



4 March 2022

Minister of Foreign Affairs

For approval by

11 March 2022

Navigating Aotearoa New Zealand's policy to counter Russia's invasion of Ukraine

BRIEFING Overview Submission

PURPOSE This submission foreshadows for Ministers decisions that they are likely to need to take on Ukraine in the weeks ahead

Tukunga tūtohua – Recommended referrals

Prime Minister	For information by	11 March 2022
Deputy Prime Minister	For information by	11 March 2022
Minister for Trade and Export Growth	For information by	11 March 2022
Minister of Immigration	For information by	11 March 2022
Minister of Defence	For information by	11 March 2022
Associate Minister of Foreign Affairs	For information by	11 March 2022
Minister for Disarmament and Arms Control	For information by	11 March 2022
Minister of State for Trade and Export Growth	For information by	11 March 2022

Taipitopito whakapā – Contact details

NAME	ROLE	DIVISION	WORK PHONE
Rob Taylor	Deputy Secretary	Europe, Middle East & Australia	s9(2)(a)

Mā te Tari Minita e whakakī – Minister's Office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Noted	<input type="checkbox"/> Referred
<input type="checkbox"/> Needs amendment	<input type="checkbox"/> Declined	<input type="checkbox"/> Withdrawn
<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	

Comments

Pito matua – Key points

- Russia's invasion of Ukraine has posed foundational challenges to the international community. Aotearoa New Zealand has so far had to respond at pace.
- In the weeks and months ahead, we expect the war to become murkier, messier and meaner, posing ever greater challenges for our response. This submission foreshadows for Ministers that Aotearoa New Zealand will need to make policy choices about our:
 - Political and diplomatic messaging;
 - s6(a)
 - Supporting Ukraine.

Rob Taylor
for Secretary of Foreign Affairs and Trade

Tūtohu – Recommendations

It is recommended that you:

1 **Note** Aotearoa New Zealand is well-positioned in terms of our response so far to Russia's invasion of Ukraine; **Yes / No**

2 **Note** that Aotearoa New Zealand will need to maintain agility in its posture, adapting policy to respond to developments; and **Yes / No**

s6(a)

4 **Refer** a copy of this submission to Prime Minister, Deputy Prime Minister, Minister for Trade and Export Growth, Minister of Defence, Minister of State for Trade and Export Growth, Minister for Disarmament and Arms Control, and Associate Minister of Foreign Affairs. **Yes / No**

Choose an item.

Minister Choose an item

Date: / /

Pūrongo – Report

Since President Putin's 24 February authorisation of "special military operations", the intent behind Russia's invasion of Ukraine has become clearer. Militarily, his aim is to occupy the whole country, with the political aim to overthrow the Zelensky Government and ensure a regime is installed in Kyiv that aligns with Moscow. Ukraine's resistance is slowing the Russian invasion. It is likely military operations will drag for weeks, possibly longer. Fighting will intensify with the situation becoming murkier, messier and meaner. We expect horrific reports and imagery appearing in coming weeks, amid a mounting crisis of human tragedy and displacement. Ultimately, however, we can expect Russia to deny Ukraine's sovereignty and its self-determination. Assuming President Putin is successful in occupying Ukraine, the security of ^{s6(a)}

2 Aotearoa New Zealand has three foreign policy objectives at stake:

- (i) A permanent member of the UN Security Council has illegally invaded a neighbour, directly undermining the rules-based international order it is expected to defend. Aotearoa New Zealand's values and our interests lie with that order, which has underpinned our security and prosperity since WWII.
- (ii) Russia has upended the security balance in its immediate neighbourhood. Its actions risk destabilising regional order in Europe, particularly as NATO Allies feel threatened. ^{s6(a)}

Aotearoa New Zealand's interests lie with the current order.

- (iii) Those partners that share our values and interests are responding assertively, and our interests lie with being seen by them to provide a proportionate response that shows our willingness to share some of the burden

3 Aotearoa New Zealand's policy settings have adapted at pace. We will need the agility to shift our policy settings to respond to developments on the ground, and as our partners adjust their own policy responses. The purpose of this submission is to foreshadow the policy areas where we are likely to need decisions and some choices Ministers will need to make.

