



BRIEFING FOR INCOMING

# Minister of Foreign Affairs

NOVEMBER 2020



**NEW ZEALAND**  
**FOREIGN AFFAIRS & TRADE**  
Manatū Aorere

**Cover photos (*top to bottom*):**

- Nukunonu wharf, Tokelau. Credit: Taupulega o Nukunonu
- A traditional welcome to Port Vila, Vanuatu as part of the Pacific Mission 2019. Credit: MFAT
- The preferred design of the Scott Base redevelopment. Credit: Jasmax – Hugh Broughton Architects
- Visit to a farming community in Lombok as part of the Indonesia Innovative Farm Systems and Capability for Agribusiness activity. Credit: MFAT
- Cargo ships. Credit: Chris Williams
- Opening of the new embassy in Stockholm. Credit: MFAT

# Contents

How this brief is organised	1
<b>Part One – The role of the Minister of Foreign Affairs</b>	<b>3</b>
Your role	5
The Government’s priorities on foreign affairs	7
Formal portfolio responsibilities	9
Statutory and related responsibilities	12
Appointments	15
International engagement	22
Domestic engagement	26
How your Ministry supports you	28
<b>Part Two – New Zealand’s foreign policy</b>	<b>31</b>
Strategic foreign policy overview	33
New Zealand’s aid programme	42
<b>Part Three – Significant near-term policy issues</b>	<b>51</b>
Issues for immediate decision	53
Priority issues for ministerial engagement	56
Cabinet and Parliamentary business	72
<b>Part Four – The Ministry of Foreign Affairs and Trade</b>	<b>75</b>
A snapshot of the Ministry of Foreign Affairs and Trade	77
Purpose, Strategic Framework and priorities	78
Functions and footprint	84
Ministry Leaders and Heads of Mission	86
Consular services and emergency responses	89
New Zealand connections	91
Budget	93
<b>Appendices</b>	<b>96</b>
Appendix 1: Ministry statutory and related responsibilities	98
Appendix 2: NZ Inc offshore footprint	102
Appendix 3: Current deployments of New Zealand personnel	104
Appendix 4: New Zealand's International Cooperation for Effective Sustainable Development Policy Statement	107

UNCLASSIFIED

UNCLASSIFIED

## How this brief is organised

This brief is organised into four parts:

- **Part One – The role of the Minister of Foreign Affairs**

Provides a brief summary of your role and the responsibilities and processes that come with it, as well as information on how the Ministry of Foreign Affairs and Trade supports you in your role;

- **Part Two – New Zealand's foreign policy**

Provides a strategic foreign policy overview, outlines New Zealand's foreign policy priorities as currently agreed and provides an overview of the New Zealand aid programme;

- **Part Three – Significant near-term policy issues**

Provides a brief overview of issues that will require early ministerial awareness and/or your decisions; and

- **Part Four – The Ministry of Foreign Affairs and Trade**

Provides some contextual information about your Ministry.

UNCLASSIFIED

UNCLASSIFIED

## Part One

# The role of the Minister of Foreign Affairs

UNCLASSIFIED

UNCLASSIFIED

## Your role

New Zealanders' wellbeing is enhanced as a result of New Zealand's international connections. These connections raise our living standards, make us safer at home and abroad and promote international cooperation on global environmental and sustainability issues that matter to New Zealand.

As Minister of Foreign Affairs, you lead efforts to strengthen and leverage these connections in order to influence other countries in ways that are advantageous to New Zealand's interests and in order to project New Zealand's values.

You are taking up your role at a time when New Zealand faces an acutely challenging global outlook. Even before COVID-19, the international environment was becoming more turbulent, characterised by increased complexity, heightened strategic tension and new levels of disruption, disorder and risk. COVID-19 has exacerbated many of the more troubling trends in international affairs, as well as creating logistical impediments to New Zealand's international engagement.

The leadership diplomacy of the Minister of Foreign Affairs — the priorities you set and the relationship capital you accrue and spend — is crucial to New Zealand's international impact. You develop this relationship capital with other foreign ministers and, in some cases, leaders and other ministers, as well as leaders of organisations as diverse as the United Nations, the Pacific Islands Forum and the Organisation of Islamic Cooperation. Your leadership diplomacy enables you to influence decisions by governments and organisations on issues that matter for New Zealand. As Foreign Minister, you can open doors that other ministers cannot. You represent New Zealand in multilateral and regional meetings, and will often be called upon to resolve complex issues that have reached an impasse at lower levels.

The impacts of COVID-19 are creating significant challenges for the exercise of ministerial diplomacy. In the absence of international travel and face-to-face meetings, you will need to be active in telephone/video-conference diplomacy to establish relationships and to sustain New Zealand's influence. There will be challenges. Establishing and maintaining relationships in the virtual environment is much harder and New Zealand's time zone can count against us. But there will also be opportunities. You will be able to leverage New Zealand's currently increased profile from the country's response to COVID-19 and the Christchurch terror attacks in your outreach with counterparts. And because, for now, almost all meetings are virtual, you may be able to take part in more meetings than would be possible if travel were required.

You will need to ensure an integrated approach to the pursuit of all of New Zealand's international interests and so position the country for long-term advantage. You will need to balance competing interests and target effort to deliver the best outcomes for New Zealand, all the while ensuring New Zealand sustains its valuable global reputation.

Your primary roles are:

- Foreign policy delivery — leading on major international initiatives and issues and on New Zealand's international relationships;

- NZ Inc ministerial leadership — oversight and coordination of New Zealand's international strategy and policy, offshore activity and New Zealand's diplomatic representation offshore;
- Ministerial diplomacy — using your personal relationships and the status of your office to achieve outcomes for New Zealand; and
- Issue management — responding to international events that impact on New Zealand interests.

You are the responsible Minister for the Ministry of Foreign Affairs and Trade, including New Zealand's international development cooperation. Your portfolio entails particularly close collaboration with the Minister for Trade and Export Growth, the Minister of Climate Change and the Minister for Disarmament and Arms Control, all of whom the Ministry serves. Your role also encompasses the Ministry's responsibilities for international ocean and fisheries issues. Your work complements and supports achievement of outcomes in these portfolios and ensures that policies are aligned with New Zealand's broader international interests. We will look forward to discussing with you how you would like us to support the Associate Minister of Foreign Affairs.

You also support the Prime Minister's leadership diplomacy role. The Prime Minister's role is central to New Zealand's key bilateral relationships, to our regional engagement and to New Zealand's projection on the world stage. You support the Prime Minister with strategic advice on targeting her international engagement, guidance and context on individual engagements, and hosting engagements with foreign leaders. You also provide advice when referring particularly complex foreign policy issues to the Prime Minister (whom the Ministry supports in her foreign policy role).

Alongside your role in sustaining coherence across the Government's international activities, you also have a role in relation to domestic policy. It is important to ensure that New Zealand's international interests are taken into account in decision-making, including New Zealand's obligations under international law and conventions. New Zealand has particular constitutional responsibilities to the countries that make up the Realm of New Zealand (the Cook Islands, Niue and Tokelau). Our shared New Zealand citizenship and partnership requires New Zealand to take account of their vital interests when taking decisions that could impact those interests. In addition, Cabinet decided in 2018 that government decision-making on domestic policies should consider implications for the Pacific Islands region.

Depending on your Government's decisions on the structure and membership of Cabinet Committees, you will likely have a number of roles on Cabinet Committees that determine and coordinate New Zealand's policy on international issues, as well as national intelligence and the security sector.

## The Government's priorities on foreign affairs

The Ministry contributes directly to the Government's two overarching priorities:

- To drive our economic recovery from COVID-19; and
- To continue our health response to keep New Zealanders safe from the virus.

The Ministry will support implementation of these priorities through our work to help build a confident, internationally-connected nation. This will contribute to New Zealand being a principled actor on international issues; a sought-after exporter of premium goods and services; a destination for high quality investment; and a destination for high-value tourists when travel resumes.

The Ministry will take forward the Government's ambition to secure high quality trade agreements which improve access to, and diversify, the range of high value markets available to our exporters. We are negotiating safe travel zones to facilitate international travel with selected partners, when it is safe to do so. The Ministry also leads New Zealand's international engagement to secure timely access to a safe, effective COVID-19 vaccine for New Zealand.

The Government's intention to future-proof the economy as part of COVID recovery by investing in plans to combat climate change, reduce waste, and support development of green energy will support New Zealand's international influence on climate change. It will align with the Government's intention to strengthen advocacy on climate change, especially in light of the threat to the Pacific.

We note also the following areas signalled as priorities for the Government's pursuit of a principled, independent foreign policy:

- Commitment to our Pacific neighbourhood as a top priority;
- Promoting multilateral approaches to resolving issues;
- Pursuing a human rights approach to international affairs;
- Contributing to UN-sanctioned peacekeeping and humanitarian missions;
- Chairing APEC 2021 in a manner appropriate for a COVID-19 world, and that showcases the best of New Zealand;
- Making progress towards meeting New Zealand's Official Development Assistance target;
- Continuing New Zealand's long-standing advocacy for effective nuclear weapons free zones and a nuclear weapons-free world;
- A trade policy agenda that promotes strong environmental and labour standards and includes indigenous collaboration agreements; and
- Negotiating free trade agreements with the United Kingdom and the European Union, and advancing the Digital Economy Partnership Agreement and the Agreement on Climate Change, Trade and Sustainability.

The Government's focus on ensuring immigration policies work in the best interests of Pacific Island nations as well as New Zealand, including consideration of climate-related migration policies, will also inform the Ministry's Pacific engagement.

We look forward to discussing your policy objectives with you, both to ensure we understand your priorities, and to ensure the Ministry is well positioned to advance and implement them.

## Formal portfolio responsibilities

You are the “Vote Minister” for Vote Foreign Affairs, which funds the Ministry’s operations, the New Zealand Aid Programme and several Crown entities and charitable trusts.

As the “responsible Minister” under the Public Finance Act 1989, you are responsible to Parliament for the financial performance of the Ministry and for protecting the Crown’s interest in it. Similarly, under the Crown Entities Act 2004, you are responsible for the Crown’s interest in the Crown entities within the Foreign Affairs portfolio.

You approve the Ministry’s *Strategic Intentions* (the Ministry’s public articulation of its Strategic Framework). You receive the Ministry’s Annual Report for discussion with the Chief Executive on the Ministry’s performance. Your approval is required to table the report in Parliament.

You have direct responsibility under Sections 15c and 19b of the Public Finance Act for providing end-of-year performance information on the non-departmental expenses that fund the New Zealand Aid Programme (\$2.2 billion over the current three-year period). The performance reporting is normally included as an Annex in the Ministry’s Annual Report and requires your approval.

At the beginning of each three-year funding period for official development assistance, the Minister of Foreign Affairs approves the allocation of funding appropriated for development cooperation. Information on how the budget is allocated is included in Part Two on the New Zealand Aid Programme (pp. 42-50). Decisions on expenditure on individual activities above the Chief Executive’s delegation are submitted to you for your, or Cabinet’s, approval. The Ministry supports your desired level of oversight of wider development programme delivery.

You make key decisions on New Zealand’s response to offshore humanitarian and other emergencies, notably those arising from natural disasters in the Pacific. The Ministry is responsible for leading the response. Decisions, taken in coordination with relevant ministers and departments, include whether to deploy New Zealand assets and response capabilities. You also make key decisions on New Zealand’s response to domestic emergencies that affect the welfare of foreign nationals. The Ministry leads engagement with foreign nationals and the Diplomatic Corps on such emergencies within New Zealand.

## Treaty making

You have overall responsibility for the process by which New Zealand becomes party to international treaties.

A Cabinet mandate is required for any binding treaty action, which includes becoming party to an international treaty, as well as amending, withdrawing from or terminating a treaty. Only you, the Prime Minister and the Governor-General have inherent authority to sign international treaties for New Zealand. You are able to delegate signing authority to a representative (for example the Minister for Trade and Export Growth or a New Zealand Ambassador) to sign for New Zealand by way of an Instrument of Full Powers.

Under the Cabinet Manual, you are responsible for presenting international treaties to Parliament for Parliamentary Treaty Examination (PTE). PTE involves a Parliamentary Select Committee (usually the Foreign Affairs, Defence and Trade Committee) examining the final text of a treaty, along with a National Interest Analysis (NIA) prepared by the Government that assesses the impact of the treaty on New Zealand and New Zealanders. The Select Committee reports back to the House and may make recommendations to the Government. Bilateral treaties that are not “of particular significance” are not subject to PTE. You determine whether a treaty falls within this category.

All international treaties to which New Zealand is party are registered with the United Nations by the Ministry, and are presented to Parliament for the record as part of the New Zealand Treaty Series. The Ministry also maintains the physical treaty archive and New Zealand Treaties Online, a publicly available database of all New Zealand treaties.

There have been some calls for change to New Zealand’s international treaty making processes connected to Wai 262 and Trade for All. These recommendations are covered on page 69 under “Legal issues.”

## Crown entity and Crown charitable trust responsibilities

You are responsible for one Crown entity (Antarctica New Zealand) and two Crown charitable trusts (Asia New Zealand Foundation and Pacific Cooperation Foundation) and you appoint their boards.

### **Antarctica New Zealand**

As the Minister responsible for Antarctic affairs, you are the responsible Minister for Antarctica New Zealand and carry responsibilities under the Crown Entities Act 2004. The Ministry is the monitoring agency for Antarctica New Zealand. Under the New Zealand Antarctic Institute Act 1996, Antarctica New Zealand is charged with carrying out New Zealand’s activities in Antarctica to support science and environmental protection (whereas the Ministry is responsible for providing you with advice on Antarctic policy matters, including your responsibilities under the Antarctica (Environmental Protection) Act 1994). The Institute (known as Antarctica New Zealand) has a Board of Trustees, which you appoint. The Board must comprise five to seven members. Each year, you provide a Letter of Expectations to the Chair, setting out the Government’s requirements of the organisation. Antarctica New Zealand provides you, through the Ministry, with triannual monitoring reports and an annual report to update you on its performance against expectations. One of the pressing priorities for Antarctica New Zealand is the redevelopment of Scott Base, for which a budget bid is due to be submitted for Budget 2021 as agreed by Cabinet. You will be consulted on this bid shortly.

### **The Asia New Zealand Foundation**

The Asia New Zealand Foundation is New Zealand’s leading non-government authority on Asia. It is a non-partisan, non-profit organisation that builds New Zealanders’ knowledge and understanding of Asia. The Foundation has a seven-member Board of Trustees. You enter into an annual purchase agreement with the Foundation. In addition to its annual report, the Foundation supplies regular monitoring reports to you on the achievement of objectives set out in its strategic plan and purchase agreement.

### **The Pacific Cooperation Foundation**

The Pacific Cooperation Foundation (PCF) is a charitable trust with a mandate to increase cooperation and understanding among the peoples of the Pacific Islands and of New Zealand. Following a review of the Ministry's funding relationship with PCF, a board of 10 trustees was appointed in July 2020 for one year to oversee a transition period to support the Foundation to deliver a model for Pacific cooperation that supports our Pacific strategy, is culturally grounded and well positioned to advance a contemporary perspective on New Zealand's Pacific relationships. You enter into a purchase agreement with PCF each financial year. In addition to its annual report, the Foundation provides quarterly monitoring reports to you.

## Statutory and related responsibilities

As Minister of Foreign Affairs, you have responsibilities under a number of Acts, regulations and other provisions.

### Vienna Conventions on Diplomatic and Consular Relations

Diplomatic relations are governed by a long-established international legal framework under the Vienna Conventions on Diplomatic and Consular Relations. The obligations that flow from this have been given force of law in New Zealand in the Diplomatic Privileges and Immunities Act 1968, the Consular Privileges and Immunities Act 1971, and the Foreign Affairs Act 1988.

### Appointment of New Zealand Heads of Mission, Heads of Post and Honorary Consuls

Under the Foreign Affairs Act you approve appointments of Heads of Mission,<sup>1</sup> Heads of Post and Honorary Consuls prior to the Governor-General signing a formal Commission of Appointment. The Chief Executive recommends appointments to you.

### Approval of Foreign Ambassador/High Commissioner/Honorary Consul appointments

You agree to appointments of foreign Ambassadors/High Commissioners and Consuls-General, as well as Honorary Consuls, coming to New Zealand. The Governor-General provides formal confirmation.

### Diplomatic immunity

Under the Vienna Convention, diplomats (and their premises) are provided protection to enable them to act without fear of coercion or harassment by the host country. This includes immunity from police questioning, arrest or detention, and civil or criminal prosecution. **These immunities can only be waived by the “sending” country.**

There are many reasons why a waiver of immunity may be needed for **New Zealand diplomatic and consular staff offshore**, including for any interactions with the police or courts, such as cooperation on law enforcement or reporting burglaries; insurance issues, such as car accidents; or in order to sign a lease (in some countries). These are referred to as “proactive waivers”, and they are provided frequently. Since 2015 New Zealand has consistently provided these waivers whenever they are required, even if there is no explicit request for a waiver by the receiving State. On rare occasions, a waiver of immunity may be requested by the receiving State in response to allegations of unlawful actions.

The Ministry is clear with all New Zealand diplomatic and consular staff based offshore that they are expected to act in accordance with the law of the country where they are posted. Given this, New Zealand policy is to waive diplomatic immunity if a foreign government requests this, unless there is a particular reason not to do so.

---

<sup>1</sup> ‘Head of Mission’ is generic term that refers to Ambassadors, High Commissioners, Consuls-General and Permanent Representatives to the United Nations and the World Trade Organization.

The current practice is that the Minister of Foreign Affairs decides on all waivers of diplomatic immunity for New Zealand diplomats and their families posted offshore. For serious matters, this decision is sought from you directly. For routine waivers, the authority has been delegated to the Secretary of Foreign Affairs and Trade. Routine matters include waivers such as for police statements (as a witness or victim of crime, e.g., stolen property), waivers of spouse immunity for work purposes and waivers to support routine police investigations. This practice extends to staff from other New Zealand Government agencies and their families, in which case the Ministry consults with the relevant agency.

For a **foreign diplomat based in New Zealand**, New Zealand may request that the foreign government waive immunity. Such a request will normally be to allow New Zealand Police to gather evidence, or to prosecute, where a serious crime is alleged. The 2014 Whitehead inquiry into diplomatic immunity matters reaffirmed New Zealand's policy, which is to seek a waiver in virtually all cases when Police request to investigate or prosecute a serious crime. The Minister's office is routinely informed of immunity matters involving the resident diplomatic corps.

### **United Nations Sanctions Regulations**

Regulations may be made under the United Nations Act 1946 to give effect to sanctions imposed by the United Nations Security Council in respect of specified individuals, entities or activities. You have the power under these regulations to grant exemptions to the sanctions imposed.

### **Intelligence warrants**

You have a statutory role with respect to intelligence warrants issued by the Minister responsible for the Government Communications Security Bureau and the New Zealand Security Intelligence Service ("the authorising Minister").

The Intelligence and Security Act 2017 requires that the authorising Minister must consult the Minister of Foreign Affairs before a warrant is issued authorising any activity that is likely to have implications for New Zealand's foreign policy or international relations. The Act allows for authorisation without consultation of intelligence warrants deemed "urgent" and "very urgent". In such instances, however, these intelligence warrants must then be immediately revalidated through the normal authorisation process, which would require your expedited consultation.

The Ministry provides advice to you on these warrants, and there is a process through which you can provide your views on the warrant to the authorising Minister.

### **New Zealand Nuclear Free Zone, Disarmament and Arms Control Act 1987**

The Prime Minister is responsible for decisions under this Act, determining whether to allow the entry of foreign warships into the internal waters of New Zealand and the landing in New Zealand of foreign military aircraft. The Ministry's advice to the Prime Minister is submitted through you.

This Act confers on you the power to appoint members of the Public Advisory Committee on Disarmament and Arms Control ("the Committee"). The Committee's functions include advising you on disarmament and arms control matters, and advising the Prime

Minister on the implementation of the Act. The Act also designates the Minister for Disarmament and Arms Control as Chair of the Committee.

### **Tokelau Administration Regulations 1993**

Tokelau is a non-self-governing territory of New Zealand. As Minister of Foreign Affairs, you appoint the Administrator of Tokelau, who is charged with administering the executive government of Tokelau (although many of the Administrator's powers have been delegated to Tokelauan institutions). The position is currently filled by Ross Ardern, who was appointed for a term of three years commencing in May 2018.

### **Antarctica (Environmental Protection) Act 1994**

This Act implements the Protocol on Environmental Protection to the Antarctic Treaty that, among other things, requires that activities in Antarctica be subject to prior environmental impact assessment. As Minister of Foreign Affairs, you are responsible for determining — based on advice from the Ministry — whether activities of New Zealanders in Antarctica (or that have a New Zealand connection, such as voyages that proceed from New Zealand) may be carried out. You are also responsible for issuing permits for restricted activities relating to fauna and flora and protected areas in Antarctica.

### **Ross Dependency Order in Council 1923**

Since 1923 New Zealand has maintained sovereignty over the Ross Dependency. As part of New Zealand's continuous presence in the Dependency, senior Antarctica New Zealand staff are appointed from time to time as "Officers of the Government of the Ross Dependency" for legal or other purposes. The appointments are made by the Governor-General in her capacity as Governor of the Ross Dependency, on your advice.

### **Extradition and deportation cases**

The Minister of Justice is the statutory decision-maker in extradition cases and decides whether to surrender a subject to a requesting country in accordance with New Zealand's extradition laws. While you have no statutory decision-making role in individual extradition cases, you may be consulted on international human rights implications, particularly where the extradition request is refused in accordance with New Zealand law, and may be required to manage bilateral issues that can arise with the requesting country. The Ministry works closely with the Ministry of Justice in this regard.

With respect to deportation cases, while you have no statutory decision-making responsibility, you may need to consider international human rights implications and manage bilateral issues that emerge with particular cases.

## Appointments

You appoint the board members for Crown entity and Crown charitable trusts for which you are responsible. You are also responsible for the appointment of board members for a number of trust funds, foundations, and advisory panels.

This section provides details of all appointments you make as Minister of Foreign Affairs (as well as one set of appointments on which you advise the Prime Minister), including a description of the individual entities and current Board membership and tenure details.

Board positions that are **bolded** indicate appointments that are currently or shortly due for renewal or replacement.

### Appointments made by the Minister of Foreign Affairs

#### Antarctica New Zealand

As the Minister responsible for Antarctic affairs, you are the responsible Minister for Antarctica New Zealand (see Formal Portfolio Responsibilities on pp. 9-10).

Current membership:

Sir Brian Roche (Chair, until December 2022)

Rob Morrison (until December 2021)

Dr Helen Anderson (until December 2021)

Tony O'Brien (until December 2022)

Dame Therese Walsh (until December 2023)

Jenn Bestwick (until August 2023)

Dr Neil Gilbert (until August 2023)

#### Board of Trustees of the Asia New Zealand Foundation

The Asia New Zealand Foundation is a Crown charitable trust. It is New Zealand's leading non-government authority on Asia (see also Formal Portfolio Responsibilities on pp. 9-10).

Current membership:

Hon John Luxton (Chair, until September 2021)

Simon Murdoch (Vice Chair, until September 2021)

**Raf Manji (until December 2020)**

Hon Dame Fran Wilde (until March 2022)

Simon Watt (until March 2022)

Lyn Lim (until September 2022)

Danny Chan (until March 2023)

Chris Seed (Secretary of Foreign Affairs and Trade, *ex officio*)

### **Board of the Pacific Cooperation Foundation**

The Pacific Cooperation Foundation (PCF) is a Crown charitable trust. It has a mandate to increase cooperation and understanding among the people of the Pacific Islands and of New Zealand (see also Formal Portfolio Responsibilities on pp. 9-10).

Current membership:

John Fiso (until July 2021)  
 Dr Vili Fuavao (until July 2021)  
 Christine Nurminen (until July 2021)  
 Rachel Petero (until July 2021)  
 Ralph Erika (until July 2021)  
 David Vaeafe (until July 2021)  
 Dr Sitiveni (Steven) Ratuva (until July 2021)  
 Katerina Teaiwa (until July 2021)  
 Josiah Tualamali'i (until July 2021)  
 Felicity Bollen (Director – Pacific Connections, MFAT appointee) (until July 2021)

### **Commonwealth of Learning**

The Commonwealth of Learning is one of three Commonwealth intergovernmental organisations, and is focused on helping governments, institutions and organisations to expand the scale, efficiency and quality of learning by using open, distance and technology-based education approaches. It is based in Vancouver, Canada. The Board of Governors is responsible for determining the principles, policies and priorities that guide its activities. As a major donor to the Commonwealth of Learning, New Zealand is entitled to a seat on its board.

Current New Zealand Board member:

Dr Caroline Seelig (until June 2023)

### **Expo 2020 New Zealand Steering Group**

New Zealand will participate in the Expo 2020 to be held in Dubai from 1 October 2021 to 31 March 2022 (dates have changed in light of COVID-19 although the name of the event remains Expo 2020). Funding comes from Vote Foreign Affairs and is disbursed by New Zealand Trade and Expertise (NZTE) as the delivery agency. The Expo 2020 Steering Group is a key part of the Expo 2020 governance structure. The purpose of the Steering Group is to provide strategic leadership and direction, but other key functions include project management, people management and stakeholder management. It reports to you (the lead Minister), the Minister for Economic Development and the Minister for Trade and Export Growth, and is accountable to the NZTE Board.

