanding of international education and support a welcoming environment for international

students, ensuring they will experience New Zealand's strong sense of manaakitanga.

ENZ is working to increase Public Relations activity in support of international education in mainstream media in New Zealand. Our social license work will continue to form a key part of the rebuild and recovery of the sector.



Student experience survey

In 2019/20, ENZ implemented an annual international student experience survey built around conceptual models developed from student experience research to monitor and benchmark student experience, introducing new survey topics as required.

For the 2020/21 survey, ENZ enhanced the standard brand health tracker to further investigate how New Zealand's brand has been impacted by our COVID-19 response. The survey was delivered to international students in New Zealand as well as to a sample of students unable to return to New Zealand but who were studying offshore with a New Zealand provider. The survey sample included students at various stages in

their study experience, including those who had completed their studies and were in New Zealand on post-study work visas, or who had returned to their home countries. This provided a richer picture of the impact of COVID-19 and New Zealand's subsequent border restrictions across a wider set of student experiences, enabling us to provide more in-depth analysis of the student experience to providers and to government.

The survey found that 85% of international students rated their overall experience positively, with 81% likely to recommend New Zealand as a study destination. It also showed that 34% of prospective international students surveyed had a better impression of New Zealand after COVID-19, with especially strong preference for China, India, Indonesia and Thailand.

The baseline level of interest in studying overseas was steady at 72%, and the key impact of COVID-19 was the delay in studying overseas rather than students choosing an alternative destination. ENZ continues to monitor potential international student sentiment, noting that ongoing global uncertainty means this may shift dramatically in coming years.



Internationalisation – partnering with other countries

ENZ continues to develop and maintain the strong international partnerships that will positively impact on New Zealand's international reputation and international education goals, and contribute to New Zealand's social and economic development goals.

In the long term, partnering with other countries is an important part of ENZ's knowledge diplomacy activities, ensuring global connectedness and maintaining international market relationships to retain interest in New Zealand education when travel restrictions change.

Relationships created through international education support New Zealand's engagement with key trading partners, drive global influence, enhance diplomatic objectives and collaboration,

and support the rebuild of New Zealand's international education sector.

ENZ's priority markets for retaining international connections and relationships in 2020/21 were Brazil, Chile, China, Colombia, India, Indonesia, Japan, Republic of Korea, Malaysia, the Philippines, Thailand, the United States of America and Viet Nam. Within Europe, priorities were Germany, France, Italy, the UK and Scandinavia. In the Middle East, focus was on the Gulf Cooperation Council countries: Oman, the UAE, Kuwait, Qatar, and Bahrain.



New Zealand – China Joint Working Group on Education and Training

The Joint Working Group (JWG) mechanism is a key provision of the Arrangement on Education and Training between the New Zealand and Chinese Education Ministries. The JWG was established in the early 2000s and supports information exchange and regular consultation between China and New Zealand on education matters including high level official engagement, joint government-level projects and issues of student safety and quality assurance.

The New Zealand – China 9th Joint JWG virtual meeting in February 2021 was chaired by New Zealand's Secretary of Education and China's Vice Minister for Education. ENZ coordinated the agenda and the event on behalf of New Zealand agencies.

The key action from the meeting was the signing of a Strategic Cooperation Arrangement, which intends to further information sharing and recognition practices between the New Zealand Qualifications Authority (NZQA) and China Service Center for Scholarly Exchange of the People's Republic of China. ENZ continues to work closely with the Ministry of Education and other New Zealand government agencies on implementing a wide range of outcomes from the JWG and the Strategic Cooperation Arrangement.



New Zealand-China Early Childhood Education Symposium 2020

ENZ hosted the inaugural New Zealand-China Early Childhood Education (ECE) Symposium called 'Thrive under Five: The Importance of Early Childhood Education in the Modern World' on 30 November 2020.

The Symposium aimed to share best practice in ECE, and create a foundation for regular dialogue and cooperation in the field. It brought together government representatives and early childhood experts, practitioners and professionals from New Zealand and China, with sponsorship from the China Centre for International People to People Exchange and the New Zealand Embassy in China.

The Symposium was part of the annual New Zealand Education Week held in China to strengthen New Zealand's relationships with stakeholders from various sectors and audiences including education agencies, Chinese Government partners, education institutions and other stakeholders.

The 2020 virtual New Zealand Education Week featured agent seminars, a Model Vocational Education Symposium and networking opportunities.

A second virtual ECE Symposium took place in September 2021, attracting more than 20,000 viewers on the Chinese livestream broadcast and featuring New Zealand presenters from a range of education providers including Toi Ohomai, University of Auckland and Te Rito Maioha Early Childhood New Zealand.



Japan – Education Cooperation Arrangement

ENZ signed an Education Cooperation Arrangement (ECA) with the Hokkaido Board of Education, Japan's largest prefecture, in November 2020, promoting collaborative opportunities in education through shared interests including indigenous culture, primary industries, and rugby. The virtual signing

ceremony was aired by Japan's public broadcasting service.

The ECA acknowledges the cultural and educational bilateral benefits from the formation of relationships between high schools from Hokkaido and New Zealand, and will enrich school learning, teaching and diversity once international students are able to return to New Zealand. Areas of collaboration include student exchanges between high schools in New Zealand and Hokkaido.



Signing of Education Cooperation Arrangement with Seoul

ENZ signed an ECA with the Seoul Metropolitan Office of Education in March 2021 in a virtual signing ceremony hosted by ENZ in Wellington.

The ECA, in line with the Recovery Plan, aims to deliver specific outcomes for both Seoul and New Zealand, including information sharing and online language exchange in the school sector. The ECA sits under the New Zealand and Republic of Korea ECA between Ministries of Education signed in 2009. This work is being done in partnership with the North Asia Centre of Asia-Pacific Excellence. There are also plans to establish a framework for activities to adapt to the current state of progressing bilateral education initiatives during the COVID-19 pandemic.



Prime Minister's Scholarships for Asia and Latin America

The Prime Minister's Scholarships for Asia and Latin America (PMSA/LA) were originally established to align with New Zealand's trade objectives, working specifically with New Zealand's key trading partners. ENZ administers the PMSA/LA to help New Zealand students benefit from offshore study opportunities, build life-long friendships and networks, and enhance their skills and understanding of the world. ENZ

has also, over time leveraged the PMSA/LA to strengthen New Zealand's academic relationships in Latin America and Asia. More than 2,400 New Zealand students have undertaken a PMSA/LA since 2013, when the PMSA was established.

Due to travel restrictions, 2019/20 recipients of the PMSA/LA were able to defer their studies for 12 months. A decision to further defer that study for an additional 12 months was also the result of ongoing travel restrictions.

ENZ commenced a review of the PMSA/LA programmes in 2020/21 to ensure they align with the NZIES, New Zealand's broader education and diplomatic priorities and the recovery of New Zealand post-COVID-19.

Improvements to the PMSA/LA programmes following the review focus on the development of

a monitoring and evaluation framework, to ensure that we better utilise current levers to support the development of global citizens in New Zealand in the future. The refreshed scheme will continue to support education providers to deepen their relationships, and also to support New Zealand students to access an international education experience.

This work will ensure that the PMSA/LA will be more accessible for a broader range of New Zealanders, and support further development of New Zealanders' cultural capabilities.

ENZ will continue to work with the Ministry of Education to progress suggested improvements to the PMSA/LA settings, including enabling a more representative group of New Zealanders to access these schemes.



Impact measures

Overall, our impact measures show mixed results for 2020/21. This is largely due to the unprecedented impacts of COVID-19 impacting the delivery of our agreed strategic initiatives and

influencing the activities we did deliver during the financial year.

Measure	Baseline	Target	Result
International student perceptions of education quality.	2018: 8.0 out of 10 <i>Trend</i> 2019: 7.8 out of 10	2020: 8.2 out of 10	2020: 7.7 out of 10
Commentary: The 2020 target was not achieved. The drop from the previous year is expected due to New Zealand's tightly closed borders and lack of clarity around timings of availability of international study. That the number has largely maintained itself when the product is unavailable shows the resilience of New Zealand's education brand.			
The percentage of international students who were satisfied or very satisfied with their overall experience. ⁵	2019: 88%.	2020: Increase	2020: 85% ⁶
Commentary: The benchmark measure of 88% was established in a pre-COVID-19 environment. Given the impact COVID-19 has had on international students, including closed borders and the global environment, a drop in satisfaction is not surprising.			
The economic value ⁷ from New Zealand's international education sector.	2008: \$2.51b ⁸ <i>Trend</i> 2012: \$2.60b ⁹ 2014: \$2.85b ¹⁰ 2016: \$4.29b ¹¹ 2017: \$5.09b ¹² 2018: \$4.94b ¹³ 2019: \$5.23b ¹⁴	2020: Maintain ¹⁵	2020: \$3.03b
Commentary: COVID-19 and closed borders limited the number of students able to enter New Zealand in 2020. Fewer students in the country and assumed reduced spending while in the country (due to Alert level 4 restrictions for example) for those that could enter means that both economic value and economic value per student have decreased.			
The economic value per international student. ¹⁶	2012: \$25,370 <i>Trend</i> 2014: \$25,540 2016: \$32,100 2017: \$39,290 2018: \$39,000 2019: \$44,951	2020: Increase	2020: \$37,889
Commentary: COVID 19 and closed borders limited the number of students able to enter New Zealand in 2020. Fewer students in the country and assumed reduced spending while in the country (due to Alert level 4 restrictions			

5 This measure is also reporting on the end of year performance information set out in the Vote Tertiary Education Estimates 2020/21. The target in the Vote Tertiary Education Estimates 2020/21 was at least 63%, based on the previous international student satisfaction surveys.

6 Nielsen IQ: International Student Experience Survey 2020.

7 ENZ commissions a full economic value analysis of the international education sector biennially. In alternate years, ENZ reports an estimated industry value based on the most recent valuation and the latest full year student enrolment figures.

