



New Zealand Ministry of Foreign Affairs and Trade Manatū Aorere

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OIA 30013

7 May 2025

Personal details removed for proactive release

Thank you for your email of 11 March 2025 in which you request the following under the Official Information Act 1982 (OIA):

"The following briefings and advice provided to your ministers:

- 1. US development funding freeze initial impacts
- 2. Aide Memoire Executive Council: Russia Sanctions tranche 30 and extension of regulations
- 3. US Tariff Announcements
- 4. Scott Base Redevelopment 6-monthly update
- 5. New Zealand assistance to Ukraine in 2025"

On 7 April 2025, the timeframes for responding to your request were extended by an additional 20 working days due to the consultations necessary to make a decision on your request (section 15A(1)(b) of the OIA refers). **Response to your request**Please see the following table for a list of documents in scope of your request:

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#	Title	Date	Decision	
1.	US Tariff Announcements	3 February 2025	Released with some redactions	
2.	New Zealand assistance to Ukraine in 2025	7 February 2025	Released with some redactions	
3.	Aide Memoire - Executive Council: Russia Sanctions tranche 30 and extension of regulations	11 February 2025	Released in full	
4.	US development funding freeze - initial impacts	14 February 2025	Released with some redactions	

Some information is withheld under the following sections of the OIA:

- 6(a): to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government;
- 6(b)(i): to protect the passing of information from another government on a confidential basis;

- 9(2)(a): to protect individuals' privacy;
- 9(2)(b)(ii): to avoid prejudice to the commercial position of another party;
- 9(2)(f)(iv): to protect the confidentiality of advice tendered by Ministers of the Crown and officials;
- 9(2)(g)(i): to protect the free and frank expression of opinions by departments;
   and
- 9(2)(j): to avoid prejudice to negotiations.

The briefing titled "Scott Base Redevelopment – 6-monthly update", dated 5 February 2025, is withheld in full under the following sections of the OIA:

- 6(a): to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government;
- 9(2)(f)(iv): to protect the confidentiality of advice tendered by Ministers of the Crown and officials; and
- 9(2)(i): to enable a Minister, public service agency or organisation to carry out, without prejudice or disadvantage, commercial activities.

Where the information has been withheld under section 9 of the OIA, no public interest in releasing the information has been identified that would override the reasons for withholding it.

Please note that it is our policy to proactively release our responses to official information requests where possible. Therefore, our response to your request (with your personal information removed) may be published on the Ministry website: <a href="https://www.mfat.govt.nz/en/about-us/contact-us/official-information-act-responses/">www.mfat.govt.nz/en/about-us/contact-us/official-information-act-responses/</a>

If you have any questions about this decision, you can contact us by email at: <a href="mailto:DM-ESD@mfat.govt.nz">DM-ESD@mfat.govt.nz</a>. You have the right to seek an investigation and review by the Ombudsman of this decision by contacting <a href="www.ombudsman.parliament.nz">www.ombudsman.parliament.nz</a> or freephone 0800 802 602.

Nāku noa, nā

Sarah Corbett for Secretary of Foreign Affairs and Trade

### **US TARIFF ANNOUNCEMENTS**

### Key media messages

- The United States is one of our longest standing, and closest relationships.
- We have a strong trading relationship with the US and want this to continue.
- We have good connections in Washington DC and our high-quality, safe exports continue to be desired by US consumers.
- New Zealand's exports to the US are complementary and evenly balanced. We look forward to working with the new administration to continue to increase our trade and grow returns for both countries.
- We've taken note of the American President's announcement on tariffs [and the responses of others].
- New Zealand is best served by a world in which trade flows freely governed by rules.

### Additional points if required:

s6(a)

This is one of a number of global economic headwinds. We need to take the time to assess what it means for New Zealand. Escalating tariffs could add to global inflation, lower demand in some countries, and suppress economic growth.

### s9(2)(g)(i)

- Our goods trade is well-balanced. The United States enjoys full access to the New Zealand market.
  - s9(2)(j)
  - $\circ$  New Zealand currently has a small goods trade surplus with the US, but whether we run a surplus or deficit changes seasonally.  $^{\rm s9(2)(g)(i)}$
  - o s6(a

s9(2)(g)(i)

- New Zealand's prosperity, standard of living, and resilience are underpinned by international trade and investment. New Zealand supports and advocates for free and open trade and an effective rules-based global trading system to enable sustainable and inclusive economic development in New Zealand, our region, and the world.
- s9(2)(g)(i)

we remain focused on driving our own growth agenda, including improving trade access for New Zealand businesses around the world. We are doing this by negotiating, implementing, and strengthening free trade agreements, and defending access rights secured under existing agreements.