Current membership:

NZTE Chief Executive (Chair) (Peter Chrisp)  
 MFAT Senior Leadership Team Member (Rob Taylor)  
 NZTE General Manager, International (Adam Jackson)

Expo 2020 Commissioner-General (Clayton Kimpton)

Dame Julie Christie (Private sector representative)

The Steering Group also has capacity for up to four private sector representatives. Dame Julie Christie is the only private sector representative on the Steering Group currently because the other two (Christopher Luxon and Bailey Mackey) recently resigned. **Approval for the new appointments will be sought from Cabinet at an appropriate time.**

### **Fulbright New Zealand Board**

Fulbright New Zealand was established in 1948 to administer the Fulbright education scholarship and exchange programme, and is jointly funded by the New Zealand and United States Governments (with the US Government providing a greater share of the funds). While there is provision for up to 12 members of the Board, a decision was taken in 2018 to keep Board numbers to a maximum of 10. Board members are appointed for three-year renewable terms. Half are United States citizens appointed by the US Government; half are New Zealand citizens appointed by the Minister of Foreign Affairs – a process that requires endorsement by the Cabinet Appointments and Honours Committee. The New Zealand Minister of Foreign Affairs and the United States Ambassador to New Zealand are Honorary Chairs. In practice, Honorary Chairs usually opt to be represented on the Board by *ex officio* appointees, but may choose to attend the annual awards ceremony.

Current membership:

#### *New Zealand Government appointments:*

**David Patterson** (appointment was extended until May 2020 and now needs either a further extension or a new appointment)

Anne Noble (until end June 2022)

Wendy Larner (until end February 2022)

Jocelyn Woodley (Ministry of Foreign Affairs and Trade, *ex officio*)

Emily Fabling (Ministry of Education, *ex officio*)

#### *United States Government appointments:*

Harlene Hayne (Chair)

Travis Horton

Katelyn Choe (United States Embassy, *ex officio*)

Leslie Goodman (United States Embassy, *ex officio*)

Vacant – one role

### **International Whaling Commission: New Zealand Commissioner**

The International Whaling Commission is the international organisation responsible for the conservation of whales and the management of whaling. Each Commission member country is represented by a commissioner. The position of New Zealand Commissioner involves coordinating a team of officials and experts undertaking work on whales in relation to the Commission and leading the New Zealand delegation to Commission meetings not attended by a New Zealand minister.

Current Commissioner (3 year term 1 August 2019 – 31 July 2022):

Jan Henderson (Ministry of Foreign Affairs and Trade)

### **National Group of the Permanent Court of Arbitration**

New Zealand has an obligation under the Hague Convention for the Pacific Resolution of International Disputes of 1907 to select up to four people as Arbitrators for the Permanent Court of Arbitration. In practice, the people selected by the Government are not called on to arbitrate. However, under the Statute of the International Court of Justice, they comprise the New Zealand national group responsible for nominating candidates for election to the International Court of Justice. The term of the fourth member, Justice Gerard van Bohemen, expired on 30 June 2020 and will need to be updated. We will consult you about the nomination of the fourth member of the group in due course.

Current membership (all *ex officio*):

Rt Hon Dame Helen Winkelmann GNZM (until March 2025)

Hon David Parker (until 2023)

Una Jagose QC (until 2 June 2022)

**Vacant – one role**

### **Niue International Trust Fund**

The Niue International Trust Fund was established in 2006 to provide a long term endowment capable of meeting a portion of Niue's development and budgetary needs. The total value of the Trust Fund currently stands at \$70 million. The Government of Niue is able to draw on the annual interest gains as an additional source of revenue. New Zealand is currently considering amendments to the trust deed which would enable the trustees to approve access to fund capital to support the Government of Niue's response to economic shocks. The Fund is overseen by a Board consisting of three trustees, appointed by the Governments of Niue, New Zealand and Australia, respectively. The trust deed does not dictate term limits for trustees. The trustee appointed by the Government of Niue automatically becomes the Chair of the Board. The Minister of Foreign Affairs appoints the New Zealand Trustee.

Current membership:

Dalton Talagi (Premier of Niue, Niue representative, *ex officio*)

Fleur Davies (Department of Foreign Affairs and Trade, Australia representative, *ex officio*)

Jonathan Kings (Ministry of Foreign Affairs and Trade, New Zealand representative, *ex officio*)

### **Niue Tourism Property Trust**

The Niue Tourism Property Trust was established in 2011 to benefit the Government of Niue by contributing to the long-term viability and economic development of Niue through the tourism sector by redeveloping the Matavai Resort in Niue. New Zealand development assistance funding to the Matavai Resort is managed by the Trust and operationalised by the management company Matavai Niue Limited, with the Scenic Hotel Group managing the day-to-day resort operations. In July 2020, New Zealand made a

contribution of \$1 million to the Trust to help address the negative impacts of the significant travel restrictions resulting from international COVID-19 border settings.

Current membership (no set term):

Jonathan Kings (Ministry of Foreign Affairs and Trade, *ex officio*)

Ross Ardern

Mark Blumsky

### **Pacific Development and Conservation Trust**

The Pacific Development and Conservation Trust was established by the New Zealand Government in 1989. The initial money for the Trust (\$3.2 million) was received from France in recognition of events surrounding the destruction of the *Rainbow Warrior* in 1985. The objectives of the Trust are to encourage and promote the enhancement, protection and conservation of the physical environment of the South Pacific and of its natural resources; to encourage and promote the peaceful economic, physical and social development of the Pacific and its peoples; to encourage and promote the peaceful conservation and development of the cultural heritage of the peoples of the South Pacific; and to encourage and promote peace, understanding and goodwill between the peoples of the Pacific. The Trust is administered by the Department of Internal Affairs.

Current membership:

Sai Lealea (Chair, until 23 October 2021)

Jannitta Pilisi (until 23 October 2021)

Brenda Wraight (until 23 October 2021)

Barbara Hayden (until 25 June 2023)

Ruth Sio-Lokam (until 25 June 2023)

Kim Wright (until 25 June 2023)

Patrick Holmes (until 16 August 2023)

### **Public Advisory Committee on Disarmament and Arms Control**

The Public Advisory Committee on Disarmament and Arms Control was established under the New Zealand Nuclear Free Zone, Disarmament, and Arms Control Act 1987. The Committee's main responsibilities under the Act are to advise the Minister of Foreign Affairs on disarmament and arms control issues; to advise the Prime Minister on the implementation of the Act; and to distribute grants from two government trust funds for peace education — the Peace, Disarmament and Education Trust and the Disarmament Education UN Implementation Fund.

Under the Act, the Committee is chaired by the Minister for Disarmament and Arms Control. Under the outgoing Government, the Minister of Foreign Affairs was also the Minister for Disarmament and Arms Control. The Parliamentary Under-Secretary to the Minister of Foreign Affairs, Hon Fletcher Tabuteau, was formally designated the Chair.

Current membership:

Treasa Dunworth (until 31 December 2021)

Kennedy Graham (until 31 December 2021)

Edwina Hughes (until 31 December 2021)  
Wayne Mapp (until 31 December 2021)  
Damien Rogers (until 31 December 2021)  
Guy Fiti Sinclair (until 31 December 2021)  
Ema Tagicakibau (until 31 December 2021)  
Alex Tan (until 31 December 2021)

### **Tokelau International Trust Fund**

The Tokelau International Trust Fund was established in 2000 by New Zealand and Tokelau. The total value of the Trust Fund currently stands at \$98 million. Its purpose is to contribute to the long-term financial viability of Tokelau and to improve the quality of life of the people living in the villages of Tokelau by providing the Government with an additional source of revenue. The Fund is overseen by a Board consisting of three Trustees. Appointment of the Chair of the Board is a joint decision by New Zealand and Tokelau, and confirmed by the Cabinet Appointments and Honours Committee.

Current membership:

Michael Chamberlain (Chair until 3 June 2023)  
The Ulu-o-Tokelau (titular head of Tokelau *ex officio* – the role of Ulu rotates yearly in March between the faipule (leaders) of Tokelau's three atolls)  
Katja Ackerley (Ministry of Foreign Affairs and Trade *ex officio* until 3 December 2021)

### **University of the South Pacific**

The University of the South Pacific provides higher education, including distance and flexible learning, for its 12 Pacific member countries. It has approximately 32,000 students studying at 14 campuses across the region, with the main campus situated in Fiji. New Zealand has supported the work of the University since its foundation in 1968 through the provision of recurrent and project funding. New Zealand has a representative on the University's Governing Council, as well as a representative on the University Grants Committee, which provides strategic financial advice to the University and assesses its financial performance.

Current membership:

Professor Pat Walsh, Governing Council representative (until November 2022)  
Dr Russell Ballard, Grants Committee representative (until July 2021)

## **Appointments made by the Prime Minister**

### **APEC Business Advisory Council**

The Asia-Pacific Economic Cooperation (APEC) Business Advisory Council (ABAC) is an independent, high-level group of business people who provide advice on priority issues for business in the Asia-Pacific region to the APEC Leaders' forum. There are three ABAC representatives for each APEC economy, viewed as the Head of Government's personal representatives. The three New Zealand representatives are supported by a small secretariat funded by the Ministry and run by the New Zealand International Business

Forum under contract. Recommended appointments are provided to you and referred to the Prime Minister for approval.

Current membership:

Rachel Taulelei (until December 2022). Ms Taulelei will chair ABAC during New Zealand's APEC host year in 2021.

Malcolm Johns (until December 2022)

**Vacant – one role**

## International engagement

### Adapting to the new diplomatic environment

COVID-19 has had, and continues to have, a fundamental and comprehensive impact on the way New Zealand conducts its diplomatic engagement. Without the ability to travel for face-to-face engagements, the business of diplomacy has undergone significant change. Much traditional diplomatic activity has halted completely or been severely curtailed. Many activities have transitioned to virtual platforms but with varying degrees of success. Making progress in multilateral settings is difficult, given reduced opportunities for informal discussions and other opportunities to progress outcomes.

It is getting harder for New Zealand's voice to be heard in this environment and our influence will diminish over time. The biggest risk for New Zealand's international influence is a scenario where a critical mass of countries resume physical meetings, including at foreign minister level, but New Zealand's border restrictions remain. Over time, it may prove necessary for you to travel abroad for certain international meetings, even while our strict border measures remain in place. Your Australian counterpart, Marise Payne, has recently undertaken overseas visits – one to Washington DC for Australia's formal alliance consultations with the US, and another recent visit to Tokyo (and then Singapore) for a meeting of the Quad<sup>2</sup> foreign ministers.

The Ministry has a comprehensive work programme to adapt the way we do business in a COVID-19 environment to mitigate the risks as much as we can. Until such time as normal travel resumes, we will need to champion the use of video-conferences and rely heavily on our post network to transact business. To support this change, the Ministry is investing in new technology and capabilities to deal with the current environment and for our longer-term benefit as a small distant nation.

In order to ensure New Zealand's voice is heard in the world, we need to be proactive and creative in generating opportunities to engage with partners. Ministerial leadership is critical to this effort. We recommend you undertake a comprehensive and regular programme of bilateral engagement with key partners (via telephone and video-conference) and participate (virtually) in relevant regional and multilateral events. This engagement will be challenging as establishing and maintaining relationships in the virtual environment is much harder than meeting in person and New Zealand's time zone can count against us.

### Establishing key relationships

All of our major relationships generate a mix of economic, political and social dividends for New Zealand. Our ability to build and leverage relationships with other countries and international entities is central to ensuring New Zealand's prosperity and security, with our efforts targeted toward those partners that are both important to our interests and have capacity to engage with us.

---

<sup>2</sup> The Quadrilateral Security Dialogue (QSD, also known as the Quad) is an informal strategic forum involving the United States, Japan, Australia and India.

We recommend that you make early contact with key international counterparts to underscore the importance of the relationships New Zealand relies upon to achieve our foreign policy objectives. It is vital for New Zealand to be proactive in sustaining our major relationships in the current international operating environment, including to support New Zealand's longer-term economic recovery from the COVID-19 pandemic.

We will engage directly with you on prioritising contacts for your early engagement with foreign counterparts and for the Prime Minister's early engagements with hers.

At the point when regular international travel again becomes a realistic option for ministerial engagement, the Ministry would welcome the opportunity to discuss with you potential priorities for your travel and for incoming ministerial visits.

### Proposed participation in international events for Minister of Foreign Affairs, November 2020–March 2021

The table below outlines events, in chronological order, that we recommend you attend in the period to March 2021. **At this stage, all events will be virtual.** Further information will follow on each event closer to the date.

EVENT	DATES
<b>APEC Ministerial Meeting</b> Malaysia is hosting the APEC Ministerial Meeting, which will take place ahead of the APEC Economic Leaders' meeting scheduled for 21 November. It will be run as a virtual plenary, involving a mixture of trade and foreign affairs ministers from 21 APEC economies. The Minister of Foreign Affairs and the Minister for Trade and Export Growth will both be invited to participate for the full plenary. The Minister/s will have an opportunity to signal the theme and priorities for New Zealand's APEC host year in 2021.	17 November (0100 NZT)
<b>Australia-New Zealand Foreign Ministers' Consultations</b> We traditionally hold Foreign Ministers' Consultations with Australia every six months, with the next set of such Consultations due around the time of the annual Leaders' Meeting in February/March (see Prime Minister's international engagements below). It is Australia's turn to host these consultations, with New Zealand hosting the next Leaders' meeting. Both Foreign Ministers' Consultations and the Leaders' Meeting could be held either virtually or in person, depending on progress on a trans-Tasman bubble.	February/March 2021 (TBC)

### Proposed participation in international events for Prime Minister November 2020–March 2021

To support your engagement with the Prime Minister on her international engagement, the table below outlines events, in chronological order, that we recommend she attend in the period to March 2021. **At this stage, all events will be virtual.** Further information will follow on each event closer to the date.

EVENT	DATES
<b>ASEAN–New Zealand Leaders’ Summit</b> This will consist of a virtual plenary meeting of the 10 leaders of ASEAN countries <sup>3</sup> and the New Zealand Prime Minister. This is a five-yearly meeting and an opportunity to celebrate the 45 <sup>th</sup> anniversary of ASEAN–New Zealand relations, reaffirm our commitment to our Strategic Partnership with ASEAN and shape the direction of the relationship for the next five years. It will also provide a platform to discuss COVID-19 health and economic recovery with ASEAN partners and exchange views on geostrategic issues. The Prime Minister would likely be engaged for about an hour, including the delivery of New Zealand’s statement.	14 November (1515-1615 NZT) (TBC)
<b>East Asia Summit Leaders’ Meeting</b> The East Asia Summit Leaders’ Meeting is <b>the premier Leaders-led political security forum in the Indo-Pacific</b> . It is an opportunity to engage on strategic issues facing a region which plays a central role in our security and prosperity. New Zealand has consistently attended this meeting at Prime Ministerial level. The Summit will likely focus this year on COVID-19 recovery, the impact of geostrategic competition on the Indo-Pacific, the South China Sea, and other regional issues of strategic concern. The Prime Minister would likely be engaged for up to three hours, including the delivery of New Zealand’s statement. The Trade Minister would likely also be engaged for a virtual signing ceremony for the Regional Comprehensive Economic Partnership.	15 November (0000-0200/0300 NZT) (TBC)
<b>APEC Virtual CEO Dialogues</b> This event replaces the in-person CEO Summit usually held alongside the APEC Economic Leaders’ Meeting. It comprises a series of panel conversations between business leaders, followed by keynote addresses from heads of certain APEC economies. The Prime Minister has accepted an invitation to speak on Friday 20 November from 1400 to 1445.	20 November (1400-1445 NZT)
<b>APEC Leaders’ Meeting (hosted by Malaysia)</b> The centrepiece of the annual APEC calendar, this year’s APEC Leaders’ Meeting will be a virtual plenary session involving leaders from the 21 APEC economies. The Prime Minister, as incoming APEC Chair, would likely be engaged for the full plenary and will have an opportunity to signal the theme and priorities for New Zealand’s APEC host year.	21 November (0100-0300 NZT)
<b>APEC Handover Meetings (various)</b> Around the time of this year’s APEC Leaders’ Meeting there will be various requests for the Prime Minister to have virtual bilateral meetings with key counterparts ahead of New Zealand commencing our year as APEC host. The Prime Minister will also have handover conversations with the outgoing APEC Chair (Malaysia) and Executive Director early in New Zealand’s host year.	23 November – 4 December (TBC)

<sup>3</sup> The Association of Southeast Asian Nations (ASEAN) is a regional inter-governmental organisation comprising ten countries in Southeast Asia, which promotes inter-governmental cooperation and facilitates economic, political, security, military, educational, and sociocultural integration among its members and other countries in Asia. The ten member countries are Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam.

EVENT	DATES
<b>The Pacific Forum Leaders' Meeting</b> <p>The Pacific Islands Forum is the region's pre-eminent political organisation, which brings together 18 member countries and territories to chart the regional policy agenda and raise priority political issues. Its work in coordinating the priorities of Pacific Island leaders is critical for achieving New Zealand's goals of improved prosperity and stability in the region.</p>	16 December
<b>Davos Dialogues</b> <p>These will consist of a series of high-level virtual dialogues on current global issues, in lieu of the World Economic Forum's Annual Meeting in Davos, which will be rescheduled to June 2021 (TBC). The Prime Minister, Minister of Finance, Minister for Trade and Export Growth (and possibly others) are likely to receive invitations to participate in specific dialogues, which we expect to be around 90 minutes long.</p>	Week beginning 25 January (TBC)
<b>Annual trans-Tasman Prime Ministers' Meeting</b> <p>The trans-Tasman relationship is Prime Minister-led. The annual Leaders' meeting is the opportunity for the two Prime Ministers to set the direction for trans-Tasman engagement in the year ahead. In addition to prosecuting bilateral issues, such as the Single Economic Market and the rights of New Zealanders living in Australia, the Prime Ministers also coordinate on shared international security and economic interests.</p>	TBC – early 2021

## Governor-General's travel programme

On the advice of the Minister of Foreign Affairs and at the invitation of the Prime Minister, the Governor-General may undertake a programme of international travel, representing New Zealand in the representative of the Head of State role. This travel programme is designed to align with and support New Zealand's key foreign policy objectives and to complement the international travel programme of senior Ministers.

The Ministry would normally submit to you for approval a proposed programme for the Governor-General's international travel each year. The 2020 programme was approved in October 2019 but this programme was significantly impacted due to COVID-19. Prospects for international travel in 2021 remain uncertain. The Ministry will provide advice to you in due course.

## Domestic engagement

### Engagement with Diplomatic Corps

There are 50 Heads of Mission resident in Wellington, and a further 96 Heads of Mission accredited to New Zealand from offshore – the majority of whom (56) are based in Canberra.

Wellington-based members of the Diplomatic Corps will be interested in early engagement with you and you are likely to receive requests for meetings directly. You may wish to meet some of the Diplomatic Corps individually but we recommend you host a function early in your term to meet them collectively.

**Introductory Calls:** On engagement with the Diplomatic Corps more broadly, recent ministerial practice (which you are not obliged to continue) has been to accept introductory calls with resident Heads of Mission. Further calls by resident Heads of Mission are at your discretion. Farewell calls are not customary.

**Non-Resident Corps:** Calls on you by the non-resident corps (i.e., those based in Australia or further afield) are not usually received at the time of their initial credentials visit; such requests would be recommended for substantive issues during a subsequent visit to New Zealand. Calls by the non-resident corps involve a time commitment of somewhere between 12–20 calls per year, arranged through the Ministry. The Ministry will provide you with advice and recommendations on a case-by-case basis.

**Waitangi Day:** Each year, the Ministry organises attendance by the Diplomatic Corps at Waitangi Day commemorations in Waitangi and the Minister has previously hosted a reception for the Corps. This event is typically well-attended by resident and non-resident Heads of Mission. We anticipate that only resident corps may be able to attend in 2021.

**National Day Events:** In recent years, it has been the practice that senior Ministry representatives have delivered the toast on behalf of the Government at national day celebrations for resident missions in Wellington. This approach has helped mitigate offence that can otherwise be caused if a minister is not available to attend a National Day. We recommend you continue this practice. Ministers may be invited to attend events, and are of course free to do so.

### Engagement with Board Chairs

We recommend early meetings with the board chairs of the entities for which you are the responsible Minister, namely:

- **Antarctica New Zealand** (Crown Entity)
- **Asia New Zealand Foundation** (Crown Charitable Trust)
- **Pacific Cooperation Foundation** (Crown Charitable Trust)

In addition, we recommend meeting with the **Chair of the New Zealand China Council**, Sir Don McKinnon. The China Council is an independent, cross-sector body for

the New Zealand–China relationship. The Ministry provides around half of its funding and has a core interest in its work. Former Ministry official, Rachel Maidment, is Executive Director.

## Engagement with diaspora communities in New Zealand

With the exponential growth and reach of digital communications, and New Zealand's super-diverse population, there are diminishing barriers between domestic and foreign policy. Most government decisions will now be reported offshore through diaspora community linkages and digital networks. This can influence official and government perceptions in foreign governments and bring benefits or pose problems to New Zealand's foreign relationships. It places a premium on Ministers and officials clearly and consistently communicating New Zealand positions, especially on sensitive issues, supporting broad ranging public affairs programmes and engaging regularly with diaspora communities and foreign language community media.

## How your Ministry supports you

The Ministry engages with you through the following channels, which will be adapted to suit your preferences and schedule:

- A regular meeting with the Chief Executive;
- Issues-based meetings with Deputy Secretaries and Ministry senior officials as required;
- Provision of a weekly report on current and emerging issues, briefings and Cabinet papers, and forthcoming international engagements;
- Issue-specific briefings on policy issues that require ministerial decision, direction or attention;
- Diplomatic reporting (known as Formal Messages) from the Ministry's overseas posts;
- Support from accompanying senior officials for your virtual engagements and, in due course, during international travel; and
- Regular engagement through the Ministry staff seconded to your office.

You will also receive regular intelligence briefings from the New Zealand Intelligence Community.

Given the inter-linkages among the portfolios the Ministry supports, ministerial coordination and mutual support are important to the pursuit of New Zealand's interests.

To help achieve this coordination, advice, reports and briefings the Ministry prepares for you are referred to the other ministers to whom the Ministry reports.

Three Ministry staff are currently seconded to your office:

NAME/ROLE	RESPONSIBILITIES
<b>Michael Appleton</b> Senior Foreign Policy Advisor	<ul style="list-style-type: none"> <li>• Management of Ministry team in your Office</li> <li>• Liaison with the Ministry's senior leaders, especially Chief Executive and Deputy Chief Executive</li> <li>• COVID-19 issues</li> <li>• Asia (North Asia, South/South East Asia)</li> <li>• United States</li> <li>• International security issues</li> <li>• Protocol, including appointments and immunities</li> <li>• Corporate functions (People &amp; Operations)</li> </ul>
<b>Alex Smithyman</b> Private Secretary	<ul style="list-style-type: none"> <li>• Europe</li> <li>• The Americas, except the United States</li> <li>• Asia-Pacific regional issues, including APEC2021</li> <li>• Middle East &amp; Africa</li> <li>• International legal issues</li> <li>• United Nations, Human Rights, Commonwealth issues</li> <li>• Environment, including Antarctica</li> <li>• Trade and Economic issues</li> </ul>

<b>Jess Thorn</b> Private Secretary	<ul style="list-style-type: none"> <li>• Pacific and Development, including Overseas Development Assistance (ODA)</li> <li>• Australia</li> <li>• Climate Change issues</li> <li>• Disarmament issues</li> </ul>
--	--

Ministry staff are also seconded to the office of the Minister for Trade and Export Growth. One Ministry staff member is seconded as the Prime Minister's Foreign Policy Adviser. The Ministry also supports the Minister of Climate Change and the Minister for Disarmament and Arms Control.

UNCLASSIFIED

UNCLASSIFIED

## Part Two

# New Zealand's foreign policy

UNCLASSIFIED

UNCLASSIFIED

## Strategic foreign policy overview

Your Ministry acts in the world to build a safer, more prosperous and more sustainable future for New Zealanders. We engage with other countries and non-state actors and seek to influence outcomes that align with New Zealand values and protect enduring national interests in:

- A rules-based international order that supports New Zealand's priorities;
- A security environment that keeps New Zealand people and activities safe;
- International conditions and connections that enable New Zealanders to prosper; and
- Global action on sustainability issues that matter to New Zealand.

## Our operating context

The global outlook is clouded by increased complexity, heightened strategic tension and new levels of disruption, disorder and risk. Many of the assumptions about global and regional affairs that have underpinned our foreign policy for the last 75 years are coming under real and sustained pressure. For example, we can no longer take for granted the virtue of ever-deepening globalisation; the effectiveness of multilateralism and its institutions; the appeal of liberal democracy and economic models; the interest and capacity of great powers to shoulder the burden of global leadership; or a benign Pacific neighbourhood.

Our international operating context is shifting at pace and growing more complex. The post-World War II global order is receding and no new order is yet emerging to replace it. But it is clear that the future will not look like the recent past. And whatever comes next, it is unlikely to align as closely with our interests or reflect our values as fully as that which we had before.