8 Infometrics, NRB and Skinnerstrategic: The Economic Impact of Export Education, 2008.

9 Infometrics: The Economic Impact of the International Education Industry 2012/13.

10 Infometrics: The Economic Impact of International Education 2014.

11 Infometrics: The Economic Impact of International Education in New Zealand 2015/16 and Infometrics/Covec: Development and Implementation of a new Valuation Methodology for New Zealand's Education Services Exports.

12 m.e. consulting: Economic Valuation of International Education in New Zealand 2018 and PwC: The value of New Zealand's education exports 2018.

13 Estimated value of the international education sector by Education New Zealand. The estimated value is calculated based on the most recent valuation and the number of international students in New Zealand in 2018.

14 Education New Zealand (ENZ) uses methodology based on the Economic Valuation of International Education in New Zealand 2018 report and the Value of New Zealand's Education Exports 2018 report. ENZ uses international students' tuition fees for 2019 and the Consumers Price Index changes in the price of goods and services from December 2017 to December 2019 for New Zealand households. The dollar value is rounding to the nearest billions.

15 This measure is also reporting on the end of year performance information set out in the Vote Tertiary Education Estimates 2020/21. The target in the Vote Tertiary Education Estimates 2020/21 was \$4,940 million.

16 Calculated by dividing the total economic value of international students studying in New Zealand by the number of international students studying in New Zealand.

Measure	Baseline	Target	Result
for example) for those that could enter means that both economic value and economic value per student have decreased.			
The percentage of international students enrolled to study outside Auckland. ¹⁷	2018: 44% 2019: 45%	2020: Increase	2020: 50% ¹⁸
Commentary: The target was achieved.			
The percentage of the international education sector's economic value coming from New Zealand's top two markets ¹⁹ .	2018: 51.6% ²⁰ of the onshore economic value to New Zealand 2019: 50.4% of the onshore economic value to New Zealand	2019: Decrease	2020: 53%
Commentary: The target was not achieved. The majority of students who undertake multi-year study come from New Zealand's top two markets. COVID-19 related border restrictions have meant that short study students have left New Zealand or not continued studying. As a result, the top two markets have increased as a proportion of total student numbers and therefore the percentage of economic value from these markets has increased.			
Awareness of the contribution of international education to New Zealand. ²¹	2018/19: 58% ²² 2019/20: Not measured ²³	2020/21: Increase	2020/21: The survey was redeveloped so that it provides more analysis to inform our social license work.
Commentary: The survey did not specifically ask the question: "The percentage of New Zealanders that agree or strongly agree that international education brings to benefit to New Zealand". The TRA Research questions identified that more than three quarters of the population agree that international students contribute to New Zealand in various ways (e.g., supporting local businesses, supporting the New Zealand economy and economic growth, as well as bringing diverse perspectives to New Zealand classrooms, lecture theatres and wider society). The research found that the benefits of international education may exist in the minds of these supportive individuals, however the benefits are not often seen or heard in day-to-day conversation.			

¹⁷ This measure is also reporting on the end of year performance information set out in the Vote Tertiary Education Estimates 2020/21.

¹⁸ This measure is also reporting on the end of year performance information set out in the Vote Tertiary Education Estimates 2020/21. The target in the Vote Tertiary Education Estimates 2020/21 was to increase compared to 2019.

¹⁹ The top two markets were China and India.

²⁰ This result was identified as 40% in ENZ's Statement of Intent 2019-2023 which was the proportion of the number of international students coming from the top two markets, rather than the economic value.

²¹ ENZ commissions research (including both qualitative and quantitative approaches) to identify New Zealanders' perceptions of international education. The target is focused on an increasing trend over a four-year period.

²² Kantar: Understanding New Zealanders' perceptions of international Education, 2019. The survey results are reported on a scale of 1-4 (does not contribute), 5-6, 7-8 and 9-10 (contributes strongly). The reported result is based on the percentage of respondents who provides survey ratings of 7-10 on this scale.

²³ Due to the significant impact of COVID-19, ENZ did not survey New Zealanders about their perceptions.

ORGANISATIONAL DEVELOPMENT

Our organisational development and capability building activities during 2020/21 were initially designed to help us achieve our outcomes and support the implementation of the NZIES. With the arrival of the COVID-19 pandemic, part of the lens through which we viewed our organisational capability shifted, with a stronger focus on staff wellbeing, and ensuring that our people – approximately a third of whom are based outside New Zealand – were able to adjust the nature of some of their work to reflect the changing needs of the sector.

We used the new challenges we faced to promote fresh learning and development opportunities for our staff, many of whom willingly took on new cross-agency project work. These changes built stronger cross team collaboration and recognition of the diversity of cultures and working styles across our organisation.

ENZ provided regular staff updates about the COVID-19 pandemic and an array of protective measures, globally. Practical tools were supplied to enable everyone to continue working safely and remotely, and ongoing offers of support via the Employment Assistance Programme (EAP) and the provision of resilience-enhancing training were well received. We focused on supporting our staff while continuing to make improvements to lift our organisational capability as well as maintain our investments into people, processes and systems

Building ENZ's capability

Implementing Rautaki Māori

ENZ's Rautaki Māori, our Māori Strategy's three Ngā Whainga, are woven into ENZ's purpose, organisational culture and corporate brand.

ENZ's Letter of Expectations specifies a range of outcomes around ENZ honouring and giving practical effect to the Crown's Te Tiriti

WHANAKETANGA TAHA WHAKAHAERE

responsibilities. Te Tiriti considerations are a key part of all ENZ work, with a strong focus on reflecting Māori – Crown partnerships and meeting the needs of Māori learners.

As a part of building ENZ's cultural competence and capability, ENZ has reviewed its Rautaki Māori approach and capability across the organisation. We have identified areas where we need to improve our own cultural or business capabilities, and will continue to lift leadership and revitalise staff's cultural capability and practice to support meeting our public sector objectives for strengthening the Māori-Crown relationship.

We are incorporating our Rautaki Māori into business planning to deliver the outcomes of the NZIES and development of an organisational wide Tiriti framework and partnership model is underway, aligned with Te Arawhiti principles.

The focus areas for Rautaki Māori 2020/21 are:

- Support the Crown to fulfil its responsibilities under Te Tiriti o Waitangi
- Support the goals of the NZIES
- Support the Recovery Plan for International Education
- Build on existing strategic and sustainable cross-Government partnerships
- Build ENZ's visibility and capability in international markets through indigenous partnerships
- Integrate Rautaki Māori principles across ENZ
- Establish a baseline proficiency of te reo me ōna tikanga Māori across ENZ
- Provide easily accessible tools for ENZ staff to enhance their knowledge.

To enable system-wide implementation, our Chief Advisor, Māori works closely on integrating how Māori and Iwi can be engaged across education

services within ENZ's diversification work programme. We expect this to deliver a reflection of Te Ao Māori in education delivery and student experience, and benefits to Māori learners through international education. This work reflects widely accepted conventions and practices of co-design that have been adapted and evolved by Māori co-design practitioners, to create a tikanga-led and design enabled approach.

This requires a shift in organisational culture and practice which will also be addressed through internal professional development to build staff cultural capability and co-design practice. This will then translate into the next planning and funding cycles to ensure new projects, roles and resources are embedded into the organisation and resourced appropriately.

ENZ encourages the use of te reo me ōna tikanga and has developed resources and activities to support staff to improve their te reo Māori skills. Highlights of this in 2020/21 included the rollout of our own waiata, written specifically for the organisation. The live performance of this has become a feature of important formal (and informal) ceremonies, including bilateral Memorandum of Understanding signings, campaign launches and farewells of departing staff. We also launched our refreshed values, "Ngā Manapou" which incorporated insights from Māori and Pakeha worlds, with the benefit of input from staff across the 15 countries in our global network.



In 2020/21 we launched our Ngā Manapou awards programme, where staff nominate peers who they see as exemplars and champions of Ngā Manapou. One or two Manapou are selected by a review panel each quarter and are presented with a Manapou Pounamu taonga that has been designed and commissioned through Ngāi Tahu.

ENZ's operational response to COVID-19

To continue to respond to the effects of COVID-19 and ensure business continuity, ENZ focused on improving business resilience and enhancing people capability. We continued our twice weekly "CoVideo" sessions, which were available to all staff globally to connect and to highlight work happening across ENZ. This initiative was largely employee-led, with senior managers providing support. These sessions have continued beyond the 2020/21 year, and continue to provide a valuable way of bringing ENZ's global team together. We also offered regular updates from the Chief Executive to staff, the international education sector and agents.

ENZ' internal team, Kāhui Oranga has continued to monitor student wellbeing issues during the lockdown period through our networks both nationally and internationally.

Financial review and four-year planning to enhance capability

The ENZ Board commissioned ENZ to develop a four-year planning framework to complement a financial review which was directed by our Minister. The aim was to focus on both strategic and operational initiatives to drive ENZ's prioritisation and direction of travel, ensuring we put our efforts to where the most impact will be achieved. The financial review and ENZ's four-year plan identified key initiatives, deliverables and investment needed to lead the transformation and rebuild of the international education sector.

The ENZ way

Throughout 2020/21, ENZ continued developing a project management methodology, known as the

'ENZ Way', to improve management of projects and maximise utilisation of staff and resources. The 'ENZ Way' guides staff and their managers to help get projects approved and delivered, accommodating the nuances of ENZ's projects and evolving with our changing needs. The framework is based on best practice within the public service and involves four stages:

- (1) Think
- (2) Plan
- (3) Do
- (4) Review.

Each stage is further divided into three steps to help ENZ staff scope, resource, implement and report on projects. The 'ENZ Way' is closely linked to ENZ's commitment to being a learning organisation and will help improve our project management capability across the board.

Infrastructure and data security

ENZ has operated in a wholly cloud-based environment since 2020 and utilises relevant and appropriate security features to protect its data and functionality. These are regularly reviewed. Staff receive regular training and security updates to ensure that cyber-security remains front of mind, and the ICT acceptable use policy is also

regularly reviewed to ensure it is fit for purpose. Third-party providers that are utilised by ENZ work to the ISO27001 standard for Information Security which is also the New Zealand Government standard for data security. During the 2020/21 year, ENZ did not experience any major cyber-security incidents; however, we monitored a number of public incidents that took place and worked with providers to ensure that appropriate mitigation measures were in place. ENZ also takes part in the wider Education Sector Data & Digital assessment and monitoring programme.