USTR nominee Jamieson Greer was chief of staff to former USTR Lighthizer. s6(a)

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s6(a)

• Our priority is to look to develop good relationships with members of the new administration and new Congress.

s9(2)(j)

### **For Background Only:**

### What has been announced?

On the afternoon of 1 February 2024 EST President Trump signed Executive Orders (EOs) proposing to levy additional tariffs on Canadian and Mexican expo ts to the US of 25 percent, with Canadian energy targeted with a lower rate of 10 percent. Chinese exports would also incur an additional tariff of 10 percent.

s6(a)

The tariff rates would take effect at 12:01am on Tuesday 4 February EST / 6:01pm on Tuesday 4 February NZT.  $^{s6()}$ 

Canada will impose retaliatory 25% tariffs on CA\$155 billion of goods in two phases. Tariffs on CA\$30 billion will be imposed on 4 February, with the second phase on CA\$125 billion on 25 February to allow Canadian businesses time to find alternatives.  $^{s6(a)}$ 

s9(2)(b)(ii)

### New Zealand Engagement with the US - s9(2)(g)(i)

- The Minister of Foreign Affairs had a positive phone call with Secretary of State Rubio. We await confirmation of dates for a visit by MFA to Washington DC. We have sought a date in March.
- s9(2)(f)(iv)

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- We propose that MTI writes to his USTR counterpart, Jamieson Greer, after the latter is confirmed (date for his Senate hearing is still tbc). This letter would outline the strength and opportunities of the New Zealand / US trade relationship.
- The New Zealand Embassy in Washington continues an active programme of engagement with US Congressional offices.

Trump Administration Objectives s9(2)(g)(i)

There are likely to be differing objectives for the various tariff announcements already made, and any to come. US objectives include:

- Revenue gathering. President Trump has noted publicly that US treasury coffers were once filled by revenue from tariffs, not taxes.
- Getting US businesses to return production to the US i.e. reducing the extent of "off-shoring" in order to create more US jobs and wealth.

s9(2)(g)(i)
s6(a)

Americas Division / Trade Policy Engagement and Implementation Division 3 February 2025





7 February 2025

•			
Minister of Foreign Affairs		For action by	14 February 2025
New Zealand assista	ance to Ukraine	in 2025	27/
BRIEFING Decision	Submission	0	, 00
	e as it continues to		and to provide assistance Russia's ongoing war of
Recommended refer	rals	70, V	
Prime Minister Minister of Defence Associate Minister of Foreign	n Affairs	For information by For information by For information by	21 February 2025 21 February 2025 21 February 2025
Contact details	03 4		
NAME ROLE Dom Walton-France Unit Ma David Gaston Senior I	inager Policy Officer	DIVISION Europe Division Europe Division	WORK PHONE s9(2)(a)
Minister's Office to c	omplete		
Approved  Needs amendment		lined	Referred Withdrawn
Overtaken by events See Minister's notes  Comments			

### Key points

s6(a), s6(b)(i)

- In any of the possible scenarios that Ukraine faces in 2025 (e.g. ceasefire; diplomatic negotiations; continued fighting), a well-trained and equipped Armed Forces will strengthen Ukraine's hand and remain of primary importance to Ukraine and European partners.
- Officials therefore propose <sup>s6(a)</sup> for Ukraine <sup>s6(a)</sup> timed to coincide with: the three-year anniversary of Russia's invasion of Ukraine (24 February); <sup>s6(a)</sup>
- For 24 February, officials propose the announcement of:
  - a contribution of NZ\$3 million to the World Bank-administered Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund (URTF), which supports the Government of Ukraine to conduct relief efforts and to plan and implement its recovery, resilient reconstruction, and reform agenda; and
  - a sanctions package designating 52 individuals and entities providing support to Russia's war against Ukraine.

s6(a), s9(2)(f)(iv)

s6(a), s9(2)(f)(iv)

s6(a), s9(2)(f)(iv)