Four trends will most strongly shape our strategic environment over the next decade: 1) global power shifts and strategic competition; 2) a rules-based system under pressure; 3) economic development pushing up against planetary thresholds; and 4) a retreat from openness and liberal democracy.

**Global power shifts and heightened strategic competition** – in particular, the shift in the relative power of US and China – will be more acutely felt. <sup>s6(a)</sup>

Trade and advanced technology are the current frontlines of the US–China strategic competition and escalation remains a key risk to the outlook. All countries are feeling their strategic space squeezed as a result of these shifts <sup>s6(a)</sup>

**The rules-based system is under pressure** and fractures are becoming deeper as more and more states retreat behind “country first” agendas amidst sustained domestic anti-globalisation and populist nationalist sentiment. These conditions erode existing norms and create more space for some states to misuse and undermine the system to frustrate effective action or create mischief.

**Economic development is pushing up against planetary thresholds**, with the costs of unsustainable growth evident in a growing network of global environmental issues. Climate change will present deep challenges in the next decade in terms of both impacts and responses. Climate change poses risks to development, security and health, and magnifies many other risks. As the negative effects of climate change are felt more acutely, international and social tensions related to climate change will intensify and the pace of countries' economic responses to climate change likely to accelerate. Other serious environmental issues include plastic pollution, declining ocean health, deforestation and species loss. Fresh water could become a powerful strategic weapon.

**A global retreat from openness and liberal democracy** is demonstrated by a steady decline in the quality of democracies, even if the number of democratic states remains high. Challenges to the underlying tenets of democracy are coming from within as anti-establishment leaders in notionally liberal states varyingly seek to centralise power, circumvent democratic process, politicise the judiciary and undermine freedom of expression. These trends are reinforced by growing public scepticism of elites, institutions and globalisation.

The COVID-19 pandemic overlays these four trends. **COVID-19 has manifested as an acute disruptor**, adding layers of complexity to all aspects of New Zealand's operating context. COVID-19 has amplified or accelerated the identified trends in ways that exacerbate their negative impact on the global operating context. As the COVID-19 recovery unfolds, we expect the world will be less open, less prosperous, less secure and less free.

## New Zealand's foreign policy priorities

In 2019, the Ministry identified a set of six strategic foreign policy priorities for New Zealand, both in response to these trends and because of their particular significance for New Zealand's wellbeing over the next decade:

- Safeguarding New Zealand's interests in the Pacific;
- Shaping an Indo-Pacific regional order that reflects New Zealand interests;
- Maximising New Zealand's trade value and resilience;
- Investing in global rules and institutions that deliver for New Zealand;
- Tackling increasing risks to New Zealand's security; and
- Playing a credible role in global climate change action.

COVID-19 has not altered these priorities at the headline level, although there will be shifts in focus or emphasis and the Ministry is having to prioritise new areas of work, such as safe travel zones and vaccine diplomacy, whilst also managing an unprecedented consular workload. COVID-19 has also impacted on the interplay of risk and opportunity for New Zealand's international engagement, and altered the allocation of resources in pursuit of revised priorities. Our foreign policy priorities are outlined below, with a COVID-19 lens necessarily applied to most issues.

### **Safeguarding New Zealand's interests in the Pacific**

New Zealand has enduring interests in ensuring that our Pacific neighbours are safe, resilient and prosperous; and in maintaining the key characteristics of our preferred strategic environment. A more contested region with non-traditional external partners increasing their presence in the Pacific has implications for stability and governance norms.

COVID-19 has severely impacted Pacific economies, even as most countries remain COVID-free. The region's economies are heavily reliant on tourism, remittances and labour mobility opportunities. Revenue from these sources has dried up. The increase in poverty and decline in standards of living resulting from a deep and long recession will impact on the region's politics and security, and will have direct consequences for New Zealand. Against this backdrop, strategic competition in the region could accelerate. If the region responds to these challenges by taking on unsustainable commitments, Pacific countries could be exposed to a broader set of risks that affect New Zealand interests.

The region will bear increasingly severe impacts of climate change, including further sea-level rise, more frequent extreme weather events, fresh water shortages and greater pressure on food stocks. Like COVID-19, these climate change impacts will exacerbate existing social, economic and security challenges.

Building on the rapid and decisive action already taken to support Pacific countries to prepare for and respond to COVID-19, New Zealand now faces difficult development funding and policy decisions to ensure the Pacific remains protected from COVID-19, while bolstering economic resilience and contributing to climate change resilience and protecting our strategic interests. Sustaining mature and robust political relationships in the region as best we can will continue to be important for New Zealand, as will efforts with Australia and other partners to preserve the strategic balance in the region.

### **Shaping an Indo-Pacific regional order that reflects New Zealand interests**

New Zealand has a deep stake in the Indo-Pacific region's stability, greater economic integration and evolving norms and systems. To shape those norms and systems to our advantage, we need to be active bilaterally and through regional architecture over the long term. One key driver for deepening our relationship with ASEAN is to help sustain its critical role in bringing countries together and promoting rules and norms that are consistent with our preferences, including as the anchor of key regional architecture, notably the East Asia Summit (EAS).

Key organisations such as the EAS and APEC are under increasing pressure as a result of decreasing willingness by major powers to see their strategic and economic interests intermediated by others. The contest for regional influence is also giving rise to new regional formats, including the various Free and Open Indo-Pacific constructs, China's Belt and Road Initiative and a re-invigorated (US, Australia, India, Japan) Quad. New Zealand's principle-based approach to these fora is shaped by interests in an Indo-Pacific that is open, inclusive and transparent; respects sovereignty, ASEAN centrality, and freedom of navigation and overflight; and promotes adherence to international law and open markets.

While New Zealand's economic interests in the Indo-Pacific can be expected to hold up fairly well, politically there is less room for optimism. COVID-19 has exacerbated existing major power tensions, accentuated regional competition over cooperation and increased risks to the pre-eminence of the vital regional architecture.

New Zealand's chairing of APEC in 2021 (see A3 on page 65 for further information) takes on additional geostrategic importance in a COVID-19 environment, including as a platform for us to help focus the region's approach to recovery, to reinforce economic norms aligned with *our* values and *our* interests, and to lead APEC at a time when it is developing an agenda covering the next 20 years of its work. Both chairing APEC and maintaining New Zealand's voice on wider regional issues will test New Zealand's diplomacy without face-to-face meetings.

### **Maximising New Zealand's trade value and resilience**

New Zealand's prosperity is underpinned by strong international connections, which support productivity and enable our export sector to deliver sustainable returns to the country. Trade is a major driver of productivity, employment and incomes in New Zealand: productivity per New Zealand worker is 36 per cent greater for workers in exporting firms compared with non-exporting firms. Inbound foreign direct investment (FDI) is an important component of the export sector's success: given New Zealand's relatively shallow capital base, it enables firms to build the necessary scale and capability.

A number of disruptive forces are bearing down on our trade interests: increased protectionism; consumer shifts away from carbon-intensive commodities and services; increasing interest in carbon border adjustments in response to climate change; and trade tensions between the US and China. Finally, climate change imperatives will require our exporters to adapt – sooner or later – to a low-carbon global economy.

COVID-19 has increased the headwinds we were already facing as nationalism and protectionism become more pervasive and more entrenched, as global demand plummets on the back of serious economic retraction, as businesses look to shorten supply chains, and as border restrictions constrain our significant tourism and education service exports.

The trade recovery strategy the Ministry is pursuing with New Zealand Trade and Enterprise includes more direct support to export businesses from our network of offshore posts, as well as helping businesses prepare to make the transition to a low-carbon economy. The Ministry is also leading negotiation of quarantine-free travel zones with Australia, the Cook Islands and Niue to facilitate the opening up of travel when safe. Over the longer term, it will be important to New Zealand's economic resilience <sup>s6(a)</sup>

that our trade and climate change strategies are aligned.

### **Investing in global rules and institutions that deliver for New Zealand**

New Zealand's wellbeing over the last 75 years has been supported by an international system of institutions, rules, norms and frameworks, which has provided predictability, disciplined power, reflected our values and largely been consistent with our interests. But now there is declining international support for and adherence to many of the rules

and norms that benefit us, with fractures deepening in the international system, the principles on which it was built and the institutions that support and sustain it.

At the point when the world needs a coordinated global response more than ever, the international system is under serious pressure and leadership from the major powers is often selective and frequently absent. As well as complicating many multilateral processes, COVID-19 has caused nations to focus inwards and global goodwill has fallen short as nations have tended to their own. Geopolitical tensions and inherent challenges in the UN's architecture continue to pose grave challenges to international cooperation, including around equitable distribution of any vaccine. Supporting the national vaccine strategy has become a critical part of our foreign policy effort.

As the COVID-19 crisis unfolds, some process may emerge that would help the world to address the health and economic impacts of the pandemic, in a similar way to the establishment of the G20 in response to earlier economic crises. New Zealand would want to be poised and ready to contribute to or support such a process.

More broadly, multilateralism serves our national interests (e.g., trade access/enforcement under WTO rules and the Law of the Sea mandating our Exclusive Economic Zone (EEZ)), and New Zealand's reputation has been enhanced through successful multilateral action. We need to ensure in the current environment that investment of effort will have impact. We will need to make astute choices about where to invest and at what scale. The UN treaty on high seas marine biodiversity is currently the only major multilateral treaty under negotiation at the UN and is a particular priority for New Zealand. Multilateral solutions to protect states' maritime zones in the face of sea level rise is another priority that we are championing on behalf of Pacific partners.

### **Tackling increasing risks to New Zealand's security**

New Zealand's security environment is deteriorating. State sovereignty and agreed norms of state behaviour are being undermined. Growing strategic competition is having a destabilising effect, especially in the Indo-Pacific region. Antarctica is not immune. Trans-border threats directly affecting New Zealand's security include malicious cyber activities, foreign interference, malign use of emerging technology (including in outer space), transnational crime, irregular migration and terrorism. These threats stem from global challenges with increasing domestic manifestations; addressing them will require increasingly deep cooperation between external-facing and internal-facing New Zealand government agencies. Likewise, New Zealand will need to broaden and deepen security cooperation with key partners and continue defending the rules-based order through contributions to global peace, security and disarmament initiatives.

Security threats will rise further and more quickly in the COVID-19 environment as a result of increased instability, greater state weakness and more failed states; greater international refugee flows; reduced capacity in countries to address trans-border security threats; and more space for malign actors to operate given distracted governments. Further demand for security and humanitarian contributions from New Zealand can be expected.

## Playing a credible role in global climate change action

A paradigm shift in global action on climate change in the next decade is essential to avert catastrophic outcomes. We have a compelling national interest in continuing to champion faster and more far-reaching global action to reduce emissions because our wellbeing depends on the effectiveness and speed of others' decarbonisation efforts. This interest is amplified by Pacific island countries' pressing need for effective global action, their expectation of our support for such action, and the flow-on to our wider strategic interests in the Pacific.

Ambitious mitigation action at home can create opportunities to pursue a leadership role in promoting effective international climate action. We also have opportunities to partner with other like-minded countries to help increase action on climate change – for example partnering on new technology and carbon markets.

COVID-19 has seen much global climate change engagement pivot toward enhancing global ambition in the context of "green recovery" aspirations. In this context, the role of trade disciplines, investment, and civil society is assuming a new profile.

New Zealand's climate change diplomacy is focused on: advocating for COVID-19 recovery consistent with the Paris Agreement; completing negotiation of the implementation guidelines for the Paris Agreement (the "Paris rulebook"); supporting environmental integrity in international carbon markets, and developing ways for New Zealand to access those markets; and implementing the Ministry's Pacific Climate Change and Development Action plan. The outcome of the US presidential election will also have a major bearing on the effectiveness of the Paris Agreement.

## Advancing our foreign policy priorities

### The COVID-19 challenge

Even before COVID-19 hit, the period ahead was going to be challenging for New Zealand's international interests. COVID-19 has increased the challenge in both policy and practical terms, including because it continues to limit so seriously our engagement with the world. New Zealand's wellbeing depends on our international connections: through associated flows of trade, capital, skills, knowledge and ideas; and through our ability to influence decisions taken outside New Zealand that impact on us. Our connections have been drastically reduced by COVID-19 – weekly direct scheduled commercial flights to New Zealand have fallen on average over 90 per cent per week compared to the same time last year.

One of the presenting challenges for the Government therefore will be to determine **how the country can reconnect with the world in a safe and measured way**, ensuring that New Zealand is well-positioned to preserve, protect and rebuild international connections as soon as possible. A scenario where others re-open their borders but New Zealand remains closed could mean we will be absent from the international scene for longer than some others: a significant risk for New Zealand foreign, development and trade policy that will need to be mitigated.

COVID-19 has also posed **challenges for the Ministry's offshore network**. The pre-COVID business model has been to operate posts with lean staffing from Wellington, premised on the ability to move senior officials across borders to represent New Zealand at major meetings and to surge staff into posts for relief, respite or reinforcement as necessary. COVID-19 has changed all of this. The resilience of our offshore network – critical to supporting New Zealanders abroad, advancing New Zealand interests and leading our trade recovery efforts – has been sorely tested. This is particularly the case for posts with just two officers from Wellington – some 17 of our 59 offshore missions. We have temporarily closed eight posts during the COVID-19 pandemic. Three are due to reopen. We will have to continue to manage the network dynamically over the coming months – a core task with increased transactional and financial costs.

While our border remains closed, New Zealand will need to sustain our agility in virtual diplomacy and explore other ways to maintain connections and influence. Even as borders re-open, we can anticipate a less open world until a safe and effective vaccine has been widely distributed and a future where pre-COVID-19 trends are accentuated. We will find it more difficult to **maintain profile, achieve cut-through and exert influence** on the issues that matter to us in this crowded, contested, fragmented and disconnected operating environment.

### Our assets

That said, we shouldn't lose sight of the fact that, our small size notwithstanding, New Zealand has **international mana and credibility** stemming from our national values and attributes; the practical development, defence and police contributions we make to the international community; and diplomatic successes, such as the Christchurch Call (see "New Zealand interests and assets" on p. 41).

These assets, which are derived from NZ Inc in its broadest sense, will be even more valuable in the current environment. Prioritising effectively and harnessing the collective NZ Inc capability will be important. An early issue for the incoming Government will be determining on what issues it might choose to leverage the influence that comes from New Zealand's currently increased profile from the country's response to the Christchurch terror attacks and to COVID-19.

### Our relationships

A more disrupted and disordered world will also be a lonelier one for New Zealand as global affairs become more transactional and traditional friends are more preoccupied domestically and take a narrower national interest approach globally.

We will need to invest more in and require more from our bilateral relationships. The quality of our bilateral relationships with our **Pacific neighbours** has impacts across New Zealand's international interests. Moreover, domestic and foreign policy considerations are intimately connected when it comes to the Pacific. **Australia** will remain our most important relationship and indispensable partner. s6(a)

s6(a) **The US** will continue to play a vital role in our security and prosperity, s6(a)

s6(a)

The value of a core group of major relationships has been reinforced during the COVID-19 crisis.

s6(a)

We will also continue to derive benefit from leading and joining **coalitions of interest** with countries with which we share (to varying degrees) a set of common interests and values, including a commitment to multilateralism, free trade, the rule of law and liberal democratic values.

s6(a)

New Zealand's relationship with China is significant, and multi-dimensional, but also enormously asymmetrical.

## Conclusion

The period ahead will present ongoing challenges as we seek to **uphold our interests and our values**. We will need to be clear in our understanding of both, and ensure others know what we stand for to maximise our ability to pursue a consistent, principled and independent foreign policy. Even so, our scope to advance an independent foreign policy may be reduced as the conditions that enable our independence of thought and action – the respect for rules, strategic space to make choices, a wide group of friends that share our views – will likely be wound back in a more inward-facing and transactional global environment.

We will need to be pragmatic and adroit to defend what we must and shape what we can, all the while building New Zealand's resilience so that we can capitalise on the opportunities and manage the risks that a disordered world will present. **Urgency, agency and entrepreneurship** in our foreign policy will be more important than ever in these tumultuous times.

Figure 1: New Zealand's interests and assets

New Zealand's interests and assets	
<p>New Zealand's wellbeing depends on the protection and advancement of a set of enduring interests in the world. Securing these interests involves well focused and executed international action to influence other countries and organisations to our advantage, buttressed by complementary domestic policies and actions.</p> <p>New Zealand's international influence and credibility are functions of our enduring national assets and the ways in which we use these to best advantage in the world. These assets will become even more valuable as we navigate greater uncertainty this decade. Nurturing them through action at home is critical to success internationally.</p>	
New Zealand interests	New Zealand assets
<p>We have essential and enduring interests in:</p> <p><b>A rules-based international order that supports New Zealand priorities:</b></p> <ul style="list-style-type: none"> <li>○ Rules, norms and other international frameworks governing global affairs, which promote stability and predictability; and</li> <li>○ Multilateral institutions that give all countries a voice.</li> </ul> <p><b>A security environment that keeps New Zealand people and activities safe:</b></p> <ul style="list-style-type: none"> <li>○ International security and stability, particularly in the Pacific and Indo-Pacific regions;</li> <li>○ Secure borders (land and maritime);</li> <li>○ Secure domains that New Zealanders use (oceans, airspace, cyberspace); and</li> <li>○ Collective security mechanisms (e.g., the UNSC, NATO).</li> </ul> <p><b>Conditions and connections that enable New Zealanders to prosper:</b></p> <ul style="list-style-type: none"> <li>○ Open trading arrangements and access to markets underpinned by an effective multilateral trading system;</li> <li>○ Secure and open trade routes (maritime and air);</li> <li>○ Sufficient access to international carbon markets;</li> <li>○ Liberal economic norms; and</li> <li>○ Global financial stability.</li> </ul> <p><b>Global action on sustainability issues that matter to New Zealand:</b></p> <ul style="list-style-type: none"> <li>○ Progress towards sustainable development;</li> <li>○ Global collective action to address climate change; and</li> <li>○ Environmental protection of Antarctica and the Southern Ocean.</li> </ul>	<p><b>Our mana and credibility in the international arena are founded on intrinsic New Zealand features:</b></p> <ul style="list-style-type: none"> <li>○ Our strong democratic institutions and values and adherence to the rule of law;</li> <li>○ Our commitment to equality, fairness, inclusivity and accountability;</li> <li>○ Our distinctive bicultural society underpinned by Te Tiriti o Waitangi and the Crown-Māori partnership;</li> <li>○ Our Pacific orientation and Pasifika population;</li> <li>○ Our super-diverse multicultural society and tolerant communities; and</li> <li>○ Our robust and reputable domestic policy settings (open economy, ease of doing business, high transparency and absence of corruption).</li> </ul> <p><b>We earn recognition for the contributions we make to the international community including:</b></p> <ul style="list-style-type: none"> <li>○ Our effective international development and humanitarian assistance programmes;</li> <li>○ A professional and capable New Zealand Defence Force deployed to promote international and regional security;</li> <li>○ New Zealand Police, respected for its modern, community-based policing approach;</li> <li>○ High quality analysis of classified and open source intelligence; and</li> <li>○ Our thought leadership and talent (niche research and innovation strengths).</li> </ul> <p><b>We have enduring assets derived from our geography:</b></p> <ul style="list-style-type: none"> <li>○ Our maritime area (combined Exclusive Economic Zone (EEZ) and continental shelf) is one of the largest in the world;</li> <li>○ We are part of the Indo-Pacific, the fastest growing region in the world;</li> <li>○ We are embedded in the regional architectures of the Pacific and the Indo-Pacific; and</li> <li>○ The landmass of Australia stands between us and the most proximate source of a wide range of security threats.</li> </ul>

## New Zealand's aid programme

### Overview

Your Aid Programme contributes to a safe, stable, resilient and prosperous region and world in which New Zealand's national interests are protected. It delivers Official Development Assistance (ODA),<sup>4</sup> knowledge and skills to help improve sustainable development and reduce poverty in developing countries with a strong focus on the Pacific. Humanitarian action saves lives and relieves suffering in natural disasters and protracted crises. The New Zealand Aid Programme is managed by the Pacific and Development Group of the Ministry of Foreign Affairs and Trade and has a total budget of \$2.269 billion over the three year period 2018/19 to 20/21.

COVID-19 has severely impacted Pacific economies and significantly set back development gains in the Pacific and beyond. The effects will be felt for many years, and will require trade-offs and working differently across the entirety of the New Zealand Aid Programme to deliver the scale of response that will be necessary to offset the worst impacts of the pandemic on the region.

New Zealand pursues an integrated approach to international development. We focus on coherence across our diplomatic, trade and economic, climate change, environment, security and development objectives to deliver sustainable progress in developing countries and to advance New Zealand's interests and values. As such, our development contribution (both policy and financial) is an integral pillar of our foreign policy – it reflects our network of international relationships and commitments, and is an expression of our values.

The 2030 Agenda and Sustainable Development Goals (SDGs) set out a comprehensive framework, mutually agreed by all UN Member States in 2015, for the period to 2030. New Zealand's development assistance aligns with the global 2030 Agenda, and we have worked with the Pacific to develop a regional roadmap to meet the SDGs. This roadmap has approval from Pacific leaders and informs our Aid Programme priorities in the Pacific.

### Cabinet mandate

New Zealand's International Cooperation for Effective Sustainable Development Policy Statement (ICESD) was agreed by Cabinet in November 2019 (see Appendix 4). It identifies the overall purpose of our international development cooperation as being to contribute to a more peaceful world, in which all people live in dignity and safety, all countries can prosper, and our shared environment is protected.

The Government's ODA priorities are supportive of individual country needs to promote sustainable development, and can be broadly framed through the SDG pillars of: People,

---

<sup>4</sup>**ODA definition:** New Zealand is a member of the OECD Development Assistance Committee (OECD DAC) which determines at a high level what can be counted and reported internationally as Official Development Assistance (ODA). Only support which has as its primary purpose the economic development and welfare of developing countries and which is provided on concessional terms can be counted. This purpose also aligns to the Vote Foreign Affairs Appropriation scope.

Planet, Prosperity and Peace. We seek effective, inclusive, resilient, and sustained outcomes, and we work in line with development effectiveness principles.

In 2021, we intend to produce a more detailed publication that explains how we will deliver on the ICESD Policy Statement, and will engage with you on this publication in your first few months.

## Pacific focus

The Pacific is the primary geographic focus of our Aid Programme, and your Government has committed to allocate 60 per cent of our ODA to that region. Over the past three years, Cabinet has reset our approach to the Pacific region, significantly boosting both our investment and engagement. Shared principles of understanding, friendship, mutual benefit, collective ambition, and sustainability guide our integrated approach. At the centre of this approach is a deliberate shift to deeper collaboration with Pacific countries, greater coherence between New Zealand's domestic and Pacific policy, and more ambitious and partnership-driven development cooperation.

New Zealand has major bilateral aid programmes in 12 Pacific countries and provides significant support to many of the regional agencies. New Zealand has constitutional commitments to support the safety and wellbeing of the New Zealand citizens in the Realm countries (the Cook Islands, Niue and Tokelau). Our policy also leads us to focus on Pacific countries furthest from achieving the SDGs, including in Melanesia.

### Addressing climate change in the Pacific

The adverse impacts of climate change, already significant, continue to deepen in the Pacific, and threaten to reverse development outcomes. New Zealand stands with the Pacific on climate change through our development assistance, our global engagement on climate change mitigation and adaptation issues, our policy leadership and by amplifying the Pacific voice in support of ambitious global mitigation action.

As a Party to the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris (Climate) Agreement, New Zealand is obliged to progressively increase climate finance to support developing countries' climate change response. Our strong policy and programming focus on climate change and disaster risk reduction supports Pacific countries to increase their resilience to the impacts of climate change. In 2018, New Zealand committed to invest at least \$300 million in this area. This includes a \$150 million Pacific-focused programme, which is now in full implementation.

## Beyond the Pacific

Delivering development cooperation beyond the Pacific boosts New Zealand's credibility as an international actor and provides a foundation for relationships in a range of other countries where New Zealand has particular interests.

Outside the Pacific, New Zealand's ODA has a secondary geographic focus on South East Asia, particularly the region's Least Developed Countries (Cambodia, Myanmar, Lao PDR and Timor-Leste). We provide targeted support in the areas of economic and climate resilience; governance; security and fragility; and knowledge and skills, while supporting the important role of ASEAN in regional coordination.

Beyond South East Asia, smaller regional programmes in Latin America, the Caribbean and Africa have allowed New Zealand to make an impact and engage on issues of importance, such as on issues affecting Small Island Developing States and in the promotion of good governance. In the Middle East, our Cabinet-mandated programmes focus on peace and security.

Multilateral and global humanitarian organisations have reach and scale in parts of the world where New Zealand has a limited presence, but an interest in stability, prosperity and sustainability. We work with those multilateral and global partners that are most aligned with our own international personality and are assessed as most effective to support work addressing major global challenges such as conflict, irregular migration, poverty, climate change, natural disasters, food insecurity and famine, and pandemics. In most cases, these partners also have Pacific operations.

## New Zealand's development cooperation in the COVID context

The pandemic has created unprecedented humanitarian, public health and broader development needs. Moreover, COVID-19 has and will continue to exacerbate existing inequalities for vulnerable groups.