Business improvement and the New Zealand Business Number

ENZ continues to record the New Zealand Business Number (NZBN) identifiers for suppliers in our finance system and we are using these to match financial transactions.

As part of our business improvements and investment in digital capabilities and resources across ENZ, we implemented a new finance system called Microsoft Business Central to allow new system workflow approvals. This uses document capture technology to recognise fields including NZBN.

Monitoring organisational capability

Measure	Baseline	Target 2019-2023	Result 2020/21
Employee engagement.	New baseline in 2018/19: 66% favourable, 24% neutral and 10% unfavourable.	Increase	ENZ achieved a staff engagement level of 60% favourable, 26% neutral, 14% unfavourable. The favourable score was 6% down on the previous survey, partially attributed to wellbeing and organisational concerns as a result of the COVID-19 pandemic.

OUR PEOPLE

Good employer matters

Our diverse workforce is one of ENZ's key strengths. Our equal employment opportunities approach ensures we nurture and harness the talents of all of our people.

Our status as a good employer is assessed against the seven 'good employer' elements set out by the Human Rights Commission and implemented through our People Strategy. We continue to evolve our People Strategy to ensure it is appropriate for ENZ's needs and business model. The key elements of the current People Strategy are:

- planning and resourcing
- employee engagement and performance improvement
- developing our people
- recognising and rewarding our people.

Leadership, accountability and culture

Our values, our 'Ways of Working' and our Ngā Manapou (principles) are Manaakitanga, Kaitiakitanga, and 'Be Bold and Be Open', all built on a foundation of Aroha. These are integrated into our recruitment processes, our performance framework, wellbeing initiatives, culture and daily interactions.

A key area of focus of our staff engagement initiatives has been to continue to build staff resilience given our globally distributed workforce.

Recruitment, selection and induction

The People and Culture team utilises its strong working relationships with external organisations and online media to assist with staff recruitment and selection. Equal employment opportunity principles are applied throughout the selection

Ā MĀTOU TĀNGATA

process and have resulted in the rich ethnic diversity of staff as shown in our staff profile. A robust induction programme also forms an integral part of training new staff worldwide.

Employee development, promotion and exit

Professional learning and development form part of staff annual performance agreements and are regularly reviewed and updated throughout the year, both by direct managers and at Leadership Team level.

Exit interviews are offered to departing staff. The intention of the interviews is to continually improve the workplace environment and experience for staff. In 2020/21, the interviews did not indicate any trends causing concern about ENZ's culture.

Flexibility and work design

ENZ accepts its responsibility to act as a good employer and has built flexibility into employees' work practices. All staff have been able to change their hours or location of work to accommodate wellbeing issues, the needs of their families, temporarily or longer term, and family-friendly practices are reflected in a clause in our standard employment agreement.

Flexible working arrangements have been offered to male and female staff in equal proportion where they have needed to alter their work hours or location.

Remuneration, recognition and conditions

All staff are employed on individual employment agreements. The standard terms and conditions are regularly reviewed to ensure they are legally compliant. While ENZ does not have collective employment arrangements, one staff member belongs to the Public Service Association.

Permanent employees and fixed term staff on long-term agreements participate in regular performance conversations with managers. Self-assessments, performance planning and the identification of development and learning opportunities are integral to this process. Remuneration is reviewed annually, taking into account market conditions, performance, affordability and Te Kawa Mataaho (Public Service Commission) guidance. For 2020/21, our approach to remuneration reviews was guided by the global situation created by the COVID-19 pandemic, and as a result a majority of staff did not receive a pay increase.

Harassment and bullying prevention

ENZ is committed to providing a work environment that is free from any form of workplace harassment including bullying. Our workplace harassment prevention policy provides behaviour expectations, and clear guidelines and processes to assist managers and staff in the resolution of any workplace harassment complaints raised.

Safe and healthy environment

ENZ regards a safe and healthy working environment as integral to our positive workplace culture. Staff again rated the organisation very highly in the staff engagement survey for initiatives in this area. All staff worldwide have 24/7 access to EAP services. Our focus on flexible work hours and locations has assisted with managing stress, especially during the COVID-19 crisis.

Sick leave and annual leave usage is monitored monthly. Managers, assisted by the People and Culture team, work with staff who are advised to put leave plans in place.

The ENZ Board takes a very active interest in staff wellbeing and receive regular updates.

Equal employment opportunities workplace

ENZ actively seeks to be a good employer through our values, our recruitment, retention and development policies and our engagement with staff. We actively support staff in their professional development, and will continue to focus on talent management, succession planning and retention.

Gender diversity is a feature of all of our selection panels and broad ethnic representation is common.

Review programmes and policies

Our HR policies are reviewed regularly to ensure compliance with legislation and to maintain their relevance.

Throughout the year, staff are reminded about certain policies, such as the Whistleblower and Privacy policies, to ensure their visibility. We retain an ongoing focus on the Leave Policy, including ensuring staff are aware of Parental Leave, the availability of Domestic Violence Leave and Sick Leave etc.



Diversity and Inclusion

ENZ's is committed to growing its diversity and inclusion capability to achieve better outcomes for all our staff. ENZ recognises that the public service has an important role in supporting the Crown in its relationship with Māori under Te Tiriti o Waitangi. The Public Service Act 2020 explicitly recognises this and requires all public service leaders to develop and maintain the capability of the public service to engage with Māori and to understand Māori perspectives. ENZ is committed to incorporating support for Te Tiriti into ENZ's day-to-day operations, demonstrating our commitment through our external relationships and business activities.

ENZ's Papa Pounamu commitments

The 2020/21 Papa Pounamu work programme has five priority areas. Together, these create a positive impact across all diversity dimensions in the public sector. As a Crown Entity, ENZ is committed to growing our diversity and inclusion capability by planning a comprehensive work programme to be fully embedded in the coming years. Across our organisation we reflect the significance of the Crown-Māori relationship and continue to build our cultural competence. ENZ encourages the weaving of te reo me ōna tikanga Māori into ENZ's purpose, culture, corporate brand and day-to-day activity.

Gender Pay Action Plan

The current pay difference between males and females in equivalent roles at ENZ averages 1%. Given the total number of staff (92), ENZ considers the difference statistically insignificant and not indicative of a gender pay gap.

Panel Pledge

ENZ's gender balance on panels highlight our commitment to diversity by actively encouraging women's voices.

Strengthening Cultural Competence and addressing Bias

Cultural competence means recognising our own worldview and understanding and valuing cultural and social norms reflected in our diverse public service. Culture can broadly include, but is not limited to, ethnicity, nationality, age, gender, sexual orientation, disability, religious or faith affiliation and more.

Our values reflect our aspirations to fulfil ENZ's responsibilities for building our Māori-Crown Relations capability based on the Te Arawhiti Māori-Crown Relations Capability Framework. Reflecting the significance of the Crown-Māori Relationships and building our cultural competence, and confidence, across the broadest range of cultures underpin our objectives.

Based on our new Ministerial expectations we are refreshing our te Rautaki Māori approach across ENZ. Highlights of this include acknowledging and celebrating Matariki in place of Christmas, with a series of Matariki-inspired events from 1 July 2021. This included activities and events for both offshore and onshore staff.

Our Wellington-based staff are supported and funded to attend a workplace introductory Māori course at Victoria University, where they learn basic Māori language skills with a focus on office communication, and gain an understanding of Māori cultural concepts and protocols as they relate to the workplace.

We have also implemented multiple eight-week Te Reo Māori courses for New Zealand-based staff and are in the planning phase to implement 'Te Rito', a bicultural training resource specifically designed for the public sector, for our Rautaki Māori rūpu. Te Rito helps people develop their own bicultural competencies, gain a better understanding of Māori perspectives, and extend and reinforce current responsiveness in Te Ao

Māori. We aim to include this training in our staff's performance development plans. Completion of all modules will provide a clear benchmark of bicultural competence within ENZ.

ENZ's multicultural staff, based across the globe, demonstrate our commitment to promoting workforce diversity and encouraging staff to expand these principles through our organisation.

Training for staff in the area of Unconscious Bias has been developed, and the rollout of this has begun at senior leadership level. Further implementation across the organisation will continue in 2021/22.

Our employee-led networks have the flexibility and space to connect with others, such as our employee-led, organisation-wide meditation sessions. The refresh of ENZ's values, Ngā Manapou, was led by staff; staff also initiated an internal waiata group. This group also connects with the wider Ko Tāu Rourou cross-agency waiata group.

Employee-led Networks

Employee-led networks play a significant role in creating inclusive workplaces and provide a sense of belonging and also allowing a safe space for our employees to have their voices heard. Throughout the year staff initiated and supported several group-based learning and development opportunities. Highlights of these include a pilot series of meditation sessions, of which the uptake was so successful that this is now an ongoing employee-led offering. We also enable all staff to attend network meetings as well as support representation in cross-agency networks bringing New Zealand's public sector workforce together, fostering a culture of inclusion, acceptance and mutual respect.

The re-refresh of ENZ's values, Ngā Manapou, has been led by employees who initiated the programme to nominate outstanding peers for recognition. Employee-led efforts promoting our values will continue to be a regular feature of our diverse and inclusive workplace maintaining our positive culture for staff to thrive in and help

employees connect, share ideas and support each other. Regular global "CoVideos" have proved a popular mechanism for building stronger recognition of the multicultural nature of our workforce and providing opportunities for staff to engage.

Staff also initiated a waiata group which meets twice weekly. Members of this group connect with the wider Ko Tāu Rourou interagency waiata group which meets weekly.

Building inclusive leadership and relationships

Throughout the year the Leadership team has been working with a People Development specialist.

The Team Management Index continues to be used to identify the working preferences of staff and to enhance our ability to work together. We regularly run group sessions with managers and their teams to enhance the quality of relationships throughout the organisation.