Paula Wilson

for Secretary of Foreign Affairs and Trade

### RESTRICTED PAGE 3 OF 6

### New Zealand assistance to Ukraine in 2025

Rec	ommendations	
It is <u>re</u>	ecommended that you:	
1	<b>Note</b> that the three-year mark since Russia's invasion of Ukraine on 24 February 2022 provides an opportunity to demonstrate New Zealand's solidarity with Ukraine;	Yes / No
2	<b>Agree</b> to announce a further contribution of NZ\$3 million to the World Bank's Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund as part of the three-year anniversary package;	Yes / No
3	<b>Agree</b> to announce a new round of New Zealand sanctions under the Russia Sanctions Act as part of the three-year anniversary package;	Yes / No
4	<b>Note</b> that your office will be provided with a draft press release relating to the February announcements;	Yes / No
5	s6(a)	Yes / No
6	s6(a), s9(2)(f)(iv)	Yes / No
7	s6(a), s9(2)(f)(iv)	Yes / No
8	<b>Refer</b> a copy of this submission to the Prime Minister, Minister of Defence, and Associate Minister of Foreign Affairs for their information.	Yes / No

Rt Hon Winston Peters Minister of Foreign Affairs

Date: / /

### Report

s6(a)



- s6(a)
- Russia's 2022 invasion was a breach of international law. New Zealand has a strategic 5. interest in ensuring that respect for sovereignty and territorial integrity is maintained, and breaches of international law do not go unchallenged.
- Ukraine continues to look to New Zealand (and other partners) to do what it can, as 6. emphasised to Ministers and officials by Ukrainian Ambassador Vasyl Myroshnychenko on his visit to Wellington on 30-31 January.
- As well as public and multilateral statements of support for Ukraine, and participation in 7. various diplomatic initiatives, New Zealand has pledged assistance valued at NZ\$130 million in response to Russia's ongoing war of aggression. No new assistance has been announced since 10 July 2024, when Prime Minister Luxon announced a NZ\$16 m llion package (NZ\$10 million humanitarian and \$NZ6 million military) at the NATO Summit in Washington DC.
- Officials propose s6(a) for Ukraine s6(a) 8. timed to coincide with: the three-year anniversary of Russia's invasion of Ukraine (24 February); s6(a)

February: Three-year anniversary package

- 9. An announcement at the three-year mark since Russia's invasion of Ukraine on 24 February 2022 would demonstrate New Zealand's continued solidarity with Ukraine.
- 10. Following relentless bombardment by Russia of its civilian infrastructure, Ukraine has a continued high need for assistance with recovery and reconstruction. Officials propose a second International Development Cooperation (IDC) contribution of NZ\$3 million to the World Bank-administered Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund (URTF), building on the NZ\$3 million contribution in 2024. <sup>s6(a)</sup>
- 11. The Government of Ukraine relies heavily on international support for he state's administrative and service delivery so that it can direct domestic resources into its military defence. The URTF provides such targeted support, enabling the Government of Ukraine to conduct immediate relief efforts and to plan and implement its recovery, resilient reconstruction, and reform agenda. The URTF has broad support from a number of likeminded international partners.
- 12. As advised separately on 29 January by submission: Russia sanctions: Three years on from Russia's full-scale invasion of Ukraine of ficials have made preparations for a sanctions package designating 52 individuals and entities providing support to Russia's war against Ukraine. This will be New Zealand's 30th tranche of sanctions, s6(b)(i)

for announcement around the anniversary date.

s6(a), s9(2)(f)(iv)

s6(a), s9(2)(f)(iv)

### Resourcing

s6(a), s9(2)(f)(iv)

18. All other assistance proposed in this submission can be funded from within MFAT baselines.

# Aide Memoire — Executive Council: Russia Sanctions tranche 30 and extension of regulations

### Summary

- The Russia Sanctions Amendment Regulations 2025 amend the Russia Sanctions Regulations (the Regulations) 2022 and will:
  - 1) Implement a new package of sanctions under the Russia Sanctions Act 2022 (the Act); and
  - 2) Extend to 17 March 2028 the current Russia Sanctions Regulations.

### Background

- The new package of sanctions will designate:
  - Entities which have contributed to Russia's broader military industrial complex through the production, purchase, distribution, and/or research of technology and equipment used by Russia against Ukraine;
  - Senior members of the 22<sup>nd</sup> Guards Heavy Bomber Aviation Division of the Russian Aerospace Forces, identified as having been involved inter alia in the bombing of the Okhmadyat National Children's Hospital in Kvin in July 2024;
  - Senior officials or political figures who have contributed to the forced relocation and re-education of Ukrainian children;
  - Key participans in Russia's energy sector including gas companies, an oil company, and a maritime transport company exporting Russian oil and gas; and,
  - Russian and DPRK actors facilitating North Korean support for the war.
- The Regulations as a whole were due to expire on 17 March 2025. Given that Russia's aggression against Ukraine is ongoing and the original need for sanctions remains, the Regulations will now be extended until 17 March 2028.