### **Our response to COVID-19 in the Pacific**

As an immediate response to the crisis, New Zealand re-directed funds from Aid Programme baselines: \$10 million for immediate health system preparedness; and \$40 million in budget support for Pacific governments to respond to the broader economic, health, and social implications of COVID-19. We have supported thousands of stranded Pacific nationals to return home safely, and we are working closely with our partners to secure early access to a vaccine for the region.

Even with significant investment, development outcomes for Pacific Island countries will probably stall or reverse in many countries, resulting in increased instability and threats to security. This new reality presents significant challenges with respect to New Zealand's interests in a stable, prosperous, and resilient region. We are, accordingly, refocusing our aid in the Pacific to:

- Help avert health and economic crises in the region, including by supporting the region to rebuild Pacific economies in a low-emission, climate-resilient way;
- Maintain our position as a trusted and reliable security and economic partner for Pacific countries;
- Support partners to continue to engage in and invest in the region, in line with our shared values and interests;
- Work with partners to ensure strategic competition does not destabilise the region; and
- Ensure our response considers the wellbeing of the most vulnerable groups in the region.

## Our global response

We are working regionally in South and South East Asia and in Latin America to support their COVID-19 responses. New Zealand is also contributing to multilateral efforts to prevent the spread of the virus and lessen its impacts in complex humanitarian contexts, including protracted crises such as Syria, Yemen and Rohingya refugees in Bangladesh.

## How COVID-19 affects the aid programme in the longer term

The impact of COVID-19 on New Zealand's development interests is significant. Our aid programme needs to respond to the challenges by making trade-offs with existing projects to help bolster countries' economic resilience, strengthen their health systems, and ensure food security.

While the New Zealand Aid Programme remains fit for purpose, responding to COVID-19 requires us to work differently. In the long term, the implications of COVID-19 (e.g., restricted travel) may lead to changes in how we operate and engage with others.

## New Zealand Aid Programme budget

The New Zealand Aid Programme is funded through two appropriations within Vote Foreign Affairs. First, the cost of *delivering* the aid itself is provided through a multi-year appropriation: International Development Cooperation. The multi-year approach increases effectiveness by enabling predictability of aid funding in out-years. The current 2018-21 (1/7/18–30/6/21) triennium appropriation is \$2.269 billion. The 2021-24 (1/7/21–30/6/24) triennium appropriation is \$2.537 billion.

Secondly, the cost of *governing and managing* the delivery of New Zealand's aid programme is met through the annual Departmental Output Expense category: "Management of New Zealand's International Development Cooperation". For 2020/21, this appropriation is \$91.755 million. The breakdown by year across the two trienniums is detailed in Table 1 below.

**Table 1: Vote Foreign Affairs: Cost of international development cooperation**

VOTE FOREIGN AFFAIRS INTERNATIONAL DEVELOPMENT COOPERATION BASELINE – ESTIMATES 2020	2018/19 \$M ACTUAL	2019/20 \$M ACTUAL	2020/21 \$M BUDGET	2021/22 \$M BUDGET	2022/23 \$M BUDGET	2023/24 \$M BUDGET
International development cooperation	707.876	736.309	824.710	818.980	857.560	860.348
Management of international development cooperation	72.347	78.321	91.755	90.402	94.672	96.230
<b>TOTAL</b>	<b>780.22</b>	<b>814.63</b>	<b>916.47</b>	<b>909.38</b>	<b>952.23</b>	<b>956.58</b>

Over the past decade, New Zealand has steadily increased its ODA:

- Budget 2018 increased New Zealand's ODA to 0.28 per cent of gross national income (GNI), after it had dropped to 0.23 per cent in 2017. This increase was a significant amount for our Programme, with an additional \$714 million over a four-year period.
- Budget 2019 provided an additional \$128 million to New Zealand's development programme over the next four years to maintain ODA at 0.28 per cent of GNI.
- Budget 2020 delivered additional funding of \$55.6 million to New Zealand's ODA, bringing our current ODA to almost 0.33 per cent of forecast GNI. A combination of factors contributed to the ODA to GNI increase from 0.28 per cent to 0.33 per cent; the increase in funding, but also a reduced forecast of New Zealand's GNI. Nonetheless our ODA/GNI ratio is at its highest since 1975. This ratio is currently projected to decline to 0.29 per cent in 2021/22.

Should the Government wish to consider increased funding levels for the next triennium in light of the increased scale of need arising from the COVID pandemic, the first opportunity to do so would be Budget 2021.

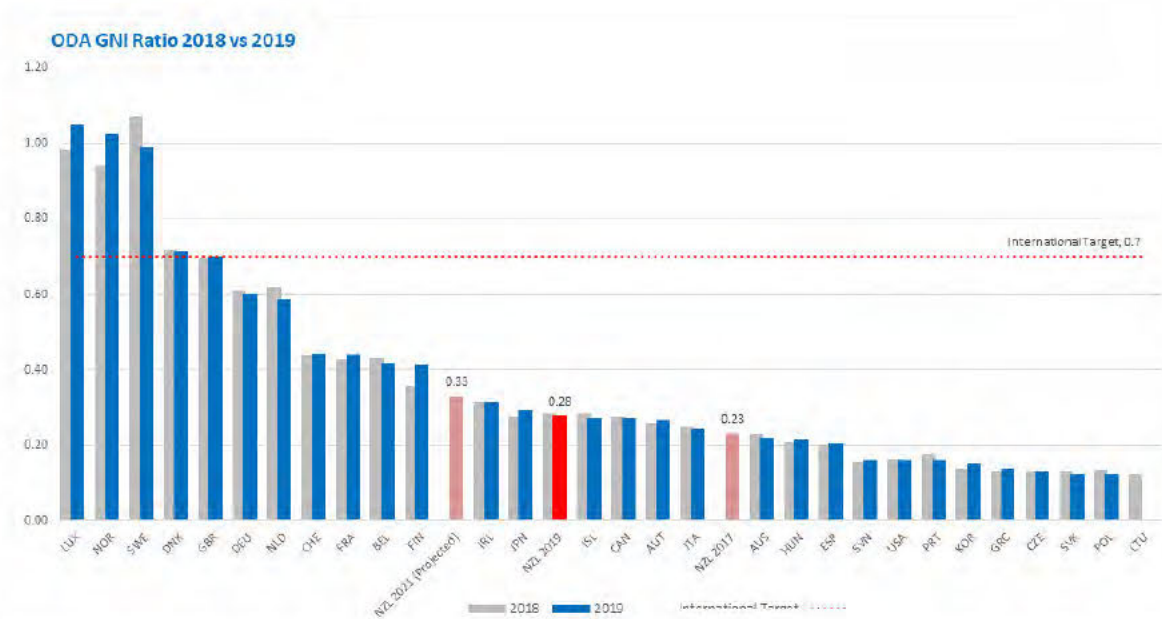
The map on page 50 shows the forecast total aid flow by country and region for the current triennium.

### Official development assistance commitments

The Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) sets directives for what may be reported as ODA and monitors and reports on the level and quality of ODA.

At 0.29 per cent, our ODA/GNI ratio is now very close to the OECD average (see Figure 2 below). The established international target of 0.7 per cent of GNI is not binding and is met by only a small number of countries.

**Figure 2: New Zealand's ODA/GNI ratio relative to other OECD DAC member countries**



## External measures of quality

The OECD DAC carries out reviews of the quality of its members' development cooperation. New Zealand was last reviewed in 2014/15. The next review has been postponed due to COVID-19, and is now tentatively scheduled for late 2021, with publication in early 2022. The reviewers will seek to interview you, and potentially other Members of Parliament.

New Zealand's **Aid in the Pacific** was the focus of a 2019/20 Inquiry by the Foreign Affairs, Trade and Defence Committee (FADTC). The Inquiry was an opportunity to showcase achievements, as well as discuss challenges. The Committee expressed trust in, and support for, the Ministry's role in delivering New Zealand's aid in the Pacific.

FADTC presented its final report to the House on 7 August 2020. The report made 15 recommendations to the Government, including to:

- Improve development partnerships in the Pacific, strengthen democratic and electoral processes in the region, and engage more deeply with local communities;
- Support and progress the Pacific's climate objectives as part of New Zealand's response to COVID-19;
- Enable the Ministry of Foreign Affairs and Trade to increase the focus on inclusive development, with an approach that is based on human rights;
- Work with the private sector to increase economic resilience and create jobs, and ensure that New Zealand businesses can tender for projects;
- Improve the transparency of the aid programme and communicate its challenges and successes with the public; and
- Step up efforts to design and deliver initiatives that are locally owned, adaptive, responsive, and based on evidence.

These recommendations have been endorsed by the Government and the Ministry has been directed to adopt the recommendations. You will need to report back to the House on the recommendations later this year.

The **transparency** of New Zealand's aid was a key theme in the Inquiry. In the past 12 months we have significantly improved the quantity, quality and timeliness of information we provide externally. In 2019, following system improvements, the Ministry began externally publishing data on individual investments more regularly and to a greater level of detail. As a result of this, we achieved a score of 75 (out of a possible 100) on the International Aid Transparency Initiative's 2020 index, more than doubling our previous score. While we are pleased with this new position, we agree with the Inquiry's finding that our work on increasing transparency is ongoing.

The Office of the Auditor-General is currently conducting a performance review of New Zealand's **implementation of the Sustainable Development Goals**. The SDGs are a universal agenda capturing all aspects of policy-making, both domestic and international, so the focus is much broader than our Aid Programme. Nevertheless, the final report, scheduled to be presented to the House in February 2021, will assess how effectively we govern, manage and monitor our support to partner countries to achieve the SDGs.

## Delivering New Zealand's development assistance

The New Zealand Aid Programme is delivered in partnership with other governments and organisations, through both programme and policy effort. We leverage a range of partnerships to address different issues, working bilaterally where possible, but also working multilaterally or with non-government organisation (NGOs), depending on the issue that is being addressed. The following outlines some of the key partnerships and types of delivery we engage in.

**Partner countries** — Partner countries are at the heart of New Zealand's approach to development and are critical to its success. The majority of our assistance is delivered to individual countries in partnership with their governments, responding to their priorities and ensuring that development is locally owned and sustained. These partnerships are reflected in government-to-government Statements of Partnership, usually signed at ministerial level.

**Regional agencies** — New Zealand is committed to Pacific regionalism and we continue to support regional institutions that are essential delivery partners for New Zealand's investment in the region. The five key regional agencies are:

- Pacific Islands Forum Secretariat (PIFS);
- The Forum Fisheries Agency (FFA);
- The Secretariat of the Pacific Regional Environment Programme (SPREP)
- The University of the South Pacific (USP); and
- The Pacific Community (formerly the Secretariat of the Pacific Community).

**Multilateral agencies** — Engagement in the governance and financing of UN organisations, the Commonwealth, and international financial institutions supports the interests of small countries and the Pacific, extends New Zealand's global development and humanitarian reach, and demonstrates New Zealand's support for the global rules-based system. We also deliver development and humanitarian assistance through the multilateral system, reflecting the value we attach to the UN and its funds and programmes. We will seek targeted opportunities for you to engage, for example at the UN General Assembly, OECD meetings for development ministers, and other ad-hoc development ministerial meetings.

**Non-Government Organisations (NGOs)** — New Zealand NGOs have a role to play in enabling us to expand and extend our reach to vulnerable and marginalised populations, including in remote and hard to reach places in the Pacific. To be eligible for partnership funding, New Zealand NGOs must meet due diligence requirements and co-invest with the Ministry.

**Scholarships and training** — in partnership with tertiary education institutions and delivery partners we offer tertiary and short-term vocational training scholarships across both our Pacific and Global allocations. The Manaaki Development Scholarship programme increases the capability of scholars and alumni and contributes to a range of development and foreign policy outcomes. In 2018, the then Minister of Foreign Affairs set a funding ceiling for scholarships of 10-12 per cent of total ODA. In light of the

changing international education context and COVID-19, we are seeking to improve the impact, cost and sustainability of our scholarships.

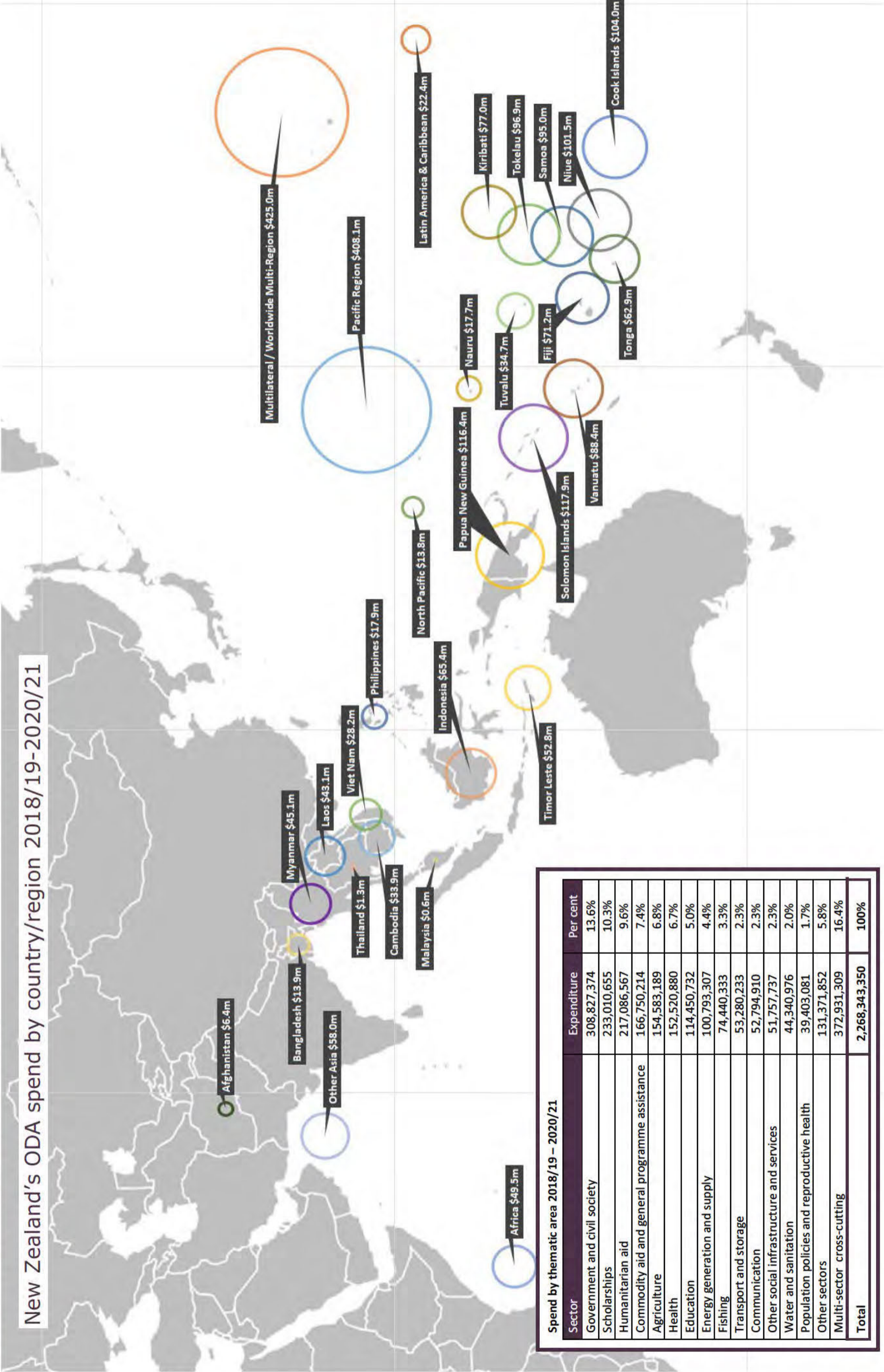
**Humanitarian action** — The Ministry is the lead agency for offshore emergency response. This responsibility includes leading and coordinating the whole of Government response to humanitarian and consular emergencies, the most significant of which follow natural disasters such as cyclones, tsunamis, earthquakes and volcanic eruptions in the Pacific and, to a lesser extent, in South East Asia. The Minister of Foreign Affairs approves all deployments of New Zealand Government personnel and assets in a response. The cyclone season in the Pacific officially runs from 1 November to 30 April.

New Zealand's Humanitarian Action Policy (2019) outlines the rationale and high-level priorities for our humanitarian action. New Zealand's first priority is the Pacific, where we have the geographic proximity, deep relationships and diplomatic footprint to deploy our widest range of humanitarian capabilities and can make the biggest difference. Cabinet guidelines dictate that we respond to a request for assistance within 24 hours in Polynesia and 48 hours for the rest of the Pacific. South East Asia is our secondary geographic priority. New Zealand provides a mix of funding and, where relevant, targeted practical support when national and regional capabilities are stretched, supported by strong bilateral and regional relationships and networks. New Zealand also plays our part in responding to the world's most significant humanitarian crises through funding to international humanitarian organisations with the ability to deliver relief in often complex, volatile and high risk settings.

**New Zealand government agencies** — Cooperation with and through New Zealand state sector agencies helps mobilise a New Zealand contribution to countries that increasingly seek our skills, technical expertise or peer engagements. At present, 38 New Zealand Government agencies are involved in Pacific development activities. Of these, 32 are being funded from ODA.



Figure 3: New Zealand's ODA spend by country and region





## Part Three

# Significant near-term foreign policy issues

UNCLASSIFIED

UNCLASSIFIED

## Issues for immediate decision

This section canvases the issues on which you are likely to need to make decisions before the end of 2020.

<p><b>Resumption of the RSE scheme with the Pacific</b></p> <p>An immediate decision is required regarding the resumption of the Recognised Seasonal Employer (RSE) scheme with the Pacific. Officials from MFAT, MBIE, MSD and MPI have referred options for a class border exception for the 2021 season to Ministers for consideration. There are significant processes that need to be developed to operationalise an exception, so a delay to the decision means there is a risk that workers will not arrive in time for the 2020 harvest. <sup>59(2)(g)(i)</sup></p> <p>More detailed advice, including recommendations, will be provided to you shortly.</p>
<p><b>Response to the Royal Commission of Inquiry into the Attack on Christchurch Mosques</b></p> <p>The Royal Commission is scheduled to deliver its report to the Governor-General on 26 November. The Governor-General is required to provide the report to the Responsible Minister (Internal Affairs) for presentation to the House of Representatives, thereby releasing it to the public "as soon as practicable after the inquiry has reported". The House of Representatives will have several sitting days in early to mid-December. Ministers and officials are unlikely to receive the report prior to it being finalised.</p> <p>In slower time, the Government will have the opportunity to provide a formal response to the Royal Commission's findings and recommendations. The Ministry is part of an interagency steering group that has been established to manage this process, and follow-up briefing will be provided to Responsible Ministers<sup>5</sup> with more detail on structure and responsibilities for the All-of-Government response. While the Minister of Foreign Affairs is not one of the Responsible Ministers, you should receive briefing material in your capacity as a member of the relevant Cabinet committee.</p>
<p><b>COVID-19 vaccines</b></p> <p>The Prime Minister, the Minister of Finance, the Minister of Research, Science and Innovation, and the Minister of Health (Joint Ministers) may be asked to approve entry into contracts to secure advance access to COVID-19 vaccines.</p>
<p><b>US presidential election</b></p> <p>The US presidential election will have implications for New Zealand, regardless of the outcome. Whether the next administration is Republican or Democrat, strengthening our bilateral trade and economic relationship will remain a priority. Officials will provide detailed advice with options for New Zealand's engagement with the next administration following the US presidential election on 3 November (4 November New Zealand time). The inauguration of the next administration will take place on 20 January 2021.</p>

<sup>5</sup> The Minister for National Security and Intelligence, Minister of Police, Minister Responsible for the New Zealand Security Intelligence Service (NZSIS) and the Government Communications Security Bureau (GCSB), Minister of Customs, Minister of Immigration, Minister of Internal Affairs and the Minister of Ethnic Communities are the lead Ministers for response to the Royal Commission.

**APEC issues (see also APEC A3 at p. 65)****APEC 2020 engagement**

Malaysia has adapted its APEC hosting year to respond to the physical challenges posed by COVID-19, delivering a pared-down series of meetings and events via virtual platforms. For the remainder of the year, we are hoping to see APEC focus, under Malaysia's stewardship, on continued support for economic recovery and maintaining open trade in the wake of COVID-19. A further priority is to agree a refreshed guiding mandate (the 'Post-2020 Vision') for APEC's work for the next 20 years, due to the expiry of the Bogor Goals of achieving free and open trade and investment in the region by 2020. Malaysia intends to host a virtual APEC Leaders' Week from 16 to 21 November. This event will include the meeting of Foreign and Trade Ministers at 0100hrs on Tuesday 17 November (NZT) as well as the Leaders' meeting at 0100hrs on Saturday 21 November (NZT), which the Prime Minister will attend. These meetings provide an early opportunity to engage bilaterally with a number of important counterparts and to socialise the intentions and themes of our host year, which will officially commence from the second-week of December.

**Appointment to the APEC Business Advisory Council**

There is currently a vacancy for one of three New Zealand members of the APEC Business Advisory Council. As New Zealand is chairing APEC 2021, it is desirable that an appointment be made as soon as possible. We will shortly provide you and the Minister for Trade and Economic Growth with a paper on the appointment for forwarding to the Prime Minister. The appointment will require Cabinet approval (see p. 20).

**Iran – non-proliferation issues**

Efforts to address nuclear proliferation concerns in Iran remain precarious. The International Atomic Energy Agency (IAEA), which is responsible for monitoring and verifying Iran's compliance with its nuclear safeguards obligations and the Joint Comprehensive Plan of Action (JCPOA), has finally been given access by Iran to nuclear sites of concern. At the same time, however, Iran is continuing its non-performance of key commitments under the JCPOA. Although the US recently sought to trigger the re-imposition of pre-JCPOA sanctions on Iran (including the conventional arms embargo), the overwhelming majority of the UN Security Council and other States do not agree that the sanctions are back in place. The US has initiated its own unilateral sanctions on weapons sales to Iran, as well as a broader range of sanctions related to Iran's nuclear weapons, and continues to put pressure on other States and the UN Secretariat to implement the full suite of pre-JCPOA sanctions against Iran. Although it is unclear what the implications of the US unilateral re-imposition of sanctions might be, the US approach to the Iranian nuclear issue will be impacted by the US election, with a Biden Administration calling for a return to mutual compliance with the JCPOA. New Zealand's voice on issues pertaining to Iran's nuclear programme will be amplified through our recent appointment to the IAEA Board of Governors, which will next meet 16-20 November in Vienna. The Board is mandated to consider and – if necessary – take action on the IAEA Director-General's reports on the status of nuclear safeguards in Iran.

**Overseas Investment Act Emergency Powers**

In June 2020 the Parliament passed the Overseas Investment (Urgent Measures) Amendment Act to respond to risks to New Zealand arising from the COVID-19 pandemic and its economic aftermath. The Act introduced a temporary emergency notification regime that requires investors to notify the Government of all foreign investment transactions that would result in more than 25 per cent foreign ownership of New Zealand firms. If transactions are assessed as contrary to the national interest they can be made subject to conditions or prohibited. These new emergency powers are required to be reviewed every 90 days to determine whether they continue to be justified. The Ministry has worked closely with Treasury (the lead policy agency) on Overseas Investment Act reform and decision making, providing advice on consistency of decisions with WTO and FTA investment obligations and impacts on international relations.

The Minister of Foreign Affairs is one of three Ministers (along with the Minister of Finance and the Associate Minister of Finance) with delegated authority to make decisions as to whether or not to maintain the emergency notification regime as a part of the 90 day review(s). We will provide advice to you before the next review.

### Working Holiday Schemes

New Zealand has 45 reciprocal Working Holiday Schemes based with countries and territories that allow young people to work, travel, and study abroad. The WHSs are established through a mix of legally binding treaties and government-to-government arrangements. These schemes have been impacted by our COVID-19 border restrictions and you will want to discuss the schemes with the Minister of Immigration ahead of any decisions. We will provide early advice to you on managing these issues.

### Responding to the severe economic impacts of COVID-19 in the Pacific

The Pacific region's economies are being severely impacted by COVID-19 and its effects on international travel and trade in particular. The region's overall GDP is expected to reduce by around 6 per cent in 2020, and in some countries the magnitude of annual GDP loss will likely be 20 per cent or more, for example in Fiji and the Cook Islands. A full economic recovery will only be possible once borders reopen and international travel resumes fully. In the meantime, Pacific governments will face unprecedented challenges in managing their national finances. New Zealand and other key partners will need to shift aid resources to respond to these growing concerns. A handful of Pacific countries are likely to require rapid 'crisis financing' support over the remainder of this financial year, and possibly beyond, to ensure that core functions of the state remain viable and to maintain critical social protection spending. Country-specific funding decisions will be submitted to you for your approval.

### Scott Base Redevelopment Project: Budget bid

A safe continuous presence in Antarctica is central to New Zealand's Antarctic and Southern Ocean interests. Scott Base is the hub of New Zealand's Antarctic science. It is becoming expensive to maintain and risks becoming unsafe if not redeveloped soon. The Scott Base Redevelopment Project (the Project), led by Antarctica New Zealand, is on track to deliver a safe, fit-for-purpose base that enables high-quality Antarctic science and supports New Zealand's Antarctic commitments.