Pulse Survey

To ensure we continued to have a broad view of staff wellbeing and preparedness in relation to the COVID-19 pandemic, ENZ undertook a global "Pulse Survey" in September 2020. With a very high response rate (over 90%), staff gave a 100% positive rating in relation to their ability to access information relating to the COVID-19 pandemic situation globally, and indicated that they felt strongly supported by ENZ, with potential language, cultural and distance barriers having been overcome.

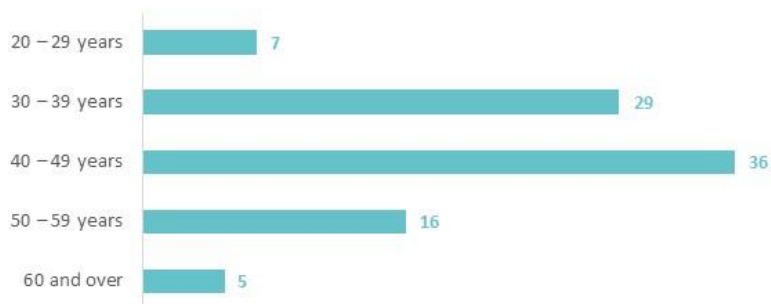
Staff engagement survey

ENZ also conducts annual staff engagement surveys to gauge the strength of ENZ's workplace culture, inform the organisational development work plan and identify further initiatives towards making ENZ a positive place to work. The 2020 staff engagement survey achieved a 90% response rate. Results included a strong recognition of ENZ's cultural diversity and gender equity.

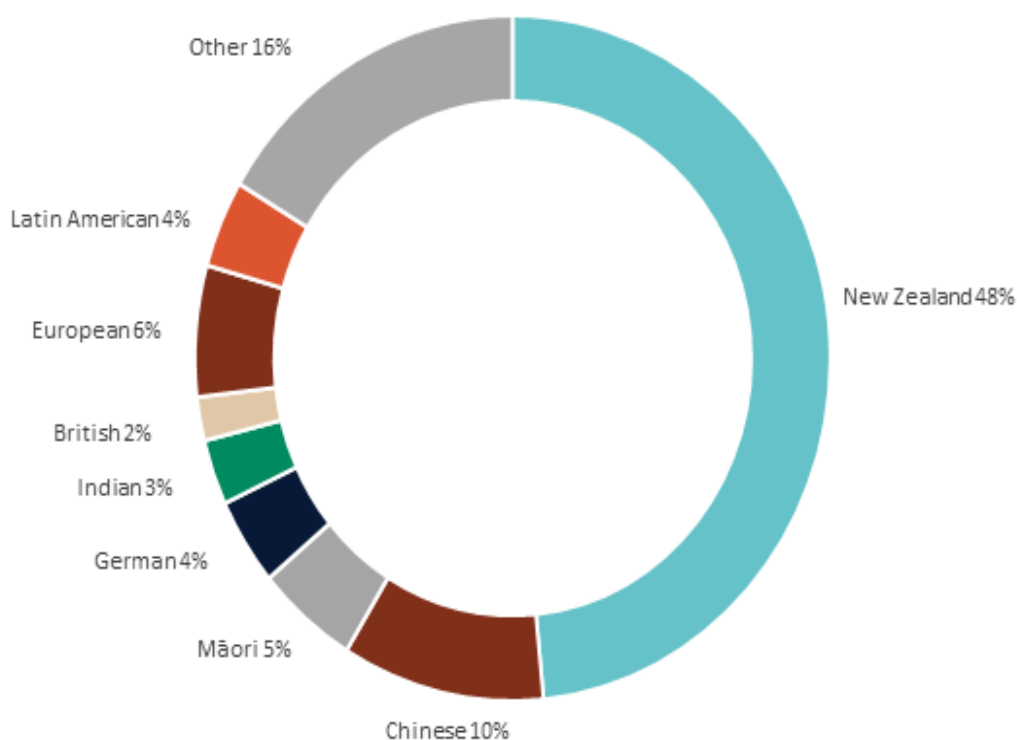
Our workforce profile at 30 June 2021

95 Full time
equivalent staff

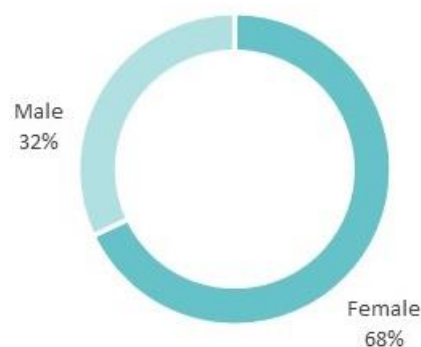
Age Profile



Ethnicity Profile (as reported by staff)



Gender Profile



Disability profile

No current ENZ staff members have reported a disability. Staff are invited to disclose any disabilities once they have been accepted for employment, so we can make any necessary adjustments to the work environment. Our offices are accessible to people with disabilities.

STATEMENT OF RESPONSIBILITY

TAUĀKĪ KAWENGA

We are responsible for the preparation of Education New Zealand's financial statements and statement of performance, and for the judgements made in them.

We are responsible for any end-of-year performance information provided by Education New Zealand under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Education New Zealand for the year ended 30 June 2021.

Signed on behalf of the Board:



Steve Maharey | Board Chair
28 February 2022



Lyn Provost | Deputy Chair
28 February 2022

STATEMENT OF PERFORMANCE

TAUĀKĪ WHAKATUTUKINGA

This Statement of Performance reports against the performance measures in ENZ's Statement of Performance Expectations 2020-2021. It covers the period from 1 July 2020.



Total appropriations

\$000	2020/21 Actual	2020/21 SPE ²⁴
Revenue – Crown	32,821	34,563
Revenue – Other	321	1,350
Total Revenue	33,142	35,913
Expenditure	33,156	35,913
Surplus	(14)	-

International education programmes

\$000	2020/21 Actual	2020/21 SPE
Revenue – Crown	32,694	30,513
Revenue – Other	321	1,350
Total Revenue	33,015	31,863
Expenditure	32,978	31,863
Surplus/Deficit	37	-

Awards for outbound New Zealand students

\$000	2020/21 Actual	2020/21 SPE
Revenue – Crown	-	3,750
Total Revenue	-	3,750
Expenditure	51	3,750
Surplus/Deficit	(51)	-

Scholarships for inbound international students

\$000	2020/21 Actual	2020/21 SPE
Revenue – Crown	127	300
Total Revenue	127	300
Expenditure	127	300
Surplus/Deficit	-	-

Appropriation funding

\$000	2020/21 Actual	2020/21 Final Budget
Vote Tertiary Education		
Non-departmental output expense		
International education programmes	32,694	35,364
Benefits and other related expenses		
Awards for outbound New Zealand students	-	-
Scholarships for inbound international students	127	300
Total baseline	32,821	35,664

See Note 21 'Explanation of major variances against budget' - for an explanation of the difference between 2020/21 Actual 'Revenue – Crown' versus 2020/21 SPE 'Revenue – Crown'.

²⁴ ENZ's Statement of Performance Expectations 2020-2021

STATEMENT OF PERFORMANCE

TAUĀKĪ WHAKATUTUKINGA

International education programmes

This appropriation is limited to delivery of services in respect of international education, including promotion, information, research and professional development, both in New Zealand and overseas, for the purpose of delivering an excellent student experience, achieving sustainable growth and developing global citizens.

What is intended to be achieved with this appropriation?

This appropriation is intended to achieve enhanced social, cultural and economic benefits to New Zealand through New Zealand international education activities.

Performance measure	Actual 2019/20	Target 2020/21	Actual 2020/21	Status 2020/21
Percentage of facilitated customers ²⁵ that agree ²⁶ ENZ's services and support have added value to their organisation. ²⁷	Not measured ²⁸	≥ 75%	75% ²⁹	✓
Percentage of Active Visits ³⁰ on ENZ's studyinnewzealand.govt.nz website.	77%	≥ 75%	78%	✓
Number of registrations to ENZ's Student Membership Programme through studyinnewzealand.govt.nz website.	93,052	80-100,000	49,435	✗
Number of registrations to NauMai NZ. ³¹	6,263	2,800	3,939	✓
Number of key messages about the benefits to New Zealand from international education delivered by third parties ³² .	52	100	133	✓
Percentage of users satisfied with the information and intelligence provided by ENZ.	Not measured ³³	≥ 87%	74% ³⁴	✗

²⁵ 'Facilitated customers' are large education providers, peak bodies and regional partners that ENZ business development managers work actively with to provide growth-focused services and targeted support.

²⁶ Measured by a survey of 42 facilitated customers. Survey ratings = Strongly agree, Agree, Neither agree nor disagree, Strongly disagree, Don't know.

²⁷ The survey results are influenced by how the survey administrator sets up the survey parameters such as number of responses per user, when and to whom the survey link is sent, and the collation of the outcome. Limitations of the survey have been identified as a) participants can complete a survey more than once and b) results may not reflect all the completed surveys. This survey was sent to 712 customers and 159 customers responding, resulting in a response rate of 22%. This measure is also reporting on the end of year performance information set out in the Vote Tertiary Education Estimates 2020/21.

²⁸ Due to the significant impact of COVID-19 on the international education sector and the cross agency work to provide communications and support to the international education sector, ENZ did not survey the sector about ENZ's work.

²⁹ This measure is also reporting on the end of year performance information set out in the Vote Tertiary Education Estimates 2020/21. The target in the Vote Tertiary Education Estimates 2020/21 was at least 85%.

³⁰ 'Active visits' are defined as those where the visitor engages with the website content e.g. clicking links, scrolling and viewing multiple pages or video. It is considered a measure of both the quality of the traffic to the website and the quality of the content on the website. A rate of 20% is considered an indicator of quality website by industry standards.

³¹ NauMai NZ is ENZ's student experience portal at <https://naumainz.studyinnewzealand.govt.nz/>.

³² Third parties include media, opinion leaders and broadcast production.

³³ Due to the significant impact of COVID-19 on the international education sector and the cross agency work to provide communications and support to the international education sector, ENZ did not survey the sector about ENZ's work.