Partners' responses: the kaleidoscope has been shaken...

4 The US, EU, UK and NATO Allies are responding assertively, mounting an economic attack on Russia designed to maximise the cost to Putin's regime of his actions. Impacts are being felt across the entire Russian economy. NATO Allies are on high alert, fortifying their defences at a time when the Kremlin has suggested its war aims include protecting Russia from a military threat from the West. NATO Allies are acting prudently to avoid provoking Russia into irreversible action or a wider conflict. ^{s6(a)}

. The scope for miscalculation remains high, with Putin's provocative rhetoric about Russia's nuclear arsenal illustrating the need for restraint from NATO.

5 Europe is navigating volatility, uncertainty and ambiguity the like of which has not been seen on that continent since at least the end of the Cold War, perhaps even WWII. European countries are making changes in posture, which would normally have evolved over years, in just a matter of days. ^{s6(a)}

6 Beyond the Atlantic, strategic clarity is being demanded of countries to demonstrate that they stand for Ukraine's sovereignty and self-determination. ^{s6(a)}

Moscow's aggression is not solely a European problem. It has posed real questions internationally on how states engage with one another, undermining the international system as it stands. ^{s6(a)}

With the green shoots of post-COVID economic recovery emerging, Russia's bullying actions have further de-stabilised the international economy.

How has Aotearoa New Zealand responded so far?

7 Aotearoa New Zealand's positioning in support of Ukraine's sovereignty and self-determination therefore matters. Our response so far has been along three domains:

- *Political and diplomatic signals.* The symbolism of the Prime Minister and Ministers statements and a unanimous Parliamentary motion condemning Russia is important. So too are symbolic gestures, like flying the Ukrainian flag and lighting up landmarks. We have amplified these through our diplomacy, bilaterally through the strength of protests delivered through the Russian Ambassador. Cabinet Ministers have discussed Ukraine with key actors ^{s6(a)}
while we have used our diplomacy to try to influence others ^{s6(a)}
We are using multilateral and regional organisations to amplify Aotearoa New Zealand's message.
- *Punitive measures.* We have escalated from imposing export controls on goods that could have supported the Russian military to imposing travel bans on nearly 100 actors close to the Russian and Belarusian regimes. Aotearoa New Zealand is entering new territory by developing a bespoke Russia Sanctions Bill, which will allow us to target Russian individuals and their assets, ensuring we play our part in constraining the Russian (and Belarusian) economy.
- *Support.* We were early out of the blocks with an announcement of NZ\$2m in humanitarian support channelled through the ICRC. In an effort to calm energy markets, Aotearoa New Zealand has joined with other International Energy Agency members in a voluntary release of oil stocks.

8 Attached is a narrative that Ministers can draw on as they are discussing publicly the Aotearoa New Zealand response so far.

Where are the policy areas that will need to evolve?

9 As the twists and turns of Russia's illegal aggression continue to unfold, Aotearoa New Zealand's posture will need to evolve. International partners' approaches are changing at pace, as they ratchet up the pressure on Russia and seek to protect their own interests. Aotearoa New Zealand needs to do likewise ^{s6(a)}

Political and diplomatic signalling

10 We will need to be proactive in managing our political and diplomatic signalling through Ministers' public messaging and diplomacy.

11 *Public messaging.* We will continue to seize opportunities for public messaging which send an unambiguous signal about where Aotearoa New Zealand stands. We will continue to support the Prime Minister and Ministers to make statements in Parliament and to the media prompted by the following triggers:

- Developments on the ground, supporting Ministers to respond to major military milestones and / or outrages.
- Pronouncements on Aotearoa New Zealand policy, for instance introducing our sanctions regime to Parliament and announcing new support to Ukraine.
- Moments where symbolism matters, including when Parliament passes the Russia Sanctions Bill, ANZAC Day speeches, the Prime Minister's travel abroad, etc.

12 We will amplify what it is that Ministers say publicly because it is important that Aotearoa New Zealanders understand the gravity of the situation, with it important that the substantially changed strategic context is understood domestically. We will also integrate Ukraine into Ministers' public messaging in the course of regular multilateral, regional and bilateral diplomacy.