In 2016 Cabinet endorsed the Indicative Business Case for the Scott Base Redevelopment and in Budget 2017 \$6.14 million was appropriated for a two-year design and planning stage. In 2019, Cabinet endorsed a Detailed Business Case and in Budget 2019 \$19.4 million was appropriated to prepare an Implementation Business Case. We will provide you with advice on the Initial Implementation Business Case in November, ahead of a budget bid for funding for the full redevelopment in December.

Approval to proceed with the redevelopment will require Cabinet approval of the Implementation Business Case, which is expected in September 2021, and your approval under the Antarctica (Environmental Protection) Act based on a Comprehensive Environmental Evaluation, also scheduled for September 2021.

### Appointment of Officers to the Ross Dependency

It is standard practice to appoint a senior member of the Antarctica New Zealand staff as an "Officer of the Government of the Ross Dependency" during the summer season. You will shortly be invited to recommend such an appointment to the Governor-General for approval (see p. 14).

### Southern Ocean Patrolling Objectives

New Zealand has significant and enduring interests in the Southern Ocean, particularly in the Ross Sea region. New Zealand's maritime surveillance programme in the Southern Ocean supports sustainable fisheries management and our strategic interests in the Ross Sea region. We will be advising you, the Minister of Defence and the Minister for Primary Industries on proposed asset deployment for the 2020/21 summer season in support of those objectives.

## Priority issues for Ministerial engagement

This section canvasses issues which are likely to engage you in your first six months.

### Managing key relationships

#### **New Zealand – Australia relationship**

The trans-Tasman relationship lies at the heart of New Zealand's prosperity and security and Australia is our indispensable partner across the breadth of our international interests. Australia is our only formal military ally, our most important security partner and our largest economic partner – the reverse is not the case. As the smaller partner in the trans-Tasman relationship, New Zealand needs to work with energy and vision to maintain the vitality of what will continue to be our principal bilateral relationship.

Australia will be critical to New Zealand's health and economic recovery from COVID-19. Finalisation and operationalisation of the Trans-Tasman COVID Safe Travel Zone Arrangement is an important element in that recovery effort.

The Australia New Zealand Closer Economic Relations Trade Agreement 1983 (CER) remains the anchor of the trans-Tasman economic relationship and is still considered one of the world's most open and ambitious trade agreements. Since 1973, Australians and New Zealanders have been free to live and work in each country with around 700,000 New Zealanders currently residing in Australia – our largest diaspora.

The trans-Tasman Single Economic Market (SEM) framework is strategically useful to engage Australian decision makers and provides architecture that supports mutual COVID-19 priorities, such as the Trans-Tasman Safe Travel Zone and vaccine access.

New Zealand and Australia share many foreign policy values and interests. In the Pacific, aligning and coordinating with Australia amplifies our ability to protect our mutual interests. We also work closely with Australia in the Indo-Pacific.

#### **New Zealand – Pacific relationships**

New Zealand is a Pacific country connected to the wider region by people, culture, history, politics and shared interests. The Pacific shapes New Zealand's identity and influences our security, prosperity and strategic environment. How New Zealand works alongside our Pacific neighbours, especially in this time of crisis, really matters.

New Zealand has long-standing relationships with Pacific island countries, which we have been working to deepen over the past few years. Maintaining these mature and robust relationships is essential to progressing our interests. Promoting Pacific priorities – such as climate change action – remains an important element of our relationships with Pacific Island countries and our reputation as a good global citizen.

Our connections with other partners working in the region are also a key feature of how we work. Australia is our indispensable partner in the region. Given the magnitude of resources Australia is able to invest in the region, aligning and coordinating with Australia

is essential. It is also important that we continue to work with other partners in the region that share our interests and values in progressing Pacific priorities.

### **New Zealand – United States relationship**

New Zealand's relationship with the United States (US) has continued to strengthen over the past three years, building on the work of successive New Zealand Governments. The US is our third-largest individual trading partner and an integral defence and security partner. The US likewise views New Zealand as a valuable partner, particularly with our cooperation on a range of issues across the Indo-Pacific, the Pacific Islands region and Antarctica. Whether the next administration is Republican or Democrat, a strong bilateral relationship will remain essential, with deepening our trade and economic relationship a priority. You will play a key role in managing the political relationship with the US, in coordination with ministerial colleagues.

### **New Zealand – China relationship**

New Zealand's relationship with China is critical to our prosperity and security, including in the context of the global pandemic and its aftermath. The breadth of our engagement with China requires considerable coordination. New Zealand seeks a mature relationship where both parties have realistic expectations of each other, working together in areas where our interests align, while also standing firm and looking to manage equities where we disagree. Advancing our interests in a consistent and principled way will at times require close coordination with your ministerial colleagues. Along with the Minister for Trade and Export Growth, you will be actively engaged in overseeing signature and implementation of the upgrade to New Zealand's free trade agreement with China. As is the case in any relationship, ensuring broad and strong relationships, including at the level of senior ministers, is an important tool in the effective management of the overall bilateral relationship.

## **COVID-19 issues**

The range of international equities in New Zealand's COVID-19 response is extensive (see A3 on p. 64 for more information.) The issues below are a snapshot of the Ministry's current priorities with respect to the All-of-Government COVID-19 response.

### **Borders / Safe Travel Zones**

Border settings are critical in maintaining and restoring safe international transport and people connections, while managing the risk of COVID-19 transmission. Before the Election, a new process was put in place for a **small group of Ministers** to recommend new cohorts for border exceptions. This has been an essential mechanism for allowing specific cohorts with critical need to enter/transit New Zealand. A post-Election process for considering such exceptions is still to be confirmed.

Negotiations are well advanced on a **Trans-Tasman COVID-Safe Travel Zone (TTSTZ)** with a draft Arrangement text nearly ready for Ministerial consideration. Decisions on establishment and commencement of the Safe Travel Zone will be made by Cabinet. Since 16 October, Australia has allowed one-way quarantine-free entry from New Zealand to certain states and territories. New Zealand has not changed its border

settings for people travelling here. Therefore, any New Zealanders using the Australian initiative have to pay for and complete a 14-day stay in managed isolation and quarantine (MIQ) facilities on their return to New Zealand.

New Zealand is committed to **quarantine-free travel with the Realm countries** (the Cooks Islands, Niue and Tokelau) when it is safe to do so. Officials have agreed the text of an Arrangement with the Cook Islands and technical visits will need to take place to confirm processes. Cabinet will make a decision on commencement. Initial steps are underway with Niue. s9(2)(j)

There are a range of **exemptions to the closure of New Zealand's border**, for example for the entry of New Zealand citizens and permanent residents, Australians normally resident in New Zealand, air crew and cargo ship crew.

There are also **exceptions for categories of non-New Zealanders**. These are approved by Ministers based on a set of humanitarian, social and economic needs decided by Cabinet. Current examples include people travelling for humanitarian reasons, citizens of Samoa and Tonga for essential travel to New Zealand, and temporary visa holders normally resident in New Zealand with strong connections to New Zealand.

**Antarctic Programme personnel** are also granted entry to New Zealand under the "critical worker" border exception category, in support of our binding cooperation agreements with Antarctic partners. National Antarctic Programmes that operate through New Zealand (including the US, Italy and South Korea), as well as New Zealand's own Antarctic Programme, have significantly scaled back their operations to essential activities only due to COVID-19.

The **Manaaki NZ Development scholarship programme** contributes significantly to our development goals and international relationships. Given current border settings, we are not looking at bringing in any new scholars until July 2021. Manaaki scholars typically bring an estimated investment of \$26 million into the New Zealand economy from international tuition, pastoral care, stipend and travel costs. We will provide advice in early 2021 on options for this small group of students to enter New Zealand to commence study in the second semester of next year.

### **Consular support for New Zealanders overseas**

The COVID-19 pandemic required the Ministry and its overseas posts to mount the largest and most complex consular response in New Zealand's history, with over 1,300 consular cases relating to the pandemic and nearly 55,000 general enquiries since 1 March 2020. A key driver for the consular workload has been the limited availability of flights to return. The Ministry has helped repatriate over 5,000 New Zealanders on approximately 110 non-scheduled flights. Demand for consular services is expected to continue given the deteriorating global COVID-19 situation, tough economic conditions offshore, lockdown fatigue, ongoing limited return flights from some destinations and changing overseas travel requirements. Aligning managed isolation capacity in New Zealand with the level of demand from returning New Zealanders remains a challenge. See "Consular services" section on p.89 for more information

## Foreign Nationals

There are approximately 297,250 temporary visa holders in New Zealand, including 11-14,000 on working holiday visas and 7,000 under the RSE scheme<sup>6</sup>. The Ministry supports foreign missions to provide consular assistance to their own citizens; it does not usually engage with individual foreign nationals directly. In acknowledgment of the uncertain employment environment and limited commercial flight options, the Department of Internal Affairs is currently implementing a short-term support programme (1 July to 30 November) which provides in-kind assistance to foreign nationals experiencing serious hardship due to COVID-19. Officials have also supported foreign governments to undertake repatriation flights, with 105 flights departing New Zealand between 3 April and 5 October 2020.

Foreign diplomats who hold a post in New Zealand are eligible to enter New Zealand. Those who are not resident can be considered to enter on a case by case basis. Although foreign diplomats are technically legally exempt from managed isolation and have the option of self-isolating under strict Ministry of Health guidelines instead, the vast majority are entering managed isolation in the same way as other visitors to New Zealand.

## Trade Recovery

New Zealand's export sector has taken a severe hit from COVID-19, with spill-overs for growth, unemployment, supply chains and regional development. The impact has been acute in tourism and education services. While some agriculture exports fared well initially, Treasury predicts that the worsening global outlook and reduced demand will lead to a 15.4 per cent drop in exports in 2020-21. In response, the Ministry, alongside New Zealand Trade and Enterprise and other agencies, is focused on supporting exporters and trade recovery. This includes tackling trade barriers, using our officials offshore to help businesses stay connected, and leveraging our offshore network to provide business intelligence. The Ministry is also negotiating new trade agreements, refreshing key trade relationships, and securing trade resilience and supply chains.

## Vaccines

Under the New Zealand Vaccine Strategy, the Ministry is leading New Zealand's international engagement to secure timely access to a safe, effective COVID-19 vaccine for New Zealand and to support vaccine access for Pacific island countries (with a focus on the Realm and Polynesia). Initially, global demand for vaccines is expected to outstrip supply and this means national interests are dominant. In this competitive environment, some countries may try to leverage vaccine distribution for geostrategic advantage.

Alongside many other countries, New Zealand has signalled its support for a global approach to vaccine procurement and distribution and has joined the COVAX Facility. The COVAX Facility is a global risk-sharing mechanism for pooled procurement and equitable distribution of eventual COVID-19 vaccines in order to end the acute phase of the pandemic as quickly as possible. Through the COVAX Facility, New Zealand seeks the option to purchase available vaccines with coverage for up to 50 per cent of the

---

<sup>6</sup> Ministry of Social Development, October 2020.

population of the Realm of New Zealand (New Zealand, Tokelau, the Cook Islands and Niue). 168 countries have now signed up, although no agreements with vaccine manufacturers are yet in place for self-financing countries.

New Zealand is also pursuing independent deals with pharmaceutical companies and the Ministry is supporting these negotiations. Our first Advance Purchase Agreement with Pfizer was announced recently. The Ministry is also working closely with the Ministry of Health, Pacific governments (especially in Polynesia), COVAX and other regional partners to help provide well-targeted and coordinated support to enable the implementation of immunisation programmes in the Pacific.

## APEC

New Zealand's hosting of APEC in 2021 is a once in a generation opportunity to shape regional and global economic norms and ambition. Our hosting role takes on additional economic and geostrategic importance in a COVID-19 environment, including as a platform for us to focus the region's approach to recovery. The "Issues for immediate decision" section provide more detail on policy issues, and the diagram on page 65 provides further background on New Zealand's approach to APEC 2021.

## Pacific issues

### **Our response to COVID-19**

Supporting the Pacific response to the pandemic, through global, regional, and bilateral channels, has been a core and Cabinet-mandated part of New Zealand's response to COVID-19. New Zealand is partnering with Pacific countries to address these impacts through five main work streams: humanitarian outbreak response; health security and preparedness; regionalism and borders (including work on labour mobility and safe travel zones); economic resilience; and security and stability (including vaccines).

### **Pacific infrastructure**

Key Pacific infrastructure projects are expected to require Cabinet's consideration in the coming months. These will include two significant projects, one in Tonga and one in the Solomon Islands. In Tonga, New Zealand is co-funding with Australia the construction of a new Parliament Building to replace the building lost in cyclone Gita in 2018. This project supports stability and good governance in Tonga. The total project cost is \$35-41 million, with New Zealand's contribution not expected to exceed \$22 million. In the Solomon Islands, New Zealand is funding the sealing of two provincial airfields. This project forms part of New Zealand's long-standing support for the Solomon Islands' aviation sector, which enables the transport of people, goods and services and promotes national cohesion while providing much needed jobs. The project cost is \$39 million and is expected to be co-financed with both Australia and the Solomon Islands Government. We will brief you separately on the work that has been done to identify and prioritise all infrastructure projects.

### **Bougainville moderator**

New Zealand may be invited to provide a moderator to assist Papua New Guinea (PNG) and Bougainville in their post-referendum consultations on the future political status of Bougainville. During PNG Prime Minister James Marape's February 2020 visit to New Zealand, he signalled his interest in our ongoing support on Bougainville, including with possible future mediation efforts. New Zealand is a partner trusted by both sides. It is in our interests to ensure our voice, our values and our views carry weight and that peace and stability are preserved in Bougainville.

### **Pacific Islands Forum and Secretary-General race**

The Pacific Islands Forum (PIF) is the region's preeminent political body, bringing together 18 member countries and territories. The term of the current PIF Secretary-General, Dame Meg Taylor, ends in December 2020. Secretary-General appointments are made by PIF leaders at the annual Leaders' Meeting. There are currently five declared candidates for the Secretary-General position: outgoing Cook Islands Prime Minister Henry Puna; former Director-General of the Pacific Community Dr Jimmie Rodgers (Solomon Islands); Ambassador Gerald Zackios (Marshall Islands Ambassador to the US); Tongan international civil servant Amelia Siamomua; and former Fijian Defence and Foreign Minister Ratu Inoke Kubuabola. There is no clear front-runner, although Micronesian countries are unified in their support of Zackios, arguing there is a convention to rotate the appointment by sub-region and that it is now Micronesia's "turn".

## **Indo-Pacific issues**

### **South China Sea settings**

The South China Sea territorial disputes are long-standing and a significant source of tension in the Indo-Pacific region. New Zealand has an enduring interest in peace and stability in the South China Sea, in its preservation as a trading route for New Zealand goods and in the upholding of international maritime law. This year has seen an intensification of tension resulting from continued militarisation of the region, a range of incidents at sea, and greater assertion of legal positions by some claimants and other partners active in the region. New Zealand's consistent position is that we want peaceful resolution of the disputes in accordance with international law, including the UN Convention on the Law of the Sea.

### **Hong Kong relationship settings**

Hong Kong matters to New Zealand as a global financial and economic hub, as a city that is home to thousands of New Zealand citizens, and as a city with which many people living in New Zealand have a strong connection. We have an interest in the maintenance of Hong Kong's high degree of autonomy under "one country, two systems" – the framework in place since its return to Chinese sovereignty in 1997 – and in rule of law and the protection of human rights in the territory. The New Zealand Government made a number of public statements expressing deep concern about the new national security law for Hong Kong passed by China's National People's Congress on 30 June, which the Chinese government says aims to "prevent, suppress and punish" secession, subversion, terrorism, and collusion with foreign forces in Hong Kong. In response to this changed

situation in Hong Kong, the New Zealand Government initiated a review of relationship settings, announcing on 28 July three early outcomes: suspension of the New Zealand – Hong Kong extradition treaty; treating military and dual-use goods and technology exports to Hong Kong in the same way as exports to mainland China; and reflecting risks posed by the new security law in our consular travel advice. Officials continue to monitor the implementation and impact of the national security law, and a review of relationship settings is ongoing.

### **Taiwan update**

New Zealand follows a “one-China” policy under which the government recognises the People’s Republic of China as the sole legal government of China and does not have diplomatic relations with Taiwan or official dealings with authorities in Taipei. However, our one-China policy allows New Zealand to maintain economic and cultural links with Taiwan. Taiwan consistently ranks among our top ten export markets – sixth during the COVID-19 pandemic – and we have a comprehensive, high quality free trade agreement. Taiwan’s world-leading response to pandemic prevention and control presents further opportunities for cooperation.

Taiwan is a member of the World Trade Organization, APEC, a number of fisheries conventions, and the Asian Development Bank, but not the United Nations or any of its subsidiary organisations.

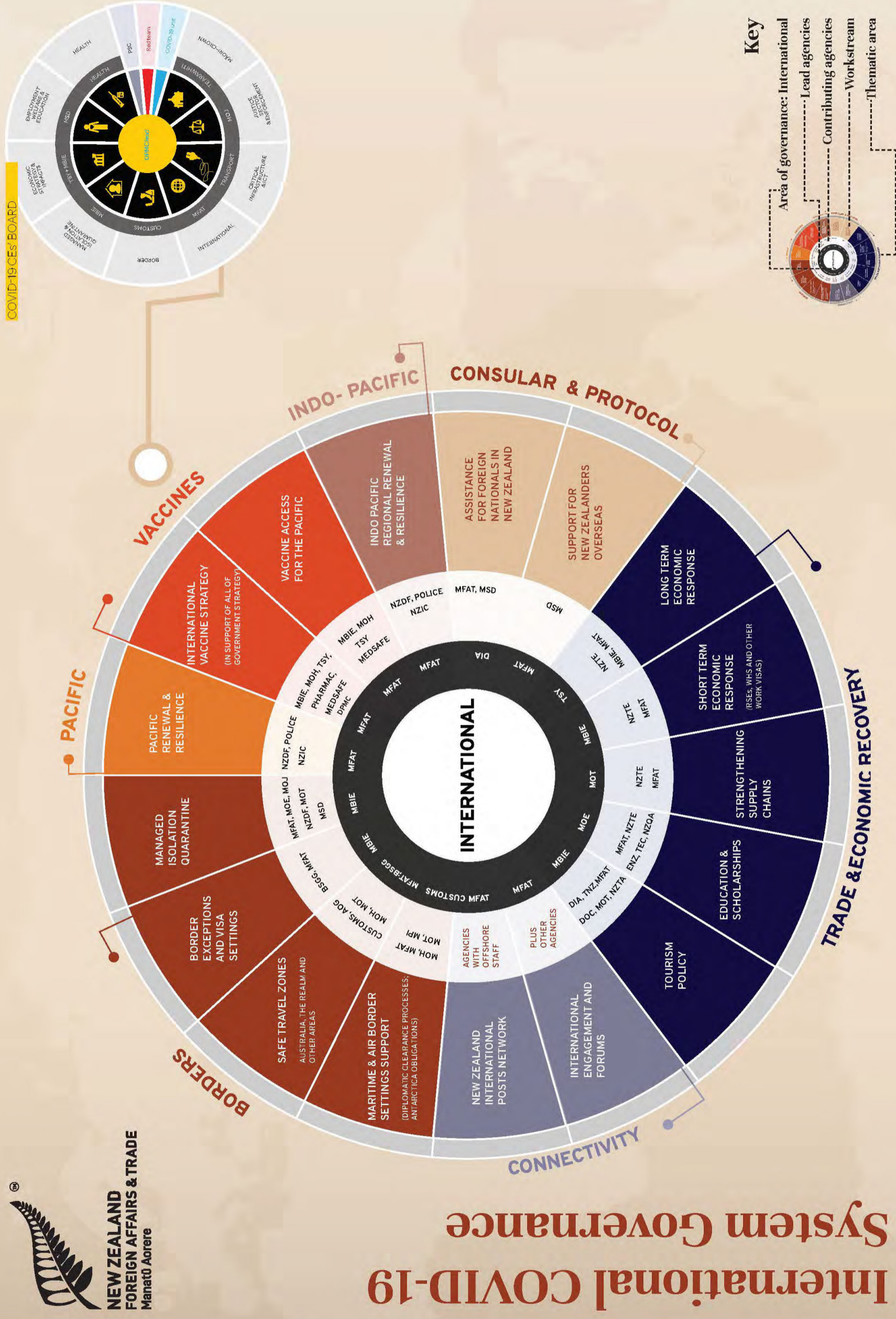


Figure 5: APEC 2021



## Security issues

### Attribution of malicious cyber activity

The proliferation of malicious state activity online has enhanced the need for a strategic approach to deterrence to prevent such activity. Public attribution statements are one tool we have to hold malicious actors accountable for irresponsible behaviour online. New Zealand has increasingly called out such behaviour where it has been in our interests. Since 2017, we have publicly attributed malicious activity to North Korea, Russia and China. Decisions to publicly attribute are based on an established set of criteria and have to date been taken jointly by the Minister of Foreign Affairs, the Minister Responsible for the Government Communications Security Bureau and Security Intelligence Service, the Minister of National Security and the Minister of Broadcasting, Communications and Digital Media.

### 5G security

5G mobile network security is a sensitive international issue, including for New Zealand. As countries roll out 5G mobile networks, our close partners are expressing concern about the security risks involved with using certain telecommunications vendors, particularly Huawei and ZTE. Meanwhile, China is focused on ensuring its vendors have access to international opportunities, and is sensitive to any real or perceived slight to the integrity of its companies or the intentions of the Chinese government.

New Zealand manages network security risk under the Telecommunications (Intercept Capability and Security) Act (TICSA) 2013. Under the Act, the Government Communications Security Bureau (GCSB), as regulator, assesses network change proposals on a country and vendor-neutral, case-by-case basis. Decisions made under this legislation are taken independently, without input from other agencies.

s6(a)



### Christchurch Call (future role)

The Christchurch Call to Action (the Call) was launched by New Zealand and France on 15 May 2020 to eliminate terrorist and violent extremist content online. The Call is based on a multi-stakeholder approach, and is now supported by 48 countries, two inter-governmental organisations and 10 technology companies, and has a high international profile. Key achievements of the Call since its inception include: promulgation of a Crisis Response Protocol (successfully deployed during several recent terrorist incidents); effectively advocating for the restructure of the Global Internet Forum for Counter Terrorism (GIFCT); and supporting the formation and active contribution of the Christchurch Call Advisory Network of civil society representatives. The Ministry is the lead agency for the Call under New Zealand's Counter-Terrorism Strategy, working closely with agencies including the Department of Prime Minister and Cabinet and the Department of Internal Affairs. Ministerial oversight of the Call has been provided by the Minister of Internal Affairs, at the request of the Minister of Foreign Affairs. Over time, it is expected that the Ministry's role will reduce in relation to that of other agencies, while

retaining Call-related bilateral engagement, particularly in relation to France, as well as representing and leveraging New Zealand's leadership of the Call offshore.

### **Financial Action Task Force mutual evaluation report**

New Zealand is undergoing a periodic evaluation of our anti-money laundering and countering terrorist financing (AML/CFT) regime by the Financial Action Task Force (FATF), an intergovernmental, global forum of technical experts that sets international standards for AML/CFT. The key Ministry interests in the evaluation relate to counter-terrorism financing and counter-proliferation financing, given our specific role in respect of legislation implementing relevant international obligations. However, the outcome of the evaluation as a whole will be significant in terms of New Zealand's international reputation. s9(2)(f)(iv)

Officials will continue to work iteratively with FATF to finalise the report between October and February. Further advice will be provided to incoming ministers on the report. The Minister of Justice is the lead minister. However given the foreign policy and international reputational equities involved, advice will also be provided to the Minister of Foreign Affairs on relevant issues as required.

### **Space**

#### *Rocket Lab*

New Zealand is one of only eleven states with space launch capabilities, thanks to Rocket Lab's activities from the Mahia Peninsula. A 2019 Deloitte report valued the New Zealand space sector at \$1.8 billion, and we anticipate continued growth off the back of both intensified launch activities and diversification towards other space activities. As Rocket Lab's launch activities increase, payload permit applications are becoming more complex, requiring New Zealand to develop policy positions on high profile, international issues, such as the launch and use of satellite constellations. The Ministry plays a critical supporting role in the MBIE-administered permitting process for launching payloads by advising on compliance with international law and national interest factors.

#### *Space Policy*

New Zealand's role as a launch state, our heavy dependence on space-based technologies to power our economy, as well as emerging threats and geostrategic tensions in outer space, means we have both an opportunity and a critical need to shape international rules and norms regulating activities in outer space, which in many cases are under-developed.

s9(2)(f)(iv)

### **Irregular migration / maritime mass arrivals**

A maritime mass arrival<sup>7</sup> is a national security risk, which would have compounding security and resource implications for the foreseeable future. While New Zealand has yet to experience a successful arrival, this remains a possibility and New Zealand is used as a marketing tool by people smugglers. The government seeks to prevent ventures (and respond to high threat ventures) through an MBIE-led All-of-Government approach. The Ministry's primary role is international engagement to reduce the risk; advising on New Zealand's obligations under international law; and working with agencies to ensure that our domestic legal settings are robust (e.g., leading on the Maritime Powers Bill, and supporting proposed changes to the Immigration Act). We engage closely at working level with Australia on the threat posed by irregular mass migration, given the realities of geography.