³⁴ As a part of the 'Facilitated customers' survey, customers were asked how important is each service to you. 74% rated Intellilab a 4 (important) or 5 (very important). Based on feedback from the sector, more information about border openings and COVID messaging was sought. ENZ was unable to provide the appropriate response in this space, given its ownership by other agencies. Further in what was a very fast-moving time, ENZ was unable to provide up-to-date information about the impact of COVID on the sector. This is being worked on for next year.

Awards for outbound New Zealand students

This appropriation is limited to awards granted to provide assistance to scholars, researchers and teachers to undertake placements abroad and to participate in reciprocal education exchange arrangements with partner countries in selected areas of priority study, teaching and research.

ENZ receives funding through this appropriation to fund the Prime Minister's Scholarship for Asia and the Prime Minister's Scholarship for Latin America. The administration costs for running the scholarship programmes sit within the International Education Programmes appropriation.

What is intended to be achieved with this appropriation?

This appropriation is intended to achieve access to wider international educational opportunities for skilled New Zealanders to enhance their existing skills. ENZ cancelled both the first round and second round of the Prime Minister's Scholarships for Asia and Latin America for the 2020/21 financial year and the Prime Minister's Scholarship for Asia and Latin America revenue of \$3.750m was returned to the Crown.

Performance measure	Actual 2019/20	Target 2020/21	Actual 2020/21	Status 2020/21
Percentage of Prime Minister's Scholarship recipients who report making five or more professional/business connections during their time on scholarship. ³⁵	55%	≥ 60%	Not measured in 2020/21 ³⁶	✖
Percentage of Prime Minister's Scholarship recipients who report making five or more academic connections during their time on scholarship.	53%	≥ 60%	Not measured in 2020/21 ³⁷	✖

Scholarships for inbound international students

This appropriation is limited to scholarships available to international students wishing to study in New Zealand.

ENZ receives funding through this appropriation to fund the New Zealand International Doctoral Research Scholarships. The administration costs for running this scholarship programme sits within the International Education Programmes appropriation. Since 2018/19 no new scholarships have been awarded. New Zealand International Doctoral Research Scholarships were completed this year and unused revenue of \$0.173m was returned to the Crown.

What is intended to be achieved with this appropriation?

This appropriation is intended to achieve an increase in New Zealand's economic value from international students studying in New Zealand.

Activity indicator	Actual 2019/20	Activity standard 2020/21	Actual 2020/21
Number of new and existing New Zealand International Doctoral Research Scholarships funded.	20	10-20	10 ³⁸

³⁵ The completion of this report within one month of completing their scholarship is compulsory for all recipients.

³⁶ No Prime Minister's Scholarships for Asia and Latin America recipients undertook their study/internship overseas in 2020/21 due to the COVID-19 pandemic.

³⁷ No Prime Minister's Scholarships for Asia and Latin America recipients undertook their study/internship overseas in 2020/21 due to the COVID-19 pandemic.

³⁸ All NZIDRS scholarships were completed by 30 June 2021. No NZIDRS scholarships will be funded in the 2021/22 year.

ANNUAL FINANCIAL STATEMENTS

TAUĀKĪ PŪTEA Ā-TAU



Statement of comprehensive revenue and expense for the year ended 30 June 2021

\$000	Note	2021 Actual	2021 Budget	2020 Actual
Revenue				
Revenue from the Crown - Operating	1	32,694	30,513	31,444
Revenue from the Crown - Scholarships	1	127	4,050	2,050
Other revenue	2	245	1,250	2,451
Interest revenue		76	100	145
Total revenue		33,142	35,913	36,090
Expenditure				
Personnel costs	3	13,509	12,500	13,301
Other expenses	4	19,216	19,109	20,494
Scholarship expenses	5	178	4,050	1,625
Depreciation and amortisation expenses	9, 10	253	254	306
Total expenditure		33,156	35,913	35,726
Surplus / (Deficit)		(14)	-	364
Other comprehensive revenue / (expense)		-	-	-
Total comprehensive revenue / (expense)		(14)	-	364

The accompanying notes form an integrated part of these financial statements.

Statement of financial position as at 30 June 2021

\$000	Note	2021 Actual	2021 Budget	2020 Actual
Assets				
Current assets				
Cash and cash equivalents	6	914	648	2,128
Receivables	7	527	250	180
Investments	8	4,500	5,000	5,000
Prepayments		1,111	100	430
Total current assets		7,052	5,998	7,738
Non-current assets				
Property, plant, and equipment	9	87	204	148
Intangible assets	10	267	246	411
Total non-current assets		354	450	559
Total assets		7,406	6,448	8,297
Liabilities				
Current liabilities				
Payables	11	3,402	3,000	4,297
Employee entitlements	12	912	500	890
Provisions	13	-	500	54
Total current liabilities		4,314	4,000	5,241
Non-current liabilities				
Employee entitlements	12	184	-	191
Provisions	13	110	-	53
Total non-current liabilities		294	-	244
Total liabilities		4,608	4,000	5,485
Net assets		2,798	2,448	2,812

The accompanying notes form an integrated part of these financial statements.

Statement of changes in equity for the year ended 30 June 2021

\$000	Note	2021 Actual	2021 Budget	2020 Actual
Balance		2,812	2,448	2,448
Comprehensive revenue and expense				
Total comprehensive revenue / (expense)		(14)	-	364
Balance at 30 June		2,798	2,448	2,812

The accompanying notes form an integrated part of these financial statements.

Statement of cash flows for the year ended 30 June 2021

\$000	Note	2021 Actual	2021 Budget	2020 Actual
Cash flows from operating activities				
Receipts from the Crown - Operating		32,694	30,513	31,444
Receipts from the Crown – Scholarships		127	4,050	2,050
Receipts from other revenue		319	1,250	2,335
Payments to suppliers		(22,953)	(23,159)	(22,768)
Payments to employees		(11,493)	(12,500)	(11,223)
Goods and services tax (GST)		(444)	-	29
Net cash flow from operating activities	14	(1,750)	154	1,867
Cash flows from investing activities				
Payments for new term deposits		(2,000)	-	(2,500)
Interest received		66	100	130
Purchase of property, plant, and equipment		(48)	(90)	(87)
Receipt from sale of property, plant & equipment		18	-	-
Receipt from maturity of term deposits		2,500	-	2,300
Net cash flows from investing activities		536	10	(157)
Net cash flows from financing activities		-	-	-
Net increase/(decrease) in cash and cash equivalents		(1,214)	164	1,710
Cash and cash equivalents at the beginning of the year		2,128	484	418
Cash and cash equivalents at the end of the year		914	648	2,128

The accompanying notes form an integrated part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of accounting policies

Reporting entity

Education New Zealand (ENZ) is a Crown entity as defined by the Crown Entities Act 2004 and was established on 1 September 2011 under the Education Act 1989 (the Education Amendment Act 2011). As such ENZ's ultimate parent is the New Zealand Crown. ENZ is funded primarily by government through Vote Tertiary Education.

ENZ's primary objective is to provide services to the New Zealand public as opposed to that of making a financial return. Accordingly, ENZ has designated itself as a public benefit entity (PBE) for the purposes of New Zealand Equivalents to International Public-Sector Accounting Standards (IPSAS). ENZ is domiciled in New Zealand. ENZ's statutory functions are set out in Appendix One.

These financial statements are for the year ended 30 June 2021 and were approved by the Board on 28 February 2022.

Basis of preparation

ENZ's financial statements have been prepared on a going concern basis.

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004 and Education Act 1989 (the Education Amendment Act 2011), which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared and presented in accordance with Tier 1 PBE accounting standards. ENZ qualifies under the Tier 1 reporting framework as it is a public benefit

entity with total annual expenditure in excess of \$30 million.

The financial statements comply with PBE accounting standards.

Education New Zealand was required under section 156(3)(a) of the Crown Entities Act 2004 to complete its audited financial statements and service performance information by 31 December 2021. This timeframe was not met because Audit New Zealand was unable to complete the audit within this timeframe due to an auditor shortage and the consequential effects of Covid-19, including lockdowns.

Measurement base

The financial statements have been prepared on an historical cost basis.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), unless otherwise stated.

Standards issued and not yet effective and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to ENZ are:

Amendment to PBE IPSAS 2 Cash Flow Statement

An amendment to PBE IPSAS 2 requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-

cash changes. This amendment is effective for the year ending 30 June 2022, with early application permitted. This amendment will result in additional disclosures. ENZ does not intend to early adopt the amendment.

PBE IPSAS 41 Financial instruments

PBE IPSAS 41 replaces PBE IFRS 9 Financial Instruments and is effective for the year ending 30 June 2023, with earlier adoption permitted. ENZ has assessed that there will be little change as a result of adopting the new standard as the requirements are similar to those contained in PBE IFRS 9. ENZ does not intend to early adopt the standard.

Significant accounting policies

The following accounting policies, which significantly affect the measurement of financial performance and of financial position, have been consistently applied.

Revenue

Revenue is measured at fair value and is recognised as income when earned and is reported in the financial period to which it relates.

Revenue from the Crown

ENZ is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of ENZ meeting the objectives specified in our Statement of Intent and Statement of Performance Expectations.

Other revenue

Participants were not charged to attend events while ENZ trialled an online delivery approach. The New Zealand International Education Conference was not held in 2020 therefore no cost recoveries were received.

Interest revenue

Interest revenue is recognised using the effective interest method.

Co-funding expenditure

Co-funding arrangements are approved and administered by ENZ for a variety of sector initiatives. Subsequent payment of the co-funding amounts is dependent on the recipient meeting terms and conditions laid out in the co-funding contract between ENZ and the recipient.

At balance date each individual co-funding arrangement is assessed to determine the extent to which the conditions attached to the funding have been satisfied and therefore the amount of funds that will be granted.

Co-funding arrangements with unfulfilled conditions are recognised as a future commitment – see note 13 Provisions.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars using the spot exchange rate at the date of the transaction.

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to ENZ are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the statement of comprehensive revenue and expense.

Scholarships

ENZ approves and administers the granting of scholarships, both for New Zealand students to study abroad and for international students to study in New Zealand.

Scholarship costs are recognised as expenditure on awarding of the scholarship.

Cash and cash equivalents

Cash and cash equivalents include cash held on-call with the bank.