13 *Diplomacy.* Building on conversations had so far on Ukraine and already planned engagements, we should give consideration to what additional diplomacy the Prime Minister, Minister of Foreign Affairs, Minister of Defence and other senior ministers might do in support of our Ukraine policy. We need to ensure we remain relevant, and able to exercise influence where that helps.

14 Subject to Ministers' availability, we would suggest a round of targeted calls on some or all of the following:

s6(a)

15 We can also expect an uptick in Aotearoa New Zealand Ministers being asked to join caucusing opportunities in the context of s6(a) other likeminded groupings. s6(a) and Ministers to focus their attention on the risks of Russia's behaviour for small states.

16 In addition to the opportunities we have taken in the United Nations, the International Criminal Court and elsewhere to stake out our anger at Russia's actions, we are going to be confronted by many decisions in the weeks ahead about Moscow's continued place in multilateral and regional architecture. s6(a)

. These will likely come through to Ministers on a case-by-case basis. We will also work hard to bring ambivalent countries on-board.

17 We might expect greater international coordination on economic stability in the period ahead. There is likely to be engagement to preserve macro-stability (e.g. in G7, OECD, 5N), efforts to contain the financial de-stabilisation of countries like Ukraine and its neighbours (e.g. through IMF, World Bank), and possible further intervention in oil markets (i.e. IEA). Ministers are likely to have their views sought by counterparts on a reactive basis over coming months.

s6(a)

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Tangible support for Ukraine

23 Aotearoa New Zealand can support Ukraine and its neighbours in three broad ways: (i) through humanitarian assistance; (ii) supporting Ukraine to counter Russia; and (iii) the possibility of Ukrainians seeking resettlement in Aotearoa New Zealand.

24 *Humanitarian.* The UN has estimated that 12 million people inside Ukraine and 4 million refugees in neighbouring countries may need protection and assistance in coming months. With enormous needs, the UN has already sought US\$1.7 billion to assist 6 million people over three months. There is ample scope for Aotearoa New Zealand's initial NZ\$2m humanitarian contribution to be supplemented, and we expect to provide recommendations next week on how to increase this. We will want a calibrated overall package: there will be a trade-off between what we do on humanitarian assistance and other forms of direct support to Ukraine.

25 *Supporting Ukraine.* While no country is deploying its military into the fight, NATO Allies and other countries have provided lethal and non-lethal support to Ukraine of different forms.

s6(a)

26 *Ukrainians seeking resettlement.* We will need to keep a close eye on the consequences of the refugee crisis that is growing on Ukraine's border. The Minister of Immigration has already publicly described the channels open to Ukrainian nationals who are citizens of Aotearoa New Zealand, or resident here, to bring family to Aotearoa New Zealand. He has also signalled our readiness for refugees to come in under the quota. Should these policies prove insufficient, there may be a need for immigration officials to consider other options. They are actively monitoring the situation and considering options.

Consular

27 New Zealanders in Ukraine are obviously threatened, with the potential for developments to also impact Kiwis in Russia and neighbouring countries. 31 remain registered on SafeTravel as being in Ukraine. We are in active contact with those sheltering in place. We have consular officials deployed in southeast Poland to assist those crossing the Ukraine border. Our travel advisories for Ukraine and Russia are being updated regularly and we currently recommend New Zealanders "Do not travel" to Russia and "consider whether your presence is essential, and consider leaving while commercial options are still available".

28 We are monitoring the impact of sanctions on New Zealanders in Russia where disruptions to international travel and access to funds are of particular concern. Elsewhere in Europe we are responding to an increasing number of inquiries from New Zealanders concerned about the situation in Ukraine by encouraging them to register on SafeTravel, continue monitoring developments and ensure their travel documentation is up-to-date. ^{s6(a)}

Polish authorities, humanitarian and other agencies there.

Proactively released by the Ministry of Foreign Affairs and Trade

Proactively released by the Ministry of Foreign Affairs and Trade

Already Russia's invasion has caused deaths, injury and destruction. It has caused over one million Ukrainians to flee their country in a matter of days.