Budget 2019 allocated MBIE \$25 million over four years to support preventative action against ventures targeting New Zealand. This action included the appointment of three new irregular migration liaison roles as part of the government's offshore network. The appointments have, however, been delayed by COVID-19 and agencies are currently looking at what overall impact the pandemic is likely to have on the risk facing New Zealand from irregular migration.

### **Venezuela**

The political and humanitarian situation in Venezuela continues to deteriorate. More than five million Venezuelans have now fled the country with significant implications for countries in the region. The US is strongly opposed to the regime of Nicolas Maduro and instead supports the self-declared interim President National Assembly Speaker Juan Guaidó (along with Canada, the EU and much of Latin America). New Zealand has a long standing practice of not making statements of recognition of governments and thus has not recognised Guaidó as interim-president. New Zealand has made clear, however, that our practice of non-recognition should not be misconstrued as support for the Maduro regime and has publicly expressed concerns about ongoing human rights violations perpetrated by the Maduro regime and the humanitarian crisis. New Zealand has also contributed a total of \$2 million to the UN and the WHO to assist the Venezuelan people, including the more than five million Venezuelan migrants and refugees in neighbouring countries.

Legislative elections are due to take place in December 2020 and it is widely accepted that the conditions do not exist for these elections to be free and fair. s6(a)

We will provide you with early briefing on this.

<sup>7</sup> Defined as a maritime arrival of more than thirty irregular migrants.

## Legal issues

### Treaties

There have been some calls for changes to New Zealand's international treaty making processes, particularly for Free Trade Agreements (FTAs). There are two current government processes that engage these issues, which will likely require ministerial engagement before the end of the year:

- **Government response to the independent report by the Trade for All Advisory Board:** The Board's Report made a number of recommendations in relation to New Zealand's trade policy, including three related to the treaty making process. Those three recommendations were to: (i) establish an "independent body" (i.e., external to government) to assess FTAs; (ii) improve National Interest Analyses for FTAs; and (iii) establish a new Parliamentary Select Committee on Treaties. The Minister for Trade and Export Growth is required to report back to Cabinet before the end of 2020 outlining progress and outcomes by the Ministry and other relevant government departments on the Board's recommendations, including the three recommendations related to the treaty making process. The Minister for Trade and Export Growth will consult you on relevant aspects of Trade for All implementation before the end of 2020.
- **Government response to Wai 262:** The Waitangi Tribunal Report includes a chapter on the making of international instruments and recommendations on Government engagement with Māori when considering and negotiating international instruments. In April 2019, Cabinet agreed the Minister for Māori Development should develop a draft whole-of-government strategy to address the issues raised in Wai 262 and established a Ministerial oversight group (including the Minister of Foreign Affairs) to assist in the development of the draft strategy. The Ministry anticipates taking a leading role in advising on Kete 3: Kawanata Aorere/Kaupapa Aorere. The Minister for Māori Development is currently considering a draft Cabinet paper on next steps in the Wai 262 whole of government approach. The draft paper was prepared in an inter-agency process, in which the Ministry participated.

### Sea level rise and international law

In May 2018, Cabinet tasked the Ministry to develop a strategy to champion the progressive development of international law to protect states' maritime zones in the face of sea level rise. The problem is that states' maritime zones are measured from base points on the coast, and if these points are inundated by climate change-induced sea level rise then significant parts of coastal states' exclusive economic zones could become high seas. Pacific Islands Forum (PIF) Leaders took a strong stance on this issue in August 2019, committing to collective efforts to ensure that maritime zones could not be challenged or reduced as a result of sea level rise and climate change. In September 2020, officials participated in a three day virtual regional conference to discuss legal options to take forward and deliver on the PIF Leaders' commitment.

The Ministry continues to build political support within the Pacific and with like-minded states for legal solutions to ensure that coastal states' maritime zones and associated resource rights are protected. The first phase has got off to a good start, coalescing

around a Pacific regional position, awareness-raising and getting the issue on to the agenda of the International Law Commission. The next phase will involve strengthening the legal position and building broader support, while being clear that we are committed to upholding the integrity of the UN Convention on the Law of the Sea. In the lead up to the 2021 Forum, ministerial advocacy will likely be needed to advance this work.

## Multilateral issues

### United Nations

The **United Nations General Assembly** runs from October to December. While most resolutions are adopted by consensus or are non-controversial, a number of resolutions on contentious issues (Middle East, human rights, climate change, and security and disarmament) or those including reference to sensitive issues (Sexual and Reproductive Health and Rights, Xi Jinping Thought language, references to the World Health Organisation) will be voted on. We will discuss New Zealand's position with you prior to any sensitive or contentious issues being put to a vote.

Elections to the **International Criminal Court**, and **International Court of Justice** will take place in December and will require your approval of voting positions.

Claims have been made about the inclusion of anti-Semitic teachings in Palestinian Authority textbooks used in schools funded by the **United Nations Refugee and Works Agency for Palestinian Refugees in the Near East (UNRWA)**. UNRWA provides humanitarian support and basic services to Palestinian refugees. New Zealand has supported UNRWA since its establishment in 1949 and has provided \$7 million in funding since 2015. With the exception of the US (which withdrew funding in 2018), other donor countries continue to support UNRWA. UNRWA's mandate and operations face intense scrutiny, and it has policies and systems to monitor and alert donors to potential breaches in neutrality across its operations. New Zealand takes the accusations regarding textbooks extremely seriously. There is public interest in this issue, which has been brought to the attention of the New Zealand Human Rights and Race Relations Commissioners. We are awaiting the outcome of a review by the EU of textbooks produced by the Palestinian Authorities (expected in the coming months), and will work with other donor countries to assess the implications for UNRWA. Depending on the review outcome, this issue may require a response at ministerial level.

### Climate change and environment issues

New Zealand has an opportunity to **align its COVID-19 recovery with transition to a low emissions economy** and to call for others to do so. We will provide advice to you and the Minister of Climate Change on how we characterise our approach to international partners.

New Zealand's current **climate finance** commitment, announced by Prime Minister Ardern in 2018, is to spend least \$300 million over four years (2019-2022) on climate related support. You and the Minister of Climate Change will need to approve a submission to the UNFCCC outlining our climate finance intentions for the next two years, before the end of 2020. Preparatory meetings for deliberations for the post-2025

collective finance goal (from a floor of US\$100 billion per annum) are beginning. You and the Minister of Climate Change will need to agree our strategy for the deliberations in early 2021.

Parties to the **Convention on Biological Diversity (CBD)** are currently negotiating an updated “global biodiversity framework” to halt the global decline in biodiversity. The framework will include global targets for issues such as protected areas and addressing pollution and environmentally harmful subsidies. Officials plan to seek an updated Cabinet mandate, likely in the first half of 2021, to guide New Zealand’s approach to the remainder of these negotiations. As a Party to the CBD, New Zealand will be expected to contribute towards the achievement of the targets. The newly adopted *Aotearoa New Zealand Biodiversity Strategy 2020* provides the basis for our domestic implementation of the framework.

In early 2021 officials also plan to seek your guidance on New Zealand’s approach to negotiations for the eighth **replenishment of the Global Environment Facility (GEF)**, the principal international fund for environmental projects in developing countries. These negotiations will determine where the GEF focuses its spending over the four year GEF-8 replenishment period. Contributing to the GEF is a means by which New Zealand fulfils its obligation under Multilateral Environmental Conventions to help developing countries meet their obligations.

In coming months, ministerial decisions may also be needed for the second **UN Ocean Conference** in Portugal, where there is an expectation that countries will lodge specific pledges regarding the protection and preservation of the ocean. The conference was originally scheduled to take place in June but was delayed due to COVID-19. The UN General Assembly has not yet determined the rescheduled dates for the conference.

### **International candidatures**

New Zealand pursues candidatures for key roles and positions in the multilateral system to advance our national interests and values, to enhance our international reputation as a constructive player and to strengthen the international rules-based order. Our positive impact in the multilateral system is amplified when credible New Zealanders hold key roles in the system. We are currently pursuing two candidatures:

- 1) **Sir Robert Martin for re-election to the Committee on the Rights of Persons with Disabilities (CRPD)** for the 2021-2024 term. The CRPD is the body of independent experts that monitors implementation of the Convention on the Rights of Persons with Disabilities and is considered a high status and prestigious UN committee.
- 2) **Dr Penelope Ridings to serve as a member on the International Law Commission (ILC)** for the 2022-2026 term. Dr Ridings will be co-nominated as a candidate by the Australian and Canadian Governments. The election is scheduled to be held in late 2021 and Dr Ridings will be competing for one of eight available seats.

We will provide further information on these candidatures in due course, including around any ministerial engagement.

In addition, OECD Members are in the process of selecting a new Secretary-General to replace Mexico's Angél Gurría, whose third and final term ends on 31 May 2021. Nominations closed on 1 November. There are 10 candidates: from Australia, Canada, Czech Republic, Denmark, Estonia, Greece, Poland, Sweden, Switzerland and US White House Deputy Chief of Staff and dual US/New Zealand citizen Chris Liddell. OECD Ambassadors in Paris will conduct interviews with each candidate from 16 November to 11 December. There will then be a period of confidential consultations with Ambassadors to narrow the field and select the next Secretary-General by March 2021. The appointment is by consensus. We will seek advice from the Prime Minister, you and the Minister for Trade and Export Growth, as appropriate. The Minister of Finance also has an interest in this appointment.

## Antarctica and Southern Ocean issues

### Managing Activities in the Southern Ocean

Over the summer (October–March) the tempo of activities in Antarctica and the Southern Ocean heightens, though this year these activities are substantially reduced due to the impact of COVID-19. Activities include National Antarctic Programme scientific research, toothfish fishing, surveillance, and search and rescue coordination. In previous years, tourist vessels have been active over the summer. Japan has ceased its lethal whaling activities in the Southern Ocean, but may continue a non-lethal whaling survey. No activity from anti-whaling activist vessels is expected. From 1 December, the Ross Sea toothfish fishery will be open (three New Zealand vessels are expected to participate). Over the 2019/20 season, patrolling took place to monitor compliance of the vessels licensed to catch toothfish and gather evidence against any illegal, unreported and unregulated (IUU) fishing vessels. Patrol planning for the 2020/21 season is under way and we will provide advice to you on patrolling objectives before the season commences on 1 December.

## Trade and economic issues

### New Zealand's future economic relationship with Europe

Europe will be a critical partner to New Zealand during the COVID-19 economic recovery: it is one of our largest markets and a fellow advocate of open, rules-based trade. Building our political capital and personal relationships between New Zealand Ministers and their European counterparts will be important to strengthen our future economic relationship with the UK and the EU. Comprehensive and inclusive FTAs with both partners will be cornerstones of the future relationship. Engagement with individual EU member states, including at the political level, will be important. With the UK, New Zealand's immediate priority is ensuring we are well placed to manage potential disruption at the end of the UK's transition period out of the EU on 1 January 2021 – with or without a deal. NZ Inc agencies have been working to minimise potential disruption to New Zealand individuals and businesses and to ensure that New Zealand is no worse off as a result of the changes.

## Cabinet and Parliamentary business

This section identifies issues that the Ministry recommends be considered by Cabinet Committees over coming months. Scheduling of Cabinet papers is at your discretion, and will be coordinated between the Ministry and your office.

### Maritime Powers Bill

In November 2019 Cabinet approved the development of a comprehensive statutory regime of law enforcement powers to deal with criminal activity in international waters. This was on the legislative programme for 2020 as category 2 (to be passed in 2020) but did not proceed due to COVID. The Maritime Powers Bill is now drafted and ready for introduction. The Bill responds to a gap in New Zealand's maritime security framework which currently constrains the government's ability to respond to significant criminal activity affecting New Zealand, particularly in relation to transnational organised crime at sea. You are lead minister for this legislation as it deals with international waters and the exercise of powers extraterritorially. We will provide advice to you on this issue and the proposed next step to seek Cabinet approval to introduce the Bill to the House.

### Autonomous sanctions

The Autonomous Sanctions Bill was introduced on 10 May 2017 and it awaits its first reading. The Bill establishes a regime enabling New Zealand to impose sanctions outside of the United Nations framework, where certain threats to or breaches of international peace and security occur. It does not enable New Zealand to impose sanctions for human rights abuses. The Bill would enable the Minister of Foreign Affairs to recommend to Cabinet that New Zealand impose sanctions (such as immigration restrictions, asset freezes and trade embargoes) in cases where the United Nations Security Council has not done so. Our close security partners have the ability to impose autonomous sanctions and some of them have been strongly supportive of New Zealand having the ability to impose sanctions outside of the United Nations. This can be useful when countries use their veto to frustrate widespread support for collective action through the UN Security Council. Other countries argue that sanctions are only effective when they are universal. We will provide supplementary briefing for you to support your consideration of whether you would like the Bill to be re-instated.

### APEC 2021

The Minister of Foreign Affairs and Minister for Trade and Export Growth will need to submit a paper to Cabinet on a range of issues concerned with New Zealand hosting APEC in 2021. These issues include the APEC 2021 theme and host priorities, the calendar of Ministerial and other meetings, and responding to Cabinet's request on options for international profiling and domestic (including Māori) engagement. Advice on all these issues will be developed to take account of the fact that all APEC meetings in 2021 will occur on a virtual platform. Beyond this, the key challenge for New Zealand as APEC host in 2021 will be to generate an APEC consensus on how the Asia-Pacific region should respond to the economic challenges brought on by COVID-19. It is proposed that this paper be considered by Cabinet in November in time to be announced prior to the December APEC Informal Senior Officials Meeting, which is the first meeting New Zealand will host.

### Development of a detention policy arising out of the Inquiry into Operation Burnham

The Inquiry into Operation Burnham and related matters presented its final report to the Attorney-General on 17 July. Amongst other findings, the Inquiry criticised New Zealand's detention policy applicable in Afghanistan and identified failures in the government's handling of allegations of torture and mistreatment. In consequence, the Inquiry made a specific recommendation that the Government should develop and promulgate effective detention policies and procedures in relation to:

- (i) persons detained by New Zealand forces in operations they conduct overseas;
- (ii) persons detained in overseas operations in which New Zealand forces are involved

together with the forces of another country; and

(iii) the treatment of allegations that detainees in either of the first two categories have been tortured or mistreated in detention (including allegations that New Zealand personnel may have mistreated detainees).

On 29 July, the External Relations and Security Committee of Cabinet (ERS) agreed that the Ministry lead the development of these policies and procedures. ERS has directed the Minister of Foreign Affairs to report back to Cabinet by mid-December on progress. The Ministry is working closely with Crown Law, the New Zealand Defence Force, the Ministry of Defence and the Department of Prime Minister and Cabinet on the development of the policy, and has engaged international partners to draw on their experience, best practice and lessons learned. Key interests and objectives for the Ministry involve ensuring that any policy: is developed consistently with the Inquiry's recommended process (e.g., draft policies and procedures being made available for public comment); reflects New Zealand's international legal obligations; and is workable and enables inter-operable deployments with key international partners and coalitions.

### **Review of counter-terrorism legislation**

The Ministry co-administers the Terrorism Suppression Act 2002 with the Ministry of Justice. In 2018, officials were directed to explore possible improvements to the Act. Several aspects of this review were expedited following the Christchurch terrorist attack.

Legislative reforms have been developed that seek to enhance our ability to prevent, disrupt and respond to terrorism and meet our international obligations, without unduly undermining the rights and freedoms protected under the New Zealand Bill of Rights Act 1990. Proposals include new offences relating to terrorist travel, provision of material support, planning or preparation for a terrorist act, and training of terrorists.

In November 2019, Cabinet made decisions on the first tranche of policy proposals and an amendment bill has been prepared (Counter-Terrorism Legislation Bill). A Cabinet paper has been prepared seeking agreement to a second tranche of policy proposals. If agreed, those amendments will be added to the Counter-Terrorism Legislation Bill. The intended introduction of the Counter-Terrorism Legislation Bill to the House in July 2020 was delayed due to COVID-19.

The recommendation from the Royal Commission of Inquiry into the Attack on Christchurch Mosques (RCOI) could include legislative reform (with this report due 26 November). Officials will provide advice on options in due course.

### **Regional Comprehensive Economic Partnership (RCEP)**

In order for New Zealand to sign the Regional Comprehensive Economic Partnership (RCEP) Cabinet must approve the final outcomes of RCEP and the associated National Interest Analysis, and authorise New Zealand's signature of the RCEP Agreement. The Agreement is due to be signed by its 15 parties on the margins of the East Asia Summit (11-15 November).

### **Investor State Dispute Settlement Side Letters**

When concluding the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), Cabinet provided a mandate that negotiators should "seek to make investor-state dispute settlement (ISDS) voluntary for New Zealand through a series of reciprocal bilateral side agreements where possible". Side letters to this effect were concluded with Australia, Brunei, Malaysia, Peru and Viet Nam. Officials are awaiting final confirmation from Chile on the text of a treaty-level side letter to carve out the ISDS provisions of the CPTPP between Chile and New Zealand so that these do not apply for investors and investments between New Zealand and Chile. The COVID-19 pandemic delayed Cabinet's approval for the signing of the side-letter. The next step is that the Ministry will provide a submission to you recommending that the side-letter be sent to Parliamentary Treaty Examination as "a major bilateral treaty of particular significance", following which Cabinet's approval for signature would be sought.

**Afghanistan deployment**

The mandate for New Zealand's longstanding deployment to Afghanistan expires on 31 December 2020. Cabinet's decision on the mandate for this deployment will be taken in the context of two significant developments: the commencement of intra-Afghan negotiations, which seek a permanent ceasefire and an enduring political resolution to the decades-long conflict; and a decreasing international military presence, as prescribed by the United States-Taliban Agreement which anticipates a May 2021 deadline for the conditions-based withdrawal of all international military forces).

**Operation Gallant Phoenix deployment**

The mandate for the NZDF-led, multi-agency deployment to Operation Gallant Phoenix (OGP) in Jordan expires on 31 December 2020. The OGP is a platform for collection, monitoring and sharing of material regarding potential and existing domestic and global terrorism threats. Advice on this deployment will be provided to ministers as appropriate.

**Negotiations on UN treaty on high seas marine biodiversity**

There is currently one major multilateral treaty under negotiation at the United Nations. It will come under the umbrella of the UN Convention on the Law of the Sea, and will fill a gap on the conservation and sustainable use of high seas marine biodiversity. The treaty responds to the current global biodiversity crisis. It will cover an agreed package of four chapters on: tools such as marine protected areas; environmental impact assessments; benefit sharing for marine genetic resource; and capacity building to enable developing country participation in these activities. New Zealand's overarching goal is to seek a treaty that halts the decline and promotes the restoration, conservation and sustainable use of high seas marine biodiversity. Cabinet agreed a mandate for the negotiations in August 2018. Officials intend to seek a refined negotiating mandate ahead of agreeing a final text. The final scheduled round for these negotiations was postponed in March 2020 due to COVID-19, and is expected to be rescheduled in 2021. Officials continue to engage with Māori and with stakeholders (environmental NGOs, industry, academics and scientists) on their interests in the negotiation.

**Vote Foreign Affairs Annual Review Hearing**

The Ministry is preparing responses to the Annual Review standard questionnaire and briefing to enable the Chief Executive and Senior Leadership Team to lead the Select Committee examination of the Ministry's operational performance for 2019/20. Annual Review hearings will need to take place soon after Select Committees are established. We will update you on this process as soon as information is available.

**New Zealand aid programme in the Pacific – FADTC inquiry**

New Zealand's Foreign Affairs, Defence and Trade Select Committee (FADTC) recently completed an inquiry into New Zealand's aid to the Pacific. The Committee made 15 recommendations relating to: democratic processes in the region; community engagement; inclusive development with an approach based on human rights; climate change; transparency; economic resilience and the role of the private sector; and aid partnerships and methods of delivery. A progress report on implementation of the FADTC recommendations is required prior to the end of 2020.

## Part Four

# The Ministry of Foreign Affairs and Trade

UNCLASSIFIED

UNCLASSIFIED

# A Snapshot of MFAT



**NEW ZEALAND**  
**FOREIGN AFFAIRS & TRADE**  
Manatū Aorere



## Key data

Vote Foreign Affairs for 2020-21 =

**\$1,443.6 million**

(including \$776.6 million for international development cooperation)

Capital Expenditure for 2020-21 =

**\$73.3 million**

- 4** ministerial portfolios
- 32** pieces of legislation administered
- 13** NZ Inc agency partners offshore
- 168** missions/consular posts resident in or accredited to New Zealand supported
- 51** languages spoken by MFAT staff

## Where MFAT people work in NZ

Americas and Asia Group .....	<b>63</b>
APEC NZ .....	<b>62</b>
Deputy Chief Executive - Policy Group ..	<b>98</b>
Europe, Middle East and Africa, and Australia Group .....	<b>36</b>
Multilateral and Legal Group .....	<b>105</b>
Office of the Chief Executive .....	<b>9</b>
Pacific and Development Group .....	<b>214</b>
People and Operations Group .....	<b>230</b>
Trade and Economic Group .....	<b>80</b>

## Our network

- 59** posts in **52** countries
- 115** accreditations to other countries
- 74** Honorary Consuls
- 2** NZ offices
- 330** properties managed in our portfolio

## MFAT's offshore footprint

Africa .....	<b>9</b>
Americas .....	<b>41</b>
Asia .....	<b>89</b>
Australia .....	<b>9</b>
Europe .....	<b>60</b>
Middle East .....	<b>21</b>
Pacific .....	<b>47</b>

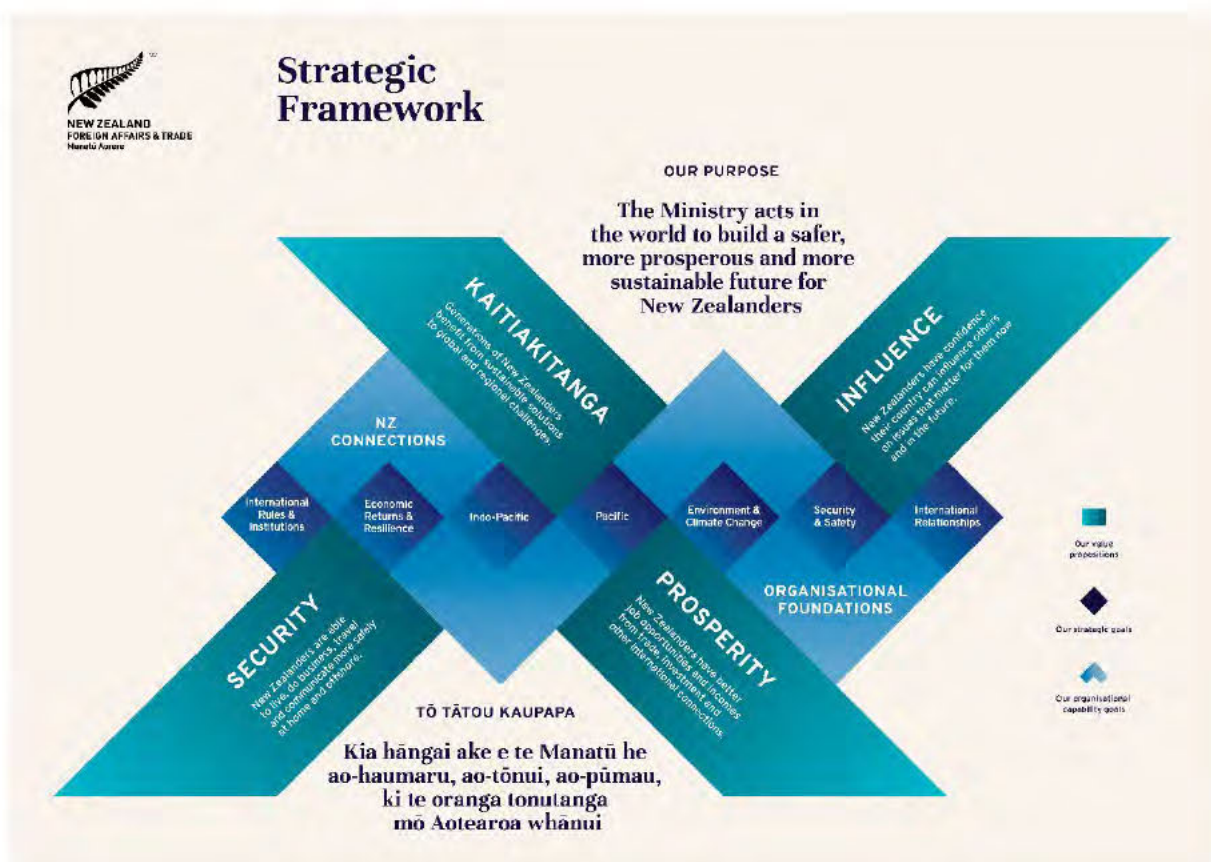
\*Numbers represent actual seconded staff at posts at 1 September 2020 reflecting COVID-19 impacts.

