



<https://www.treasury.govt.nz/information-and-services/nz-economy/covid-19-economic-response/overview-covid-19-response-and-recovery-fund-crrf>

Overview of the COVID-19 Response and Recovery Fund (CRRF)

The COVID-19 Response and Recovery Fund (CRRF) was central to managing the government's financial response to address the evolving health, social and economic issues facing New Zealand during the COVID-19 pandemic from 2020 to 2022.

This page provides an overview of the CRRF from its establishment through to when it was closed in Budget 2022. Three other pages follow which set out funding decisions made from the CRRF and in the initial response package of March 2020, expenditure in relation to these funding decisions, and what was achieved in relation to the most significant initiatives that received funding. Before reading these pages we recommend readers familiarise themselves with the key terms set out here: [**COVID-19 response and recovery: Key terms \(/node/17183\)**](#)

Related Content

[**COVID-19 response and recovery: Funding allocation \(/node/17188\)**](#)

[**COVID-19 response and recovery: Expenditure \(/node/17194\)**](#)

[**COVID-19 response and recovery: What has been achieved? \(/node/17197\)**](#)

Background

The CRRF was established in Budget 2020 as a temporary fiscal management tool to support New Zealand's response to and recovery from COVID-19. Rather than being an actual sum of money ring-fenced by the Government, it was a funding envelope for budget management purposes that provided an indication of what the Government would be willing to spend, if necessary, to mitigate the impacts of COVID-19 on the health of New Zealanders and the economy.

The CRRF was closed in Budget 2022. Some initiatives are still underway and will be managed through standard fiscal management processes as COVID-19 response and recovery measures are now integrated into standard public service delivery.

Timeline of CRRF

The CRRF began with \$50 billion and was established following the \$12.1 billion package provided to support the initial response to COVID-19. The figures below and on the rest of the associated webpages include the initial \$12.1 billion package.

The CRRF was increased on two occasions to ensure that sufficient funding was available to manage the impacts of the Delta and Omicron outbreaks. There were also two 'returns' of funding to the CRRF, representing an estimated total of funding that had been allocated but not spent. These returns increased the amount of funding remaining for allocation from the CRRF, as opposed to the 'top-ups' which increased the overall size of the CRRF.

The timeline below outlines the key movements in the size and balance of the CRRF:



Key movements in the size and balance of the COVID-19 Response and Recovery Fund

The final size of the CRRF at its closure in Budget 2022 was \$61.6 billion*, of which \$58.4 billion had been allocated. This left a balance of \$3.2 billion, which was repurposed with:

- \$1.2 billion set aside for any immediate COVID-19-related public health needs that could not wait until the next Budget cycle
- \$1.0 billion, or \$250 million per annum, to offset investments funded from the Budget 2022 operating allowance, and
- \$1.0 billion for a package of measures to support low- to middle-income New Zealanders to manage the rising

cost of living.

*This final figure reflects a reduction of \$0.4 billion in the size of the CRRF, used to offset the cost of reducing fuel excise duty and road user charges.

Details on how funding has been allocated

Information on the funding allocated through the Government's initial \$12.1 billion and \$58.4 billion allocated from the CRRF funding, at the point of the original funding decision, can be found [here \(/node/15433\)](#). It also contains information on where tagged contingencies larger than \$100m in size were allocated.

CRRF funding was allocated through two centrally run funding processes, the standard Budget process, and in response to events that occurred between these processes. Information on the funding agreed through the two centrally run funding processes (one through Budget 2020 and a July 2020 process) can be found in the related links below.

Related links

- Information on the initial Government economic response package to COVID-19, totalling \$12.1 billion, announced in March 2020, shortly after the first COVID case was confirmed in New Zealand, can be found here: [‘\\$12.1 billion support for New Zealanders and business’ \(https://www.beehive.govt.nz/release/121-billion-support-new-zealanders-and-business\)](https://www.beehive.govt.nz/release/121-billion-support-new-zealanders-and-business) (Beehive website)
- A list of announced initiatives funded from the CRRF as part of Budget 2020 in May 2020 can be found at: [Summary of Initiatives in the COVID-19 Response and Recovery Fund \(CRRF\) Foundational Package \(/node/13741\)](#)
- A list of announced initiatives funded through the July 2020 Package can be found at: [Summary of Initiatives in the COVID-19 Response and Recovery Fund \(CRRF\) July Package \(/node/14073\)](#)
- Reporting on the status of 114 initiatives funded by the COVID-19 Response and Recovery Fund, prior to the establishment of the Implementation Unit within DPMC, can be found at: [Implementation Unit Information Releases \(/node/14999\)](#).

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