Receivables

Short-term receivables are recorded at the amount due, less an allowance for credit losses. ENZ applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators are that there is no reasonable expectation of recovery include the debtor being in liquidation.

Investments

Bank term deposits

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Property, plant, and equipment

Property, plant, and equipment asset classes consist of leasehold improvements and make-good, computer hardware, furniture and office equipment and a motor vehicle.

Property, plant, and equipment are shown at cost, less accumulated depreciation, and impairment losses.

Additions

The initial and any subsequent cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to ENZ and the cost of the item can be measured reliably.

Work in progress (assets under construction) is recognised at cost.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction it is recognised at its fair value as at the date of acquisition.

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive revenue and expense as incurred.

Disposals

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive revenue and expense.

Depreciation

Depreciation is provided on a straight-line basis at rates that will write down the cost (or valuation) of the assets over their useful economic lives. The useful economic lives and associated depreciation rates of major asset classes have been estimated as follows:

Furniture & office equipment	5 years or 20.0% per annum
Computer hardware	3 years or 33.3% per annum
Leasehold improvements & make-good	The lesser of either 10 years, with an annual depreciation rate of 10%, or over the remaining term of the lease of the building that has been fitted out

Intangible assets

Software development

Any costs directly attributable to developing internal software applications and digital services in order to bring them into operation are recognised as an intangible asset.

Costs associated with maintaining intangible assets are recognised as an expense when incurred.

Amortisation

Amortisation begins when the intangible asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the statement of comprehensive revenue and expense. The useful economic life and associated amortisation rate of the major class of intangible asset owned by ENZ has been estimated as follows:

Internally developed software	4 years or 25.0% per annum
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Impairment of property, plant and equipment and intangible assets

Property, plant, and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, and where the carrying values exceed the estimated recoverable amount, an asset is written down to its recoverable amount. Losses resulting from impairment are reported in the statement of comprehensive revenue and expense.

Payables

Payables are recorded at their face value.

Employee entitlements

Short term employee entitlements

Employee entitlements that ENZ expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. This includes salaries and wages accrued up to balance date and annual leave earned, but not yet taken, at balance date.

ENZ recognises a liability and an expense for a bonus where there is a likelihood it will be paid.

Long term employee entitlements

Employee entitlements which are due to be settled beyond 12 months which include provisions for post-employment benefits payable to some employees upon cessation of employment are reported at current value.

Superannuation schemes

Defined contribution schemes

Our obligations for contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and recognised in the statement of comprehensive revenue and expense.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Co-funding arrangements

See Statement of Accounting Policies: Co-funding expenditure, for further information.

Lease make-good

Where there is an indication or expectation from the lessor that a building is to be returned to its original condition at the end of the lease period, a provision for the estimated cost to make good the premise is made – see note 13 Provisions. Lease make-good provisions are recorded at cost and are recognised on a straight-line basis over the period of the lease.

Equity

Equity is comprised of accumulated funds and is measured as the difference between total assets and total liabilities.

Goods and services tax (GST)

All items in the financial statements, including appropriation statements, are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, Inland Revenue (including the GST relating to investing activities), is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

We are a public authority and consequently are exempt from income tax. Accordingly, no provision has been made for income tax.

Budget

The budget was approved by the Board and presented in ENZ's Statement of Performance Expectations 2020-2021. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements. See note 21 Explanation of major variances against budget, for further information where Actual differs to Budget.

Critical accounting judgments, estimates and assumptions

In preparing these financial statements we have made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed reasonable under the circumstances.

ENZ has exercised judgment when recognising expenditure on co-funding agreements, to determine if conditions of the arrangement have been fulfilled. Unfulfilled conditions are treated as future commitments – see note 13 Provisions.

A provision has been made for future restoration costs relating to make-good clauses on office rental leases. The calculation of this provision requires assumptions as to the extent, if any, that landlords will enforce the lease make-good clauses and estimates of the cost of restoration. These uncertainties may result in future actual expenditure differing from amounts currently provided. Provisions are periodically reviewed and updated, based on information available at the time. The carrying amounts are disclosed in note 13 Provisions.

2. Other revenue

\$000	2021 Actual	2020 Actual
Other revenue under exchange transactions		
Recoveries for events and fairs	11	743
Gain on sale of property, plant and equipment	18	-
Other revenue	31	1,150
Total other revenue under exchange transactions	60	1,893
Other revenue under non-exchange transactions	0	
Other revenue	185	558
Total other revenue under non-exchange transactions	185	558
Total other revenue	245	2,451

3. Personnel costs

\$000	2021 Actual	2020 Actual
Salaries and wages	11,286	10,974
Other personnel related costs	626	901
Contractors	1,364	935
Retirement costs	29	-
Employer contributions to KiwiSaver	255	255
Increase / (Decrease) in annual leave	(71)	163
Increase in post-employment benefits	20	73
Total personnel costs	13,509	13,301

4. Other expenses

\$000	2021 Actual	2020 Actual
Audit fees to Audit New Zealand for audit of financial statements	83	72
Board member remuneration	130	127
Advertising, events, and fairs	4,602	5,948
Research, policy, and other advice	9,801	6,204
Staff travel	225	886
Operating lease expenses	441	409
Co-funding arrangements	270	881
English language training programmes	-	865
Other operating expenses	3,664	5,102
Total other expenses	19,216	20,494

See Note 22 'Impact of COVID-19 on expenditure' – for an explanation of the difference between 2021 and 2020 Actual expenditure.

Operating lease

ENZ has lease agreements in place for Wellington until 31 July 2023, Auckland until 31 October 2022, and Christchurch has no set end date but terminable upon three months' notice.

The future aggregate minimum lease and sub-lease payments to be made under non-cancellable operating leases were as follows:

\$000	2021 Actual	2020 Actual
Not later than one year	520	349
Later than one year and not later than five years	480	850
Later than five years	-	-
Total non-cancellable operating leases	1,000	1,199

5. Scholarship expenses

\$000	2021 Actual	2020 Actual
New Zealand International Doctoral Research Scholarships	127	399
Prime Minister's Scholarships for Asia	48	844
Prime Minister's Scholarships for Latin America	3	382
Total scholarship expenses	178	1,625

New Zealand International Doctoral Research Scholarships enable international students to come to New Zealand to undertake or continue PhD study. These scholarships are funded through the Scholarships for inbound international students appropriation. The scheme was completed this year and unused crown revenue of \$0.173m was returned to the Ministry of Education.

Prime Minister's Scholarships for Asia and Latin America are granted to scholars, researchers, and teachers to undertake placements abroad and to participate in reciprocal education exchange arrangements with partner countries in selected areas of priority study, teaching and research. These scholarships are funded through the Awards for outbound New Zealand students appropriation. However, the ongoing impacts of the COVID-19 pandemic mean that no new scholarships were awarded in 2020/21 and all the crown revenue of \$3.750m was returned to the Ministry of Education.

6. Cash and cash equivalents

The on-call account earned interest at rates set by the bank. ENZ had cash and cash equivalents at 30 June 2021 of \$0.914 million (30 June 2020: \$2.128 million).

7. Receivables

\$000	2021 Actual	2020 Actual
Receivables under exchange transactions		
Interest receivable from bank	11	15
Receivables from the sale of services	39	132
Total receivables under exchange transactions	50	147
Receivables under non-exchange transactions		
Goods and services tax (GST) receivable	477	33
Total receivables under non-exchange transactions	477	33
Total receivables	527	180

The aging profile of receivables at 30 June 2020 was:

\$000	2021 Actual	2020 Actual
Not past due	508	51
Past due by 1 – 30 days	19	-
Past due by 31 – 60 days	-	129
Total	527	180

All receivables greater than 30 days in age were past due.

There were no movements in the provision for impairment of receivables in 2020/21 (2019/20: nil).

8. Investments

Our investments comprised of term deposits with maturity dates no greater than 180 days. Investments are measured at face value plus accrued interest, with no allowance for expected losses. ENZ had investments of \$4.500 million at 30 June 2021 (30 June 2020: \$5.000 million).

9. Property, plant, and equipment

Movements for each class of property, plant and equipment were as follows:

\$000	Furniture & office equipment	Computer hardware	Motor vehicles	Leasehold improvements & make-good	Total
Cost					
Balance at 1 July 2019	107	557	69	332	1,065
Additions/transfers at cost	-	87	-	-	87
Disposals	(5)	(12)	-	-	(17)
Balance at 30 June 2020	102	632	69	332	1,135
Balance at 1 July 2020	102	632	69	332	1,135
Additions/transfers at cost	-	48	-	-	48
Disposals	(39)	(385)	(69)	-	(493)
Balance at 30 June 2021	63	295	-	332	690
Accumulated depreciation					
Balance at 1 July 2019	94	417	69	281	861
Depreciation expense	6	88	-	49	143
Elimination on disposal	(5)	(12)	-	-	(17)
Balance at 30 June 2020	95	493	69	330	987
Balance at 1 July 2020	95	493	69	330	987
Depreciation expense	4	101	-	4	109
Elimination on disposal	(37)	(385)	(69)	(2)	(493)
Balance at 30 June 2021	62	209	-	332	603
Carrying amounts					
Balance at 1 July 2019	13	140	-	51	204
Balance at 1 July 2020	7	139	-	2	148
Balance at 30 June 2021	1	86	-	-	87

Capital commitments

As at 30 June 2021, ENZ had nil commitments in respect of property, plant and equipment (30 June 2020: nil).

10. Intangible assets

ENZ's intangible assets are all classified as internally developed software. At 30 June 2021 the assets in this class consisted of ENZ digital properties and the IT operating environment.

There have been no indicators that the useful economic lives of our internally developed software assets will be materially different to that estimated when they became available for use.