**SEPTEMBER 2020**

## MFAT locations around the world and in NZ



## Purpose, strategic framework and priorities



The Ministry's Strategic Framework sets out our purpose, the value we deliver to New Zealanders, and the collective impact we aim to achieve over a ten year period through our seven strategic goals, supported by our organisational capability goals.

The detailed content of the Strategic Framework is contained in the Ministry's Strategic Intentions 2020-24 (a copy of which is enclosed with this briefing). The enduring, high level components are set out below.

### Our purpose

**The Ministry acts in the world to build a safer, more prosperous and more sustainable future for New Zealanders**

**Kia hāngai ake e te Manatū he ao-haumarū, ao-tōnui, ao-pūmau, ki te oranga tonutanga mō Aotearoa whānui.**

## Our value propositions: how we contribute to New Zealanders' wellbeing

In line with our purpose, the Ministry exists to deliver value to New Zealanders and contribute to their wellbeing. Our four value propositions are:

- **Kaitiakitanga:** Generations of New Zealanders benefit from sustainable solutions to global and regional challenges;
- **Security:** New Zealanders are able to live, do business, travel and communicate more safely at home and offshore;
- **Prosperity:** New Zealanders have better job opportunities and incomes from trade, investment and other international connections;
- **Influence:** New Zealanders have confidence their country can influence others on issues that matter to them, now and in the future

The contribution we make to New Zealanders' wellbeing in these four areas is at the heart of our Strategic Framework and is linked to the four capitals in the Living Standards Framework (LSF), as illustrated on page 81.

The Ministry's principal contribution to wellbeing as defined in the LSF is through the four capitals (natural, human, social, financial/physical) — the "foundations of wellbeing that together generate wellbeing now and in the future."

New Zealand's interdependence with other countries and the impacts of a shifting global environment mean that the Ministry's role in establishing and maintaining strong international connections, effective relationships with a diverse range of partners, a voice in international fora and a range of robust rules and norms that serve our interests is important to build capital stocks and manage risks related to them. For our wellbeing, New Zealand relies on global public goods, such as the atmosphere, economic stability and global institutions, rules and agreements. We both invest in and benefit from these international assets.

In turn, New Zealand's value proposition internationally is underpinned by the domestic strengths and values that make up the wellbeing capitals. These include our commitment to democracy and the rule of law, the integrity of our public service and governance institutions, the strength of our economic and environmental management and our values of fairness, openness and tolerance. We leverage these intrinsic advantages to promote New Zealand's interests in the world.

## Our priorities to June 2021

The Ministry's Senior Leadership Team has endorsed 11 Priority Issues and Projects (PIPs) as **areas of focus for the period May 2020 to June 2021**.

Priority Issues and Projects to June 2021	
1	Recalibrate our trade and economic work to support New Zealand's economic recovery and longer term resilience;
2	Recalibrate our Pacific work to respond to COVID-19;
3	Assist New Zealanders impacted by COVID-19 offshore and work with others on impacted foreign nationals in New Zealand;
4	Maintain and restore safe international transport connections and people movement;
5	Build Indo-Pacific regional resilience;
6	Support the global system's response to the COVID-19 crisis;
7	Provide diplomatic support for national health objectives, with a focus on securing a COVID-19 vaccine;
8	Support APEC's contribution to regional economic recovery and host a successful APEC;
9	Sustain and encourage international cooperation on climate change;
10	Sustaining and building relationships and coalitions with key partners;
11	Adapt our diplomatic engagement for a COVID-19 environment.



**Our value propositions:**  
**What MFAT does to contribute to New Zealanders' wellbeing**



## KAITIAKITANGA

Generations of New Zealanders benefit from sustainable solutions to global and regional challenges.



Went and passage upgrade in Toluca, Co-Union by New Zealand Government 2019. Credit: Mst



New Zealanders' long-term wellbeing depends on the international community working together to safeguard shared global resources, promote global norms and achieve sustainable development. We need New Zealand's contribution to these efforts, ensuring New Zealand has a say on decisions that affect it and people around the world now and in the future.

Specifically, we:

- support the international and regional institutions that resolve problems which cross borders and impact on global wellbeing.
- work with other countries to address environmental and natural resource challenges by negotiating and implementing agreements on issues such as climate change and over-fishing.
- contribute to global efforts to achieve sustainable development.
- deliver New Zealand's international development cooperation, with a focus on the Pacific region, and lead responses to humanitarian crises and natural disasters.
- promote global rules and legal frameworks on issues such as human rights and support the international justice system.
- protect Antarctica.

## SECURITY

New Zealanders are able to live, do business, travel and communicate more safely at home and offshore.



The first 400 returning to Vanuatu recognised Seasonal Employer scheme workers departing the KZLT facilitated repatriation flight on 18 June 2020. Credit: Air Vanuatu Limited.



New Zealanders' ability to operate in safe environments, whether in New Zealand, offshore or online, can be threatened by international factors ranging from conflict to cyber attacks. The Ministry is New Zealand's voice in the world that address security issues affecting New Zealand, our region and the world. We also provide the consular services that help keep New Zealanders safe and informed when they live or travel overseas. Specifically, we:

- work with international partners on rules and capacity-building to reduce threats from cyber and terrorist attacks, illegal migration, transnational crime and other threats.
- help advance global disarmament and rules against the proliferation of weapons.
- provide safe-travel information, help New Zealanders affected by crises and other problems overseas and ensure their rights are protected.

## INFLUENCE

New Zealanders have confidence  
their country can influence  
others on issues that matter  
for them now and in the future.



The international dimension of New Zealanders' wellbeing depends on New Zealand's ability to influence the decisions of other countries and organisations. The Ministry works to ensure that New Zealand has the relationships and levers to achieve what matters to us. Specifically, we:

- sustain through the way we work New Zealand's reputation for being principled, fair and constructive participant in global and regional affairs – a country others want to work with and do business with,
- work to strengthen institutions and rules that give small states influence and protect their interests,
- build trust and long-term capital in our relationships with other countries so that when we need their support, we can secure it,
- build worldwide coalitions to support initiatives on issues that are important to New Zealand and where we have expertise.



Copyright © 2020, by the New Zealand Parliament

## PROSPERITY

New Zealanders have better job opportunities and incomes from trade, investment and other international connections.



Excerpt organization event in Thailand, supported by Kaitiaki Credit, MFA

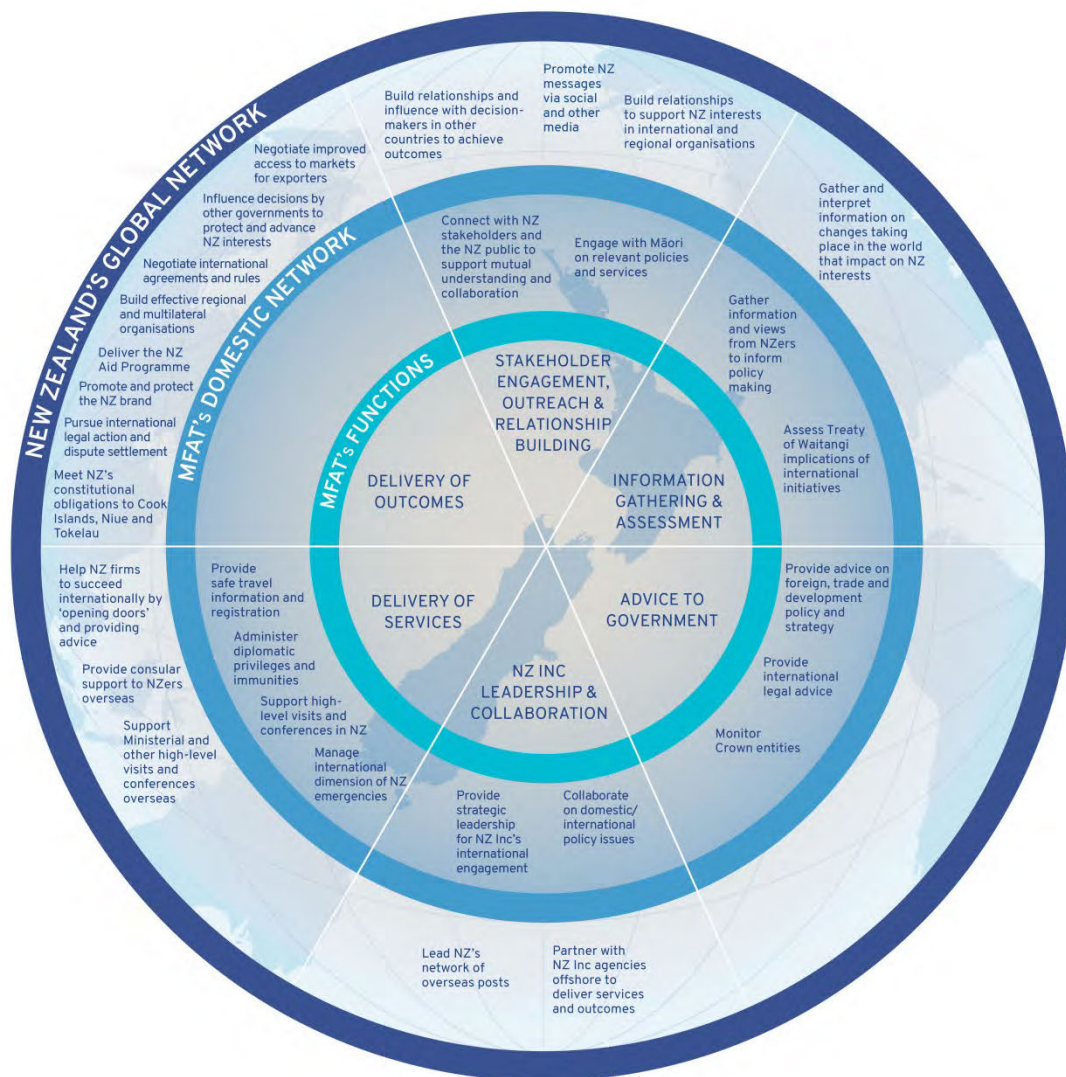


International trade and investment are essential for New Zealanders' prosperity and standard of living. One in four jobs depends on exports. The Ministry negotiates the reduction and removal of barriers to trade and investment, defends access to overseas markets and helps exporters succeed. Specifically, we:

- help build global and regional trade rules and frameworks through the World Trade Organisation and fora such as Asia-Pacific Economic Cooperation (APEC). These make it easier for New Zealanders to conduct international business,
- open up and protect diverse exporting and investment opportunities through negotiating free trade agreements and tackling non-tariff barriers,
- defend New Zealand's access rights including through taking dispute settlement action when other countries don't keep their commitments,
- help New Zealanders through our network of overseas posts to succeed in international markets and support international connections in areas such as research,
- promote the New Zealand brand and protect it when it's put at risk.



## What MFAT does in New Zealand and around the world to deliver value to New Zealanders



## Functions and footprint

### The Ministry's functions

The Ministry of Foreign Affairs and Trade is the Government's principal agent for pursuing the country's interests and representing New Zealand internationally. We build connections with and influence other countries to advance New Zealand's interests, project New Zealand values and secure outcomes that matter to New Zealand. We pursue the Government's international priorities and provide advice to the Government on the implications for New Zealand of what is happening in the world.

We lead the New Zealand Government diplomatic network, a unique national asset, safeguarded by international law, able to speak with an authoritative voice, and with heads of mission and post formally charged with representing the state.

We are the Government's specialist foreign, trade and development policy adviser, international legal adviser and negotiator. We are responsible for delivering New Zealand Official Development Assistance (see pages 42-50) and for providing consular services to New Zealanders overseas (see page 89) and coordinating offshore emergency responses (see page 90).

The full range of functions that the Ministry undertakes, both in New Zealand and internationally, is set out in the diagram on page 83.

The legislation the Ministry administers and the statutory responsibilities of the Secretary of Foreign Affairs and Trade are laid out in Appendix 1.

### Where we operate and how we organise ourselves

The head office structure and the top three tiers of the Ministry's leadership are set out on page 86. The Ministry is organised around geographic regions, policy functions and corporate functions.

In New Zealand, in addition to our Wellington head office, we have an office in Auckland which is focused on business engagement and outreach to the Pacific community. It also assists with VIPs visiting or transiting through Auckland. The Auckland office can serve as a base for your Auckland engagement. It is co-located with New Zealand Trade and Enterprise (NZTE).

The Ministry's global network comprises 59 posts in 52 countries. In addition, NZTE Trade Commissioners lead a further nine Consulates-General. The entire NZ Inc network with agency representation is illustrated in Appendix 2.

Heads of mission/post are identified on pages 87-88. Beyond the 52 countries where they are based, posts have diplomatic cross-accreditations to a further 110 countries. These cross-accreditations are a cost-effective way of extending the reach of our network beyond the countries where we have established physical posts, and are in some locations usefully supplemented by the appointment of Honorary Consuls.

## COVID-19 impacts

Over last nine months the Ministry has temporarily closed eight posts due to extreme COVID-19-related health and safety risks, three of which have are due to re-open. These closures are kept under regular review. In locations where posts have been closed, staff employed at post remain in place performing some consular duties and maintaining the premises.

The landscape off-shore is changing as we maintain offices, staff and families in high COVID-19 contexts that continue to be subject to tight restrictions on movement. The Ministry faces significant challenges in relation to health and safety, staffing levels, family wellbeing, and ensuring sufficient leave and respite options are available. We will also look to an early discussion with you about the spread and scale of our offshore footprint.

In New Zealand, the Ministry stood down a COVID-19 Emergency Coordination Centre in June 2020 that had run for five months. In its place, two temporary COVID-19 teams have been established to manage the longer-running policy and organisational response and increase our capacity on pressing consular and protocol issues. These temporary structures are intended to be in place throughout 2021 with regular review. They are specifically to ensure that the Ministry can focus policy effort in support of the All-of-Government COVID-19 effort as well as sustain the post network in an increasingly uncertain set of environments. The additional roles required were managed from within baseline through re-prioritisation.

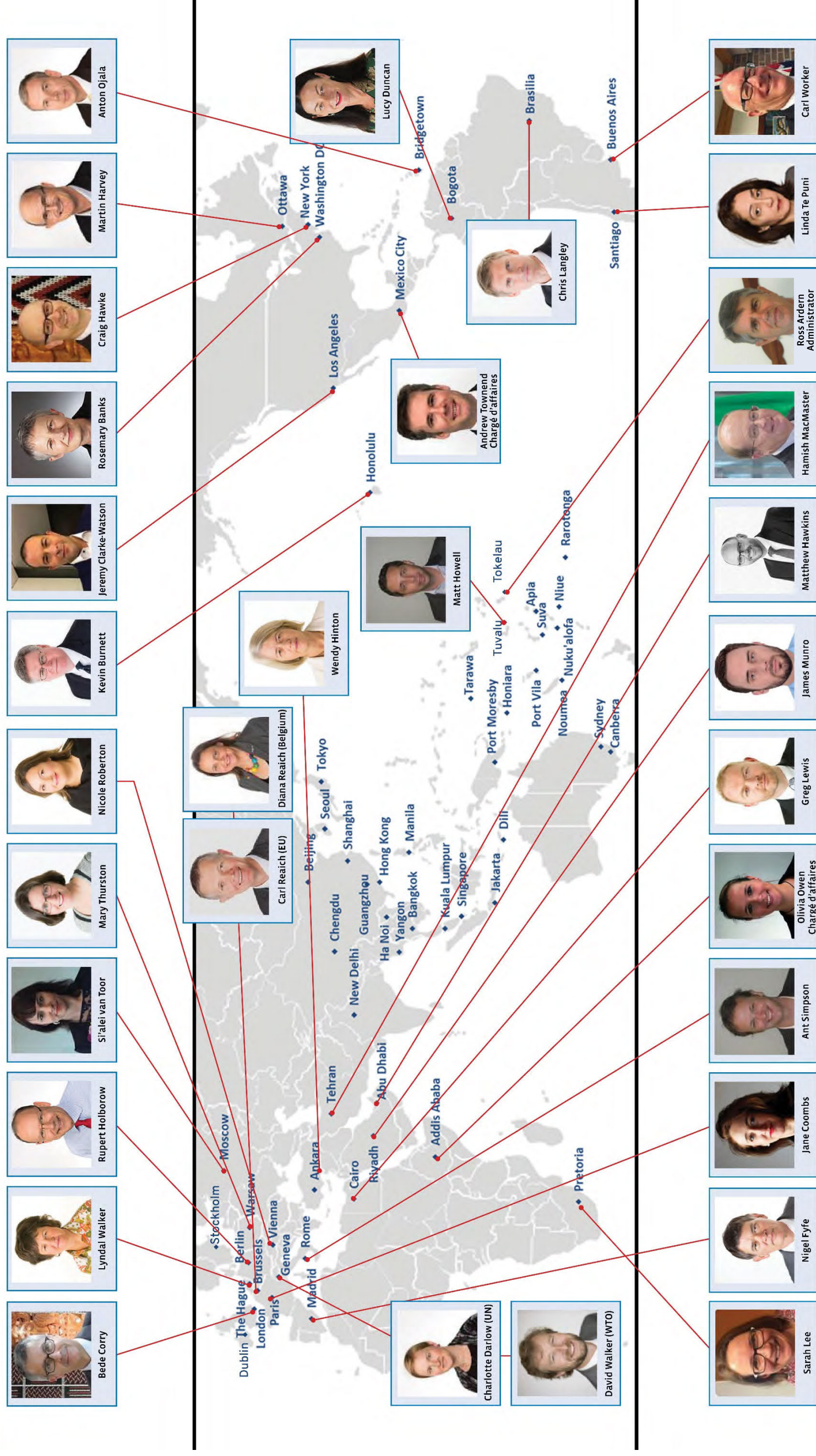


# Ministry of Foreign Affairs and Trade – Leaders

As at 3 November 2020



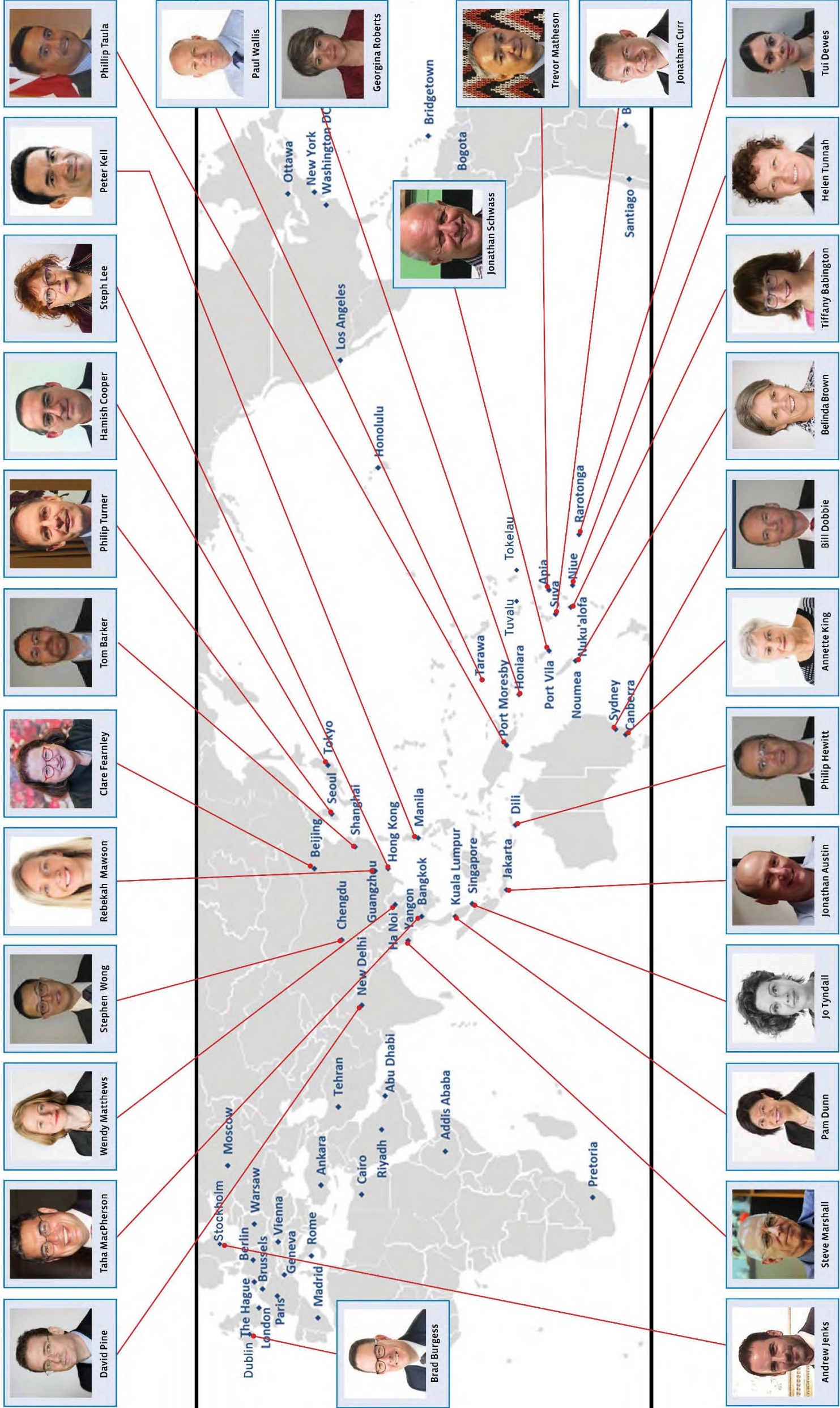
As at 3 November 2020



UNCLASSIFIED

# Ministry of Foreign Affairs and Trade Heads of Mission

As at 3 November 2020



UNCLASSIFIED



## Consular services and emergency responses

### Consular services

The Ministry provides a range of services to New Zealanders travelling and residing overseas. These include providing help during crises such as terrorist incidents and natural disasters, helping New Zealanders who are sick or injured, assisting with arrangements following a death, undertaking welfare visits for those arrested or detained, and providing notarial services such as statutory declarations for use under New Zealand law. These services aim to support New Zealanders to help themselves.

There is no automatic right for New Zealanders in distress overseas to receive financial assistance from the Government. But in exceptional circumstances – where there is an immediate threat to a person’s safety and well-being, and specified criteria are met – the Ministry can provide a consular loan which the New Zealander must agree to pay back.

The Ministry has an important role in establishing, updating and disseminating travel advice for destinations around the world, including through its SafeTravel website. Travel advisories are based strictly on safety and security risks to New Zealanders rather than political or foreign policy considerations and are reviewed regularly. The Ministry’s SafeTravel registration system allows travellers to register their details and destination with the Ministry when they are traveling or residing overseas. Important messages and travel advice updates can then be sent to those registered. The current travel advisory was moved to ‘do not travel’ for all overseas destinations (an unprecedented move) on 19 March 2020 due to COVID-19, and remains at this level. A framework for assessing whether to lower the travel advice level for some countries on an exceptions basis was agreed by Ministers under the previous government. The Ministry will consult the new government on any proposal to lower advisories from ‘do not travel’ before taking any such action.

The Ministry will also provide regular situation reports and case summaries to you about significant incidents offshore and sensitive consular cases. We will continue to seek ministerial direction and advice on a small number of particularly sensitive cases. Consular issues generate high media interest and updates are often sought on significant or high-profile events, for example natural disasters and terrorist attacks, particularly if New Zealanders are involved. Media lines will be included in reporting to you.

Consular services are delivered by staff at posts and in Consular Division in Wellington. Assistance is available on a 24/7 basis, monitored by an after-hours call centre and consular duty staff. We work closely with Five Nations partners to share experiences and provide consular coverage in places where we (or they) are not represented.

The COVID-19 pandemic has presented an unprecedented challenge given the need to provide consular services at scale. The pandemic has also underlined the need for the Ministry to maintain and strengthen over the longer term a robust capacity to deliver consular services across the post network with support from Wellington, even in difficult operating circumstances. The Ministry’s Consular Division has increased in size to manage the current increase in and complexity of consular cases and to support an

ongoing need to assist New Zealanders to repatriate. For the longer term, the Ministry is reviewing its COVID-19 response, including consular functions, to strengthen capacity.

The annual Consular Satisfaction Survey for 2020 found 75 per cent of customers were either satisfied or very satisfied with services received, down from 84 per cent satisfaction in 2019. The survey concluded pandemic challenges had generally stretched the service.

## Disaster relief and humanitarian response

The Ministry is the lead agency for offshore emergency response and the Minister of Foreign Affairs approves all deployments of New Zealand Government personnel and assets in a response (see “Humanitarian action” on p. 49 for more detail).

## National emergencies in New Zealand affecting foreign nationals

During a domestic incident, the Ministry has legislative obligations to support the National Emergency Management Agency under the National Civil Defence Emergency Management Plan Order 2015. The Ministry, through the Protocol Division, is responsible for communicating with foreign governments and international organisations on all aspects of the emergency, including on the safety and whereabouts of foreign nationals. The Ministry also usually manages offers of, and requests for, international assistance; condolence messages; and facilitates VIP visitors to New Zealand. Ministry staff will often deploy to the disaster area so they can engage seamlessly with emergency response teams on the ground and act as the interface between the teams and foreign missions.

## New Zealand connections

### New Zealand partnerships

The Ministry's performance as a New Zealand public sector agency and our success in pursuing New Zealand's interests internationally rely on strong connections at home.