Aotearoa New Zealand will join the international response to this humanitarian disaster. As a first step, we have announced a contribution of NZ\$2 million in humanitarian aid to support those in Ukraine impacted as a result of Russia's unprovoked invasion, and we will provide more.

We repeat our call for Putin to cease military operations in Ukraine, and immediately and permanently withdraw to avoid a catastrophic and pointless loss of innocent life.

Putin must take all possible steps to protect civilians in line with international humanitarian law, and return to diplomatic negotiations to de-escalate the conflict.

We have been clear that Aotearoa New Zealand will take further steps in response to Russia's aggression.

AIDE MEMOIRE: RUSSIAN AND UKRAINIAN FISHING CREW

Employment of Russian and Ukrainian crew

- Three New Zealand companies employ Russian and Ukrainian fishing crew to operate deepsea fishing vessels: ^{s9(2)(b)(ii)}
- Currently, 402 Russian passport holders and 67 Ukraine passport holders are working on New Zealand vessels. The majority come from Crimea, which Russia annexed from Ukraine in 2014.
- Russian and Ukrainian Crew operate the vessels on six-month terms. There are two crew changes per year. The next crew change is scheduled for April/May.
- The New Zealand companies work with Russian partners to recruit the crew.

Why New Zealand recruits from Russia and Ukraine

- Fisheries New Zealand and the New Zealand companies advise that they rely on Russian and Ukrainian crew because they cannot source the crew locally. They have also advised that they cannot source the crew from countries other than Russia and Ukraine in the short-term because the vessels are from Russia and require specific skills to operate.
- The conditions the vessels operate in require a high level of experience, competence and certification. Not having the right knowledge of the vessels' capabilities in the environment they operate in (e.g. Southern Ocean) would be hazardous to the safety of the crew and the vessel. Maritime New Zealand rules require a certain number of appropriately qualified crew to be onboard. Currently there are no available New Zealanders with the experience and qualifications.
- ^{s9(2)(b)(i)}

Impact of the Russian invasion of Ukraine

- New Zealand's travel bans will have no effect because they only target specific individuals associated with threats to Ukraine's sovereignty and territorial integrity. They do not target Russian nationals as a whole.
- New Zealand's sanctions regime against Russia will not target Russian fishing crew either, but New Zealand companies will need to sure that their Russian partners are not subject to sanctions. Given our sanctions only target individuals and entities associated with the aggression against Ukraine or that are economically or strategically relevant to Russia, it is unlikely that the New Zealand companies' Russian agents would be affected. There would need to be evidence of a direct link to aggression in Ukraine or that they are of significant economic value to Russia's economy for them to be captured in the sanctions.

- Russia could respond to New Zealand's sanctions with countermeasures and could look to target sectors of economic value to New Zealand. Officials consider it unlikely that Russia would prevent New Zealand hiring Russian crew – it would like target New Zealand exports to Russia first – but we cannot rule out the possibility.
- While Ukraine is prohibiting men aged 18-60 from leaving the country in most cases, officials are not aware of Ukrainian plans to prevent Ukrainian men leaving for overseas work. Remittances from Ukraine's overseas labour force are an important source of revenue for the country.
- s9(2)(c)
- If New Zealand cannot source a replacement crew in April/May, the New Zealand industry will want to extend visas for current crew. s9(2)(b)(ii)
- Extending visas will depend on the crew's willingness to stay, which is not a given, especially since Russian crew are struggling to send money home following Russia's removal from SWIFT. Immigration New Zealand would need to be satisfied that there are no welfare concerns in order to extend visas.

Next steps and mitigations

- Encourage the New Zealand industry to organise New Zealand visas for Russian crew as soon as possible, to mitigate the risk of Russian retaliation after our sanctions regime comes into effect in the coming weeks.
- MFAT will enquire whether Ukraine is still permitting expatriate workers to leave.
- Industry to continue contingency planning to hire all-Ukrainian crew if Russian crew are unavailable, or all-Russian crew if Ukrainians are unavailable.
- s9(2)(b)(ii)

Ukraine Task Force
MFAT
March 2022