Movements for the internally developed software asset class were as follows:

\$000	Internally developed software	Assets under construction	Total
Cost			
Balance at 1 July 2019	847	493	1,340
Additions/transfers at cost	493	-	-
Disposals	-	(493)	-
Balance at 30 June 2020	1,340	-	1,340
Balance at 1 July 2020	1,340	-	1,340
Additions/transfers at cost	-	-	-
Disposals	(337)	-	(337)
Balance at 30 June 2021	1,003	-	1,003
Accumulated depreciation			
Balance at 1 July 2019	766	-	766
Depreciation expense	163	-	163
Elimination on disposal	-	-	-
Balance at 30 June 2020	929	-	929
Balance at 1 July 2020	929	-	929
Depreciation expense	144	-	144
Elimination on disposal	(337)	-	(337)
Balance at 30 June 2021	736	-	736
Carrying amounts			
Balance at 1 July 2019	81	493	574
Balance at 1 July 2020	411	-	411
Balance at 30 June 2021	267	-	267

Capital commitments

As at 30 June 2021, ENZ had nil commitments in respect of intangible assets (30 June 2020: nil).

11. Payables

\$000	2021 Actual	2020 Actual
Payables under exchange transactions		
Creditors	2,458	1,173
Accrued expenses	931	2,944
Total payables under exchange transactions	3,389	4,117
Payables under non-exchange transactions		
Fringe benefit tax payable	13	13
Co-funding payable	-	167
Total payables under non-exchange transactions	13	180
Total payables	3,402	4,297

12. Employee entitlements

\$000	2021 Actual	2020 Actual
Current Portion		
Accrued salaries and wages	224	143
Annual leave	688	747
Total current portion	912	890
Non-current portion		
Post-employment benefits	184	191
Total non-current portion	184	191
Total employee entitlements	1,096	1,081

Post-employment benefits are accrued for offshore employees where there is a requirement to make an end of service payment under local labour laws and regulations. During the year two staff members received post-employment benefits totalling \$27,460.

13. Provisions

\$000	2021 Actual	2020 Actual
Current portion		
Co-funding arrangements	-	54
Total current portion	-	54
Non-current portion		
Lease make-good	53	53
Deferred rent	57	-
Total non-current portion	110	53
Total provisions	110	107

Movements for each class of provision were as follows:

\$000	Co-funding arrangements	Lease make-good	Deferred rent	Total
Cost				
Balance at 1 July 2019	158	53	-	211
Additional provisions made	(1,579)	-	-	(1,579)
Amounts used	1,475	-	-	1,475
Balance at 30 June 2020	54	53	-	107
Balance at 1 July 2020	54	53	-	107
Additional provisions made	-	-	57	57
Amounts used	(54)	-	-	(54)
Balance at 30 June 2021	-	53	57	110

Co-funding commitments

As at 30 June 2021, ENZ had nil commitments (30 June 2020: \$0.150 million).

Lease make-good

ENZ is required to return any leased premise to its original state at the expiry of the lease. See note 1 Statement of Accounting Policies: Critical accounting judgments, estimates and assumptions, for further information.

Deferred rent

ENZ signed a new lease agreement for Wellington until 31 July 2023. A rent-free period was provided as an incentive which will be recognised across the duration of the new agreement.

14. Reconciliation of net deficit to net cash flow from operating activities

\$000	2021 Actual	2020 Actual
Surplus	(14)	364
Add non-cash items		
Depreciation and amortisation expense	253	306
Total non-cash items	253	306
Add / (Less) items classified as investing or financing activities		
Interest received	(66)	(130)
Gain on disposal of property, plant, and equipment	(18)	-
Total items classified as investing or financing activities	(84)	(130)
Add / (Less) movements in statement of financial position items		
(Increase) / Decrease in receivables	(380)	(133)
(Increase) / Decrease in prepayments	(681)	318
Increase / (Decrease) in payables	(418)	984
Increase / (Decrease) in provisions	3	(104)
Increase / (Decrease) in employee entitlements	15	233
(Increase) / Decrease in Goods and Services tax (GST)	(444)	29
Net movements in working capital items	(1,905)	1,327
Net cash flow from operating activities	(1,750)	1,867

15. Contingent assets and liabilities

ENZ had no contingent assets as at 30 June 2021 (30 June 2020: none).

ENZ had no contingent liabilities as at 30 June 2021 (30 June 2020: none).

16. Related party transactions

Education New Zealand is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those it is reasonable to expect that we would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (e.g. Government departments and Crown funded tertiary institutions) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Related party transactions required to be disclosed

There were no material related party transactions required to be disclosed.

Key management personnel

ENZ's key management personnel are the Board, Chief Executive, and the Senior Leadership team. The remuneration and full time equivalent of key management personnel was:

\$	2021 Actual	2020 Actual
Board members		
Remuneration	129,300	123,958
Full-time equivalent members	0.91	0.79
Leadership Team		
Remuneration	1,508,540	1,648,539
Full-time equivalent members	5.56	6.00
Total key management personnel remuneration	1,637,839	1,772,497
Total full-time equivalent personal	6.47	6.79

The full-time equivalent for Board members was determined using the number of days of commitment to ENZ per annum, as set out in each member's letter of appointment to the Board. The full-time equivalent for the Senior Leadership team, including the Chief Executive, was determined using the contracted hours, as set out in each member's employment agreement.

17. Remuneration

Board remuneration

\$000	2021 Actual	2020 Actual
S Maharey (Chair)	34	33
L Provost (Deputy Chair)	21	20
V Spackman	17	17
L Sissons	17	17
R Tuwhangai	17	17
D Wilson (from 13 December 2019)	17	9
S Vijayakumar (Future Director)	7	3
K Rolleston (to 20 February 2020)	-	11
Total remuneration	130	127

Our Future Director was appointed by the Board.

No Board members received compensation or other benefits in relation to cessation.

Employee remuneration

During the year 50 employees received remuneration and other benefits that exceeded \$100,000 per annum as follows:

Remuneration range	2021 Actual	2020 Actual
\$100,000 – 109,999	3	9
\$110,000 – 119,999	7	5
\$120,000 – 129,999	8	7
\$130,000 – 139,999	4	2
\$140,000 – 149,999	5	6
\$150,000 – 159,999	6	5
\$160,000 – 169,999	4	4
\$170,000 – 179,999	2	-
\$180,000 – 189,999	2	-
\$210,000 – 219,999	2	2
\$230,000 – 239,999	-	1
\$240,000 – 249,999	1	2
\$250,000 – 259,999	3	1
\$270,000 – 279,999	-	1
\$290,000 – 299,999	-	-
\$330,000 – 339,999	-	1
\$340,000 – 349,999	1	-
\$350,000 – 359,999	1	-
\$390,000 – 399,999	1	-
\$440,000 – 449,999	-	1
\$460,000 – 469,999	-	1
Total employees	50	48

During the year three staff members received compensation and other benefit payments in relation to cessation totalling \$120,187 (2019/20: one staff member received \$43,701).

We hold Directors and Officers Liability and Professional Indemnity insurance which provides protection to Board members and senior management for wrongful acts or professional mistakes committed whilst carrying out their duties associated with the management of the organisation.

18. Events after balance date

There were no significant events after balance date.

19. Financial instruments

ENZ, as part of its everyday operations, is party to financial instruments that have been recognised in our financial statements. These financial instruments include accounts payable and accounts receivable, cash and term deposits.

All financial instruments are recognised in the statement of financial position, and revenues and expenses in relation to all financial instruments are recognised in the statement of comprehensive revenue and expense.

A. Financial instrument categories

The carrying amounts of financial assets and liabilities were:

\$000	2021 Actual	2020 Actual
Cash, receivables, and investments		
Cash and cash equivalents	914	2,128
Receivables	527	180
Investments	4,500	5,000
Total cash, receivables, and investments	5,941	7,308
Payables		
Payables	3,402	4,297
Total payables	3,402	4,297

B. Financial instrument risks

Our activities expose us to the following financial instrument risks: market risk, credit risk and liquidity risk. We have policies and procedures to manage the risks associated with financial instruments. These policies and procedures do not allow us to enter any transactions that are speculative in nature.

Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

We limit our exposure to fair value interest rate risk by placing funds in bank term deposits with maturity dates no greater than 180 days. ENZ does not actively manage our exposure to fair value interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

ENZ maintains an on-call bank account denominated in New Zealand dollars. However, we do purchase goods and services overseas that require us to enter transactions denominated in foreign currencies. This activity exposes us to currency risk.

Credit risk

Credit risk is the risk that a third party will default on its obligations causing us to incur loss.

In the normal course of business ENZ is exposed to credit risk from cash and term deposits held with banks and receivables. For each of these the maximum credit exposure is best represented by the carrying amount in the statement of financial position. There have been no defaults in the payment of interest or return of principal on our term deposits. ENZ limits its credit risk by only placing funds in an on-call account or term deposits held with banks registered in New Zealand that have a minimum Standard and Poor's credit rating of AA-.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings.

The credit quality of ENZ's financial assets as at 30 June 2021 was:

\$000	2021 Actual	2020 Actual
Counterparties with credit ratings AA-		
Cash at bank and term deposits	5,414	7,128
Receivables	10	15
Total counterparties with credit ratings AA-	5,424	7,143
Counterparties without credit ratings		
Receivables with no defaults in the past	517	165
Total counterparties without credit ratings	517	165

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that ENZ will not have enough cash on hand to meet commitments as they fall due. ENZ manages liquidity risk by continuously monitoring cash flow requirements.

Contractual maturity analysis of financial liabilities

Our financial liabilities were payables. All our payables fell due within three months. The carrying amount of payables was equivalent to the

contractual cash flows, as ENZ expected to make all payments by the due date.

20. Capital management

Equity is comprised of accumulated funds and is measured as the difference between total assets and total liabilities.

ENZ is subject to the financial management and accountability provisions of the Crown Entities Act 2004. The Act imposes restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of

derivatives. ENZ has complied with the provisions of the Act for the year ended 30 June 2021.

21. Explanation of major variances against budget

Explanations for major variances from the budgeted figures presented in the Statement of Performance Expectations 2020-2021 are as follows:

International Education Programmes Revenue – Crown Actual was higher than Budget by \$2.181m because:

- International education strategic recovery plan funding of \$1.850m was received for the diversification of international education products and services.
- Ministry of Education contributed \$0.330m toward a hardship fund for international students, which was set up in May 2020 and managed by ENZ.