The Ministry is committed to a systematic, collaborative and transparent approach to working with New Zealand partners and engaging with Māori, other stakeholders and the New Zealand public.

Our partnership with other government agencies with external interests ("NZ Inc") is critical to delivery of results for New Zealanders. The Ministry leads and supports an integrated NZ Inc approach, both onshore and offshore, to maximise collective impact in pursuing the Government's objectives internationally. Our work with NZ Inc agencies involves strategic leadership on international issues and engagement, a high level of collaboration on delivery of shared objectives, and practical services for agencies with staff offshore, many of whom are located in Ministry offices.<sup>8</sup>

With domestic and international policy increasingly linked, the Ministry collaborates with many other government agencies in New Zealand by contributing to cross-agency coordination and policy-making on Pacific policy, economic policy, the national security system and climate change/natural resources. The growing complexity of international relations, and the increasing interplay between foreign and domestic policy, are deepening this collaboration. COVID-19 has increased demand for rapid policy development in new areas and brought new domestic interdependencies to the fore.

The Ministry has extensive engagement with New Zealand stakeholders across business, iwi, non-government organisations (NGOs), local government, Pasifika and Asian communities, and academia in order to inform development of policy and negotiating objectives and to pursue mutually beneficial partnerships.

The Ministry uses a range of digital channels for communicating with New Zealanders. These include our main website [www.mfat.govt.nz](http://www.mfat.govt.nz) and, for travel advice, [www.safetravel.govt.nz](http://www.safetravel.govt.nz) as well as two trade-related websites (with a third to be launched shortly) and a repository of New Zealand's treaties. The Ministry also uses an official Twitter account @MFATgovtNZ, and our offshore posts have a social media platform of 50-plus Facebook pages and 50-plus Twitter accounts.

---

<sup>8</sup> The key agencies represented offshore are the Department of Internal Affairs, Education New Zealand, Ministry of Business Innovation and Employment, Ministry for Primary Industries, New Zealand Customs Service, New Zealand Defence Force, New Zealand Police, New Zealand Trade and Enterprise, The Treasury, and Tourism New Zealand.

## Māori/Crown relationship

The Ministry recognises the importance of Te Tiriti o Waitangi as New Zealand's founding document and the basis of the relationship between the Crown and Māori. The principles of Te Tiriti – including partnership, good faith, and active protection – are at the core of our work. As the national and global landscape changes, we appreciate that how we interpret and apply those principles will need to adapt, but the relevance and importance of Te Tiriti will remain.

The Ministry is committed to delivering on our obligations as a Treaty partner with authenticity and integrity and to advancing Māori interests in our international work. We are conscious that the mana of Te Tiriti o Waitangi and the enduring relationship between Māori and the Crown make New Zealand unique on the world stage.

The Ministry's Māori Engagement Strategy, which was adopted in 2017 with a four-year horizon, sets out our enduring commitment to and aspirations for our relationship with Māori. In implementing the Strategy, we aim to improve the way we engage, partner and consult with Māori in order to ensure Māori are able to influence the development and implementation of Ministry-led issues and activities that affect them.

The Strategy also drives efforts to build Māori capability and capacity in the Ministry. We want our people to have the confidence to use Mātauranga Māori in their mahi in a way that brings mana to the Ministry and represents Māori interests with authenticity offshore. Lifting our Mātauranga Māori capability is one of four organisational priorities for 2020. The Ministry is also actively working to attract and retain Māori staff.

As part of our enhanced engagement with Māori, in 2019 the Ministry entered into an agreement to establish Te Taumata. Te Taumata is a unique and independent engagement model involving a group of recognised leaders in Māori socio-economic and cultural development chosen by Māori to engage with the Ministry on trade matters.

We are committed to ensuring the Ministry is well placed to meet our obligation under the Public Service Act 2020 to support the Crown in its relationships with Māori under the Treaty and to build the Māori capability and capacity required to deliver this.

## Budget

**Vote Foreign Affairs** funds the Ministry's operating costs, Official Development Assistance (see pp. 42-50), Crown entities and charitable trusts (see pp. 10-11), membership of international organisations, obligations under the Vienna Convention to resident diplomatic missions, as well as short-term additional costs for one-off events, which include the cost of hosting APEC 21 and New Zealand's participation at the Dubai Expo.

VOTE FOREIGN AFFAIRS BASELINE – PREFU 2020	2020/21 \$M	2021/22 \$M	2022/23 \$M	2023/24 \$M	2024/25 \$M
<b>Ministry's Operating Expenditure</b> (includes the cost of managing ODA)	<b>492.115</b>	<b>491.619</b>	<b>486.618</b>	<b>494.221</b>	<b>492.059</b>
<b>APEC 21 programme</b>	<b>37.356</b>	<b>20.140</b>	-	-	-
<b>Ministry's Capital Expenditure</b>	<b>66.200</b>	<b>55.560</b>	<b>68.304</b>	<b>81.025</b>	<b>76.040</b>
<b>Official Development Assistance (International Development Cooperation)</b>	<b>825.317</b>	<b>819.517</b>	<b>858.167</b>	<b>860.955</b>	<b>860.955</b>
<b>Other non-departmental expenditure, made up of:</b>	<b>118.746</b>	<b>98.372</b>	<b>91.399</b>	<b>90.899</b>	<b>90.899</b>
<i>Antarctica NZ (Operating)</i>	20.820	20.820	20.820	20.820	20.820
<i>Antarctica NZ (Capital)</i>	7.100	-	-	-	-
<i>Pacific Broadcasting Services</i>	0.000	0.000	0.000	0.000	0.000
<i>Pacific Cooperation Foundation</i>	1.400	1.400	1.400	1.400	1.400
<i>Asia NZ Foundation</i>	5.500	5.500	5.500	5.500	5.500
<i>Rate refunds for Diplomatic Missions resident in NZ</i>	2.400	2.400	2.400	2.400	2.400
<i>Subscriptions to International Organisations</i>	60.729	60.729	60.729	60.729	60.729
<i>Dubai Expo</i>	27.747	7.473	0.500	-	-
<i>NZ Employees Working Overseas PLA</i>	0.000	0.000	0.000	0.000	0.000
<i>Consular Loan Expenses</i>	0.150	0.050	0.050	0.050	0.050
<i>Capital - Consular Loans</i>	5.000	0.100	0.100	0.100	0.100
<b>Total Vote Foreign Affairs</b>	<b>1,539.734</b>	<b>1,485.278</b>	<b>1,504.488</b>	<b>1,525.100</b>	<b>1,519.953</b>

**Foreign Affairs and Trade Funding:** Across the last three budgets (2018, 2019 and 2020) the Ministry received new operating funding totalling \$436.764 million over four years (including \$184.140 million for APEC 2021 and \$87.590 million to manage the delivery of ODA) and capital funding of \$88.16 million for additional capability, cost pressures and to invest in the infrastructure of its posts in the Pacific. In June 2020, Cabinet agreed that New Zealand would host a largely virtual APEC in 2021, and as a

result agreed that the amount appropriated for APEC be reduced by \$107.600 million. In Budget 2019, funding was reduced by \$20.217 million to provide an efficiency dividend. Funding increases largely end this financial year and the Ministry is faced with a flat-lined budget into the future.

**Other funding provided:** The main other areas that have received funding in the last three years are New Zealand's participation in the Dubai Expo (\$61.020 million) and the Scott Base Redevelopment Project (\$18.500 million).

## Asset portfolio

The Ministry's \$554 million asset base comprises property (91 per cent), information and communication technology (8 per cent) and motor vehicles (1 per cent).

CAPITAL ASSETS AT 30 JUNE 2020	PROPERTY \$M	TECHNOLOGY \$M	VEHICLES \$M	TOTAL \$M
Cost	617.791	111.964	10.542	740.297
Accumulated depreciation	114.633	66.892	5.002	186.527
Carrying value	503.158	45.072	5.540	553.770

The Ministry actively manages a portfolio of approximately 333 properties (24 per cent owned and 76 per cent leased) around the world to support the Government's international objectives.

The Ministry meets most of the costs (operating and capital) of the office accommodation of the overseas network. Other New Zealand agencies contribute to the cost of their office accommodation on a marginal cost basis. This pricing model is applied to incentivise co-location of New Zealand agencies overseas.

## Investment planning and management

The Ministry is planning to invest capital of \$552 million over the next 10 years. This investment primarily reflects the Ministry's asset replacement cycle that is funded from existing resources (including those that will accumulate over the period). It also includes capital contributions of \$47.825 million for Pacific infrastructure projects between 2020 and 2024. The major projects under way include:

### Property

- Colombo: new post establishment;
- Moscow and Riyadh: Chancery upgrades;
- London: New Zealand House building refurbishment in conjunction with the United Kingdom Crown Estate;
- Suva: construction of new High Commission; and
- Pacific infrastructure projects: staff housing in Honiara, Tarawa and Port Moresby; new High Commission in Rarotonga; infrastructure replacements in Apia and Nuku'alofa, and Port Moresby Chancery refurbishment.

**Information technology**

- Human Resource Information System replacement;
- ODA management system upgrade; and
- New data centre in Hamilton.

As a “Tier 2” capital intensive agency under the Government’s Investment Framework, the Ministry underwent its first Investor Confidence Rating in 2016. At the time we received an “A” rating with a score of 81. Last year the Ministry’s score dropped slightly to 77, resulting in a “B” rating. Treasury advise that “... as the second round assessments are more robust, they consider clear improvements have been made by MFAT to achieve their 77 score....” As a consequence, Cabinet agreed increased approval thresholds for all baseline-funded, low and medium risk investments (from \$15 million to \$25 million for the Chief Executive and from \$25 million to \$40 million for the Minister of Foreign Affairs) be retained.

A key element in this Investor Confidence Rating is our asset management strategy that sets the principles for property-related decisions and drives longer range and transparent asset management discipline. This strategy ensures that the Ministry’s property assets are fit for purpose, business-aligned, resilient and protect the wellbeing and safety of staff and represent value for money.



## Appendices

UNCLASSIFIED

UNCLASSIFIED

## Appendix 1:

### Ministry statutory and related responsibilities

#### Statutory responsibilities held by the Secretary of Foreign Affairs and Trade

The Secretary of Foreign Affairs and Trade holds a number of statutory responsibilities. These include:

- Under the Foreign Affairs Act 1988, the Secretary is responsible for administering the system of overseas assignments;
- Under the New Zealand Trade and Enterprise Act 2003, the Secretary may be appointed as a special adviser to the Board of New Zealand Trade and Enterprise;
- Under the Tokelau Administration Regulations 1993, the Secretary assumes the functions of the Administrator of Tokelau if that office becomes vacant;
- Under the United Nations Act 1946, the Secretary has various roles in the interpretation and application of sanctions regulation; and
- Under the Customs and Excise Act 1996, the export of strategic goods (firearms, military goods and technologies, and goods and technologies that can be used in the production, development or delivery of nuclear, chemical or biological weapons) is prohibited unless a permit has been obtained from the Secretary of Foreign Affairs and Trade. The Ministry's Export Controls Office manages the permit system for controlled strategic goods. Although there is no statutory role for the Minister of Foreign Affairs under the Customs Act, the Secretary will consult you (and occasionally, through you, the Minister for Trade and Export Growth or the Prime Minister) on an intention to deny or approve a sensitive application.

#### International legal processes

In addition, the Secretary of Foreign Affairs and Trade has a range of responsibilities related to international legal processes:

- Under the High Court and District Court Rules, the Secretary is responsible for the exchange of court documents in transnational civil proceedings where the parties request delivery of documents through the diplomatic channel,
- Under the Fisheries Act 1996, the Secretary formally notifies the adoption of conservation and management measures by international fisheries management organisations;
- Under the Commonwealth Countries Act 1977, the Secretary may be asked to issue a certificate regarding a country's status as a Commonwealth country for the purposes of any New Zealand court proceedings (Commonwealth countries being treated differently under New Zealand law); and

- There are numerous other Acts, particularly in the areas of international judicial cooperation and criminal law, where the Secretary may issue a certificate as to whether another state is party to the treaty that the Act implements.

## Legislation administered by the Ministry

### Foreign Affairs

- Commonwealth Countries Act 1977
- Consular Privileges and Immunities Act 1971
- Diplomatic Privileges and Immunities Act 1968
- Foreign Affairs Act 1988

### Trade

- Trans-Pacific Partnership Agreement (CPTPP) Amendment Act 2018

### Peace, rights and security

- Anti-Personnel Mines Prohibition Act 1998
- Brokering (Weapons and Related Items) Controls Act 2018
- Chemical Weapons (Prohibition) Act 1996
- Cluster Munitions Prohibitions Act 2009
- Customs and Excise Act 2018 (Customs administered with MFAT powers))
- Geneva Conventions Act 1958
- International Crimes and International Criminal Court Act 2000 (jointly administered with the Ministry of Justice)
- Mercenary Activities (Prohibition) Act 2004
- New Zealand Nuclear Free Zone, Disarmament and Arms Control Act 1987
- Nuclear-Test-Ban Act 1999
- Terrorism Suppression Act 2002 (jointly administered with Ministry of Justice)
- United Nations Act 1946

### Antarctica

- Antarctica Act 1960
- Antarctica (Environmental Protection) Act 1994
- New Zealand Antarctic Institute Act 1996
- Antarctic Marine Living Resources Act 1981

### Law of the Sea

- United Nations Convention on the Law of the Sea Act 1996
- Continental Shelf Act 1964

- Territorial Sea, Contiguous Zone, and Exclusive Economic Zone Act 1977

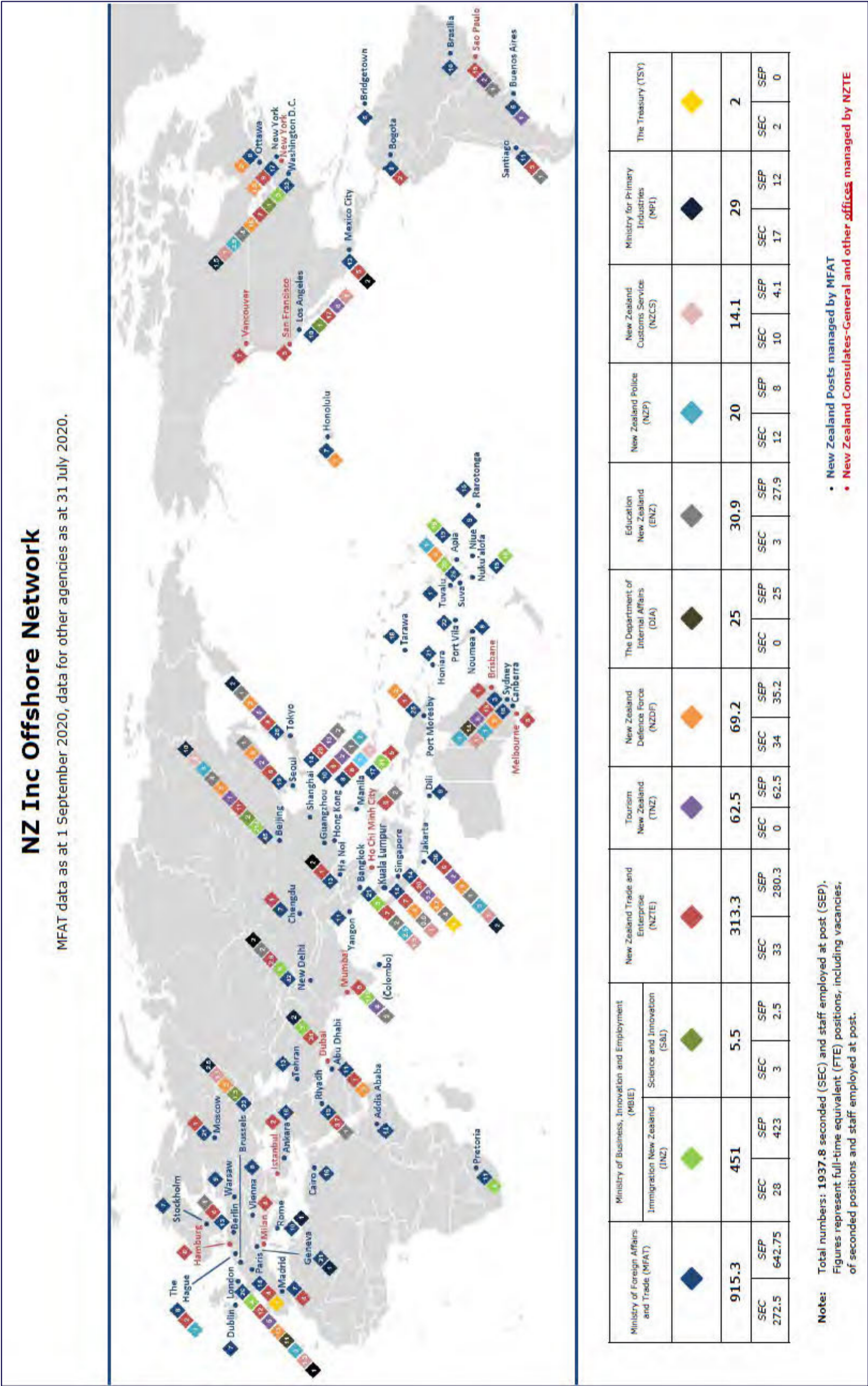
**Realm of New Zealand and the Pacific**

- Cook Islands Act 1915
- Cook Islands Constitution Act 1964
- Kermadec Islands Act 1887
- Niue Act 1966
- Niue Constitution Act 1974
- Pitcairn Trials Act 2002
- Tokelau Act 1948
- Tokelau (Territorial Sea and Exclusive Economic Zone) Act 1977
- Western Samoa Act 1961

UNCLASSIFIED

UNCLASSIFIED

Appendix 2:  
NZ Inc offshore footprint





## Appendix 3:

### Current deployments of New Zealand personnel

The Ministry of Foreign Affairs and Trade works with the Ministry of Defence and the New Zealand Defence Force (NZDF) on the deployment of New Zealand personnel to major peace support operations, maritime security, training missions and into headquarters positions around the world. As at 28 August 2020, 93 personnel were deployed on the following missions:

Deployment	Mandated Size	Description	Mandate Expiry
<b>Afghanistan: Operation RUA II</b>	Up to 13	New Zealand's contribution currently comprises three mentors to the Afghan National Army Officer Academy, and three personnel to Resolute Support Mission (RSM) Headquarters: one Colonel in planning and two Gender Advisors supporting Women, Peace and Security efforts. s9(2)(f)(iv)	Dec 2020
<b>Bahrain: Operation PUKEKO</b>	2 + 2	Providing command and specialist support to coalition maritime security operations at the Combined Maritime Forces (CMF) Headquarters in Bahrain (two officers). An additional two short-term positions into maritime security coalitions (CMF and the UK Maritime Trade Operations (UKMTO)) are deployed in 2020.	Jun 2022
<b>Iraq: Operation MOHUA</b>	4	Four personnel are deployed to the United States – led Operation INHERENT RESOLVE (OIR) in Iraq and Kuwait. This forms part of New Zealand's contribution to the Defeat ISIS (D-ISIS) Coalition.	Jun 2022
<b>Qatar: Operation KERERU</b>	s6(a)	s6(a) personnel to the US Combined Air Operations Centre (CAOC) s6(a) in Qatar as a part of New Zealand's contribution to the D-ISIS Coalition	Jun 2022

s6(a)	s6(a)	s6(a)	s6(a)
<b>Egypt: Operation FARAD</b>	31	Deployment to the Multinational Force and Observers (MFO), Sinai Peninsula, Egypt, supervising the peace treaty between Egypt and Israel (up to 28 personnel for the core contingent). New Zealand also has the Force Commander position (plus associated roles) until March 2022. s6(a)	Sep 2022
<b>Golan Heights and Lebanon: Operation SCORIA</b>	8	Deployment to the United Nations Truce Supervision Organisation (UNTSO), monitoring the truce agreements between Israel and Syria, Jordan and Egypt.	Sep 2022
<b>South Sudan: Operation SUDDEN</b>	4	Peace support deployment of four officers to the United Nations Mission in South Sudan (UNMISS) including the position of Military Assistant to the Special Representative to the Secretary-General, New Zealander David Shearer. s9(2)(g)(i)	Jun 2022
<b>Jordan: Operation SOLAR</b>	s6(a)	s6(a) s9(2)(g)(i)	Dec 2020

<b>Republic of Korea: Operation MONITOR</b>	9	Contribution of six personnel to the United Nations Command Military Armistice Commission (UNCMAC), which monitors and supports the implementation of the armistice agreement signed at the end of the Korean War, and three personnel to the US-led United Nations Command Headquarters.	Aug 2021
<b>Japan: Operation WHIO</b>	s6(a)	Maritime surveillance deployments in support of UNSC sanctions against North Korea. s6(a) s6(a) NZDF P-32k maritime patrol aircraft deployments, involving up to 45 associated personnel, s6(a) These are based in Japan, and support sanctions enforcement in international waters in North Asia.	Sep 2022

## Appendix 4: New Zealand's International Cooperation for Effective Sustainable Development Policy Statement



### New Zealand's International Cooperation for Effective Sustainable Development

1. New Zealand cooperates for sustainable development as a Pacific country and a global citizen. The environmental, economic, governance, and human development challenges facing our region and the world are many and complex. They impact us and we are committed to working with others to meet them.
2. The purpose of our cooperation under this policy is to contribute to *a more peaceful world, in which all people live in dignity and safety, all countries can prosper, and our shared environment is protected.*
3. This policy confirms our primary focus on the Pacific region, in line with the Pacific Reset. It reflects a shift in how our government works in the region that includes deeper collaboration with Pacific partner countries and more ambition for our Pacific engagement.
4. This policy also confirms our support for the 2030 Agenda for Sustainable Development. New Zealand will work for global solutions to global sustainable development challenges and particularly accelerated action to address climate change and its impacts, in line with the Paris Agreement. We will support an effective contribution from multilateral and regional institutions to deliver on the 2030 Agenda.
5. This policy commits our global and regional cooperation to affirm:
  - Human rights, effective governance and democracy;
  - The prevention and peaceful resolution of conflict;
  - Gender equality and women's empowerment;
  - Sound stewardship of the environment and climate; and
  - Child and youth wellbeing.
6. New Zealand's international cooperation will reflect the broad and integrated nature of sustainable development. We will value, invest in and seek real progress across the social (people – Ngā Tāngata), environment (planet – Te Taiao), economic (prosperity – Te Ōhanga), and stability and governance (peace – Te Rangimarie) pillars of sustainable development.
7. In addition to our aid, New Zealand will work to advance sustainable development through our trade, environment, diplomatic, and security cooperation as an

integrated approach to foreign policy. We will also pursue greater policy coherence in our domestic policy settings that impact on global development.

8. New Zealand will work in partnership with others and will cooperate with all who share our values and objectives.
9. New Zealand will work with Small Island Developing States to support their voice and advance their sustainable development interests.

### Scope of New Zealand's Official Development Assistance (ODA)<sup>9</sup>

1. New Zealand will maintain a strong ODA contribution to sustainable development and humanitarian action in Pacific Island and developing countries. The majority of our ODA will focus on countries most in need, particularly Small Island Developing States and Least Developed Countries.
2. New Zealand's ODA will retain a primary geographic focus on the Pacific that will account for at least sixty percent of total ODA. Our relationships and ODA in the Pacific will be informed by principles of understanding, friendship, mutual benefit, sustainability and collective ambition. We will give particular consideration to our constitutional obligations to states within the Realm of New Zealand, and to Pacific countries most off track against the Sustainable Development Goals.
3. New Zealand's ODA will have a secondary geographic focus on Southeast Asia, particularly its Least Developed Countries and the regional role of ASEAN. New Zealand will focus on collaborating with partners to upscale our ambition and impact for the Asia-Pacific region.
4. New Zealand's ODA will achieve global reach through strong engagement in and support through the multilateral system, humanitarian assistance, regional programmes in Africa and the Caribbean, and assistance to specific fragile and conflict affected areas, particularly in the Middle East and Asia.
5. Beyond these priority areas, New Zealand will consider targeted ODA for middle-income and transitioning countries to access policy and technical expertise; support transition to more sustainable and inclusive development; and strengthen forms of cooperation with New Zealand that can be sustained without ODA.
6. New Zealand's ODA will draw on and engage New Zealand's people, public sector and other institutions, resources and expertise.
7. New Zealand will pursue impact through development outcomes that are:
  - Effective – that are values driven, partnership focused, dynamic, and evidence-based;

---

<sup>9</sup> ODA is defined by the OECD Development Assistance Committee (DAC) as government funding designed to promote the economic development and welfare of developing countries. Development cooperation is broader than ODA and encompasses all of the ways in which New Zealand advances development.

- Inclusive – that address exclusions and inequality created across all dimensions of social identity, while promoting human rights, and equitable participation in the benefits of development;
  - Resilient – that promote resilience, including to the impacts of climate change, natural disasters and external shocks; and
  - Sustained – that respond to context and are locally owned.
8. New Zealand will ensure its development cooperation is effective through the following principles for how we work:
- A values-based and transparent approach to engagement;
  - A strong focus on mutually accountable partnerships;
  - Adaptive approaches driven by local context and continuous learning; and
  - Fostering a culture of results using evidence-based decision making.