Awards for Outbound New Zealand Students Revenue – Crown Actual was nil because the ongoing impacts of the COVID-19 pandemic mean that no new scholarships were awarded in 2020/21 and all crown revenue of \$3.750m was returned to the Ministry of Education.

Scholarships for inbound international students Revenue – Crown Actual was lower than Budget because the scheme was completed this year and unused crown revenue of \$0.173m was returned to the Ministry of Education.

22. Impact of COVID-19 on expenditure

In preparing these financial statements we have made estimates and assumptions concerning the future. ENZ has not identified any material uncertainties in our financial statements due to COVID-19.

ENZ has made appropriate trade-offs and reprioritised its baseline funding. Marketing expenditure has been reduced, in favour of financial support and innovation funding for sector

peak bodies, regional investment, increased focus on social license, professional development for the sector, support for students and the provision of data and market insights for Industry and other stakeholders.

The major shifts in operating expenditure from 2019/20 to 2020/21 are outlined below.

Advertising, events, and fairs expenditure reduced by \$1.346m to \$4,602m because Covid-19 restrictions prevented any face-to-face events being held offshore, instead ENZ trialled some virtual student fairs and held two major virtual events – the Americas, Middle East and Europe Region Education Week and the New Zealand Partners Workshop Week. ENZ paused marketing campaigns focussed on student attraction and shifted to maintaining awareness and brand protection campaign activity. New brand research was conducted into understanding the impact of COVID-19 on international student perceptions of New Zealand.

Research, policy, and other advice expenditure increased by \$3,597m to \$9,801m because ENZ commenced new initiatives designed to support the sector and regions:

- Exploration began into the development of a Unified Digital Learning Platform (UDLP), ENZ moved the existing digital ecosystem beyond the current “Study in New Zealand” offering to a “Study with New Zealand” ecosystem, and ENZ launched new study options with NCUK which was supported by a global New Zealand Education Pathways campaign. New funding of \$1.850m was received from the COVID-19 response and recovery plan to undertake this expenditure.
- ENZ led activity to start building social license for international education in New Zealand.
- ENZ co-branded and subsidised the New Zealand Global Competence Certificate (NZGCC)
- Funding was provided for an online programme of events focused on student wellbeing and keeping students connected utilising NauMaiNZ to provide advice and

information on options and activities to keep international students in New Zealand engaged and connected over the summer period.

- Seed-funding of \$1.250m was provided to regional economic development agencies to deliver a range of initiatives including improving the long-term retention of students, student experience and building social license at a regional level.
- Activity that was not taken forward from 2019/20 included the one-off Future Focus Programme which provided \$1.2 million to international education sub-sectors to help them innovate their offerings and ways of working in response to the impact of the COVID-19 pandemic.

Staff travel reduced by \$0.661m to \$0.225m because very limited international travel was undertaken, and domestic travel was reduced due to alert level restrictions in New Zealand.

Co-funding arrangements reduced by \$0.611m to \$0.270m because ENZ moved to a seed-funding approach. Seed funding enables the regions to plan multi-year programmes with more certainty.

Other operating expenses reduced by \$1.438m to \$3.664m because:

- Activity that was not taken forward from 2019/20 included the New Zealand International Education Conference which was scheduled for May 2020 but cancelled. A hardship fund for international students was set up and administered in May 2020 as a one-off initiative, and agent and media familiarisations did not go ahead because of COVID-19 travel restrictions.
- ENZ shifted investment into providing financial support for sector peak bodies, and regular professional development workshops and updated online resources to help retain the capability and skills that will be needed to rebuild the sector.

INDEPENDENT AUDITOR'S REPORT

PŪRONGO KAIAROTAKE MOTUHAKE

To the readers of Education New Zealand's financial statements and performance information for the year ended 30 June 2021

Independent Auditor's Report

To the readers of Education New Zealand's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of Education New Zealand (ENZ). The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for appropriations, of ENZ on his behalf.

Opinion

We have audited:

- the financial statements of ENZ on pages 44 to 63, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of ENZ on pages 29, 30 and 40 to 43.

In our opinion:

- the financial statements of ENZ on pages 44 to 63;
 - present fairly, in all material respects:
 - its financial position as at 30 June 2021; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the performance information on pages 29,30 and 40 to 43;
 - presents fairly, in all material respects, ENZ's performance for the year ended 30 June 2021, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and

- its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriations; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed late

Our audit was completed on 28th February 2022. This is the date at which our opinion is expressed. We acknowledge that our audit was completed later than required by the Crown Entities Act 2004, section 156(3)(a). This was due to an auditor shortage in New Zealand and the consequential effects of Covid-19, including lockdowns.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of ENZ for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of ENZ for assessing ENZ's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of ENZ, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to ENZ's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ENZ's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within ENZ's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ENZ's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause ENZ to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 3 to 70 but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of ENZ in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in ENZ.



Ajay Sharma
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

APPENDIX ONE: OUR STATUTORY FUNCTIONS

ĀPITIHANGA TUATAHI: Ā MĀTOU MAHI Ā-TURE

ENZ's functions are specified in section 270 of the Education Act 1989. Our statutory functions are to:

- deliver strategies, programmes and activities for promoting, together with providers and other government agencies, New Zealand education overseas
- promote New Zealand as an educational destination for international students
- promote the provision of New Zealand education and training services overseas
- manage, in collaboration with other government agencies, activities undertaken by representatives appointed to act on behalf of the New Zealand Government in relation to international education
- carry out research on international education markets and marketing strategies
- administer any international programmes or activities that are consistent with the Government's policy on international education
- provide information, advice, and assistance to providers on strategies to promote industry coordination and professional development
- provide information to international students about living and studying in New Zealand
- work with other agencies to ensure that international students are adequately supported while living and studying in New Zealand
- foster collaborative networks with former international students.

APPENDIX TWO: GLOSSARY AND ABBREVIATIONS

ĀPITIHANGA TUARUA: KUPUTAKA ME NGĀ WHAKAPOTONGA

EDAs	Regional economic development agencies
ENZ's priority markets	ENZ's priority markets were Brazil, Chile, China, Colombia, the European Union, India, Indonesia, Japan, Republic of Korea, Malaysia, the Philippines, Saudi Arabia, Thailand, the United States of America and Viet Nam
International students	International students are non-residents of New Zealand and have expressly entered New Zealand with the intention of study or have enrolled with a New Zealand provider offshore. ENZ counts international PhD students, exchange students, NZ Aid students, foreign research postgraduate students and full fee-paying international students as international students
ITPs	Institutes of technology and polytechnics
Recovery Plan	The Strategic Recovery Plan for International Education
Pastoral Code	Education (Pastoral Care of International Students) Code of Practice 2016

APPENDIX THREE: OUR BOARD

ENZ's Board is made up of between five and seven members appointed by the Minister of Education. The Board is responsible for the governance, including setting its strategic directions and its monitoring performance. The Board regularly meets to carry out governance functions and address major challenges that may affect international education. On the Board's behalf, the Audit and Risk Committee monitors the financial and risk management of ENZ.

Board Members at 30 June 2021

Steve Maharey (Chair)



Steven Maharey is an independent director and consultant on a wide range of social and political issues. He was previously the Vice-Chancellor of Massey University and was a Member of Parliament and Senior Minister in the New

Zealand Government (1999-2008). Earlier in his career he was a Senior Lecture in Sociology and a Junior Lecturer in Business Administration at Massey University.

Lyn Provost (Deputy Chair)



Lyn Provost was Controller and Auditor-General from October 2009 until 2017, and from 2001 to 2009 she was the first female and civilian Deputy Commissioner of New Zealand Police. Lyn

ĀPITIHANGA TUATORU: TŌ MĀTOU POARI

is currently a member of the International Auditing and Assurance Board.

Lyn is also the Chair of the ENZ Board's Audit and Risk Committee.

Dr Linda Sissons



Dr Linda Sissons is a highly experienced chief executive in the tertiary education sector. Currently Chief Executive at UCOL, she was most recently Chief Executive

at the Primary Industries Training Organisation for three years from 2016-19. Earlier Chief Executive roles were at Taratahi Agricultural Training Centre (2015-16), Wellington Institute of Technology (2001-15), and Hutt Valley Polytechnic (1999-2001). Dr Sissons was made a Companion of the New Zealand Order of Merit in 2006 for services to vocational education.

Victoria Spackman



Victoria is a director and leader across many sectors including education, media, arts, creativity and technology. She is a previous CEO of Gibson Group and remains a director of that company. In 2016 she was made an Officer of

the New Zealand Order of Merit for services to theatre, film and television.

Rachael Tuwhangai

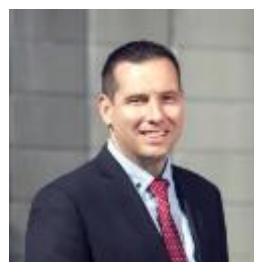


Rachael is a descendant of the Tainui Waka and of Waikato-Maniapoto. She is Co-Director of [MAPSS](#) (Māori and Pasifika Support Services) which focuses on the intersection between indigenous peoples and

improving social outcomes. She is a former academic of the University of Auckland's Faculty of Education; Education Manager of the Auckland South Corrections Facility, and a former Secondary School Teacher.

Rachael holds a number of independent directorships for government organisations and charitable trusts including The Auckland Museum, Voyce: Whakarongo mai, Variety Children's Charity, the Auckland Community Law Centre, and the Maniapoto Māori Trust Board.

Daniel Wilson



After positions at several schools in Auckland and London, Daniel Wilson was appointed to the Leadership team at Manurewa High School in 2007, firstly as Deputy,

then Associate Principal. In 2015, Daniel moved to Nelson to take up the position of Principal at Nayland College.

Daniel is also the Lead Principal and Governance Chairperson for the Top of the South Trades Academy. Daniel continues to work with various national and regional advisory groups.

Shruthi Vijayakumar



Shruthi has joined the ENZ Board for 12 months as part of the New Zealand Institute of Directors' Future Directors Programme. Shruthi currently runs her own coaching and facilitation business, is a co-founder

of Emerge Institute and teaches at Auckland University of Technology.