### Next Steps

• The new package of sanctions will enter into force at 12.01am on Friday 20 February. The extension of the Regulations will enter into force on 12.01am Monday 17 March.

New Zealand Sanctions Unit Ministry of Foreign Affairs and Trade 17 February 2025





14 February 2025

Minister of Foreign Affairs For information by 26 February 2025 US development funding freeze – initial impacts **BRIEFING** Overview Submission To update you on the impacts of the US administration's 90-day freeze of **PURPOSE** development funding on New Zealand's interests and to outline the Ministry's intended approach to manage the risks and implications of this decision. Recommended referrals Prime Minister For information by 5 March 2025 For information by Associate Minister of Foreign Affairs 5 March 2025 Contact details NAME **ROLE** DIVISION WORK PHONE s9(2)(a) Sarah Walsh Principal Advise Office of the Deputy Secretary, Pacific and Development Divisional Manage Sarah Lee Pacific Regional Division

## Minister's Office to complete

Approved	Noted	Referred
Needs amendment	Declined	Withdrawn
Overtaken by events	See Minister's notes	

**Comments** 

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### US development funding freeze – initial impacts

### Key points

- The US Administration's decision to freeze development funding while conducting an internal review has caused major disruption to development operations globally, including in the Pacific. The pause, and any subsequent reduction in overall US development funding, s6(a)
- In the Pacific, the majority of bilateral US development funding flows to the Compact States<sup>1</sup>. It is not yet clear how much the freeze will impact the Compact States, s6(a), Elsewhere in the Pacific, the freeze will impact both US bilateral and co-funded initiatives and will have a flow-on impact on UN development agencies and NGO activities in the region (and globally).
- s6(a), s9(2)(g)(i)

- In addition to the direct impacts of the funding freeze, changes in US development policy are being felt in the governance of multilateral development agencies, some of which receive a large percentage of their funding from the US. Funding that supports sexual and reproductive health, gender equality, inclusion for marginalised groups, responses to climate change, and anti-corruption initiatives is under particular scrutiny.
- New Zealand will continue to implement our International Development Cooperation (IDC)
   Programme in line with established government priorities. s6(a), s9(2)(f)(iv)

• s6(a)

Bernadette Cavanagh

for Secretary of Foreign Affairs and Trade

<sup>&</sup>lt;sup>1</sup> Federated States of Micronesia, Republic of Marshall Islands, and Palau

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### US development funding freeze – initial impacts

### Recommendations

It is recon	nmended that you:	
1	<b>Note</b> that the US funding freeze and potential withdrawal of development funding, and changes in US development policy positions, $^{\rm s6(a)}$	Yes / No
2	<b>Note</b> that the freeze directly impacts the delivery of a small number of New Zealand's development activities that are co-funded with the US, s6(a), s9(2)(f)(iv)	Yes / No
3	<b>Agree</b> that New Zealand should continue to implement our IDC Programme in line with established government priorities, s6(a)	Yes / No
4	s6(a)	Yes / No
5	s9(2)(f)(iv)	Yes / No
6	Refer a copy of this submission to the Prime Minister and Associate Minister of Foreign Affairs.	Yes / No
	inston Peters f Foreign Affairs	
Date:		

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### US development funding freeze – initial impacts

### Report

- 1. President Trump signed an Executive Order on 20 January 2025 implementing a 90-day freeze on United States (US) development assistance. The stated rationale is that USAID "has long strayed from its original mission of responsibly advancing American interests abroad and it is now abundantly clear that significant parts of USAID funding are not aligned with the core national interests of the United States". Secretary of State Rubio has been appointed Acting Administrator. The US is the largest provider of global humanitarian and development assistance by a significant margin. The US is the largest provider of global humanitarian and development assistance by a significant margin.
- 2. Secretary Rubio introduced a waiver for some "life-saving humanitarian assistance", including delivery of "core life-saving medicine, medical services, food, shelter and subsistence assistance". Approximately US\$8.2 billion in undisbursed humanitarian assistance is anticipated to be covered by waivers. <sup>s6(a), s6(b)(i)</sup>
- 3. Future changes in US funding are subject to the findings of the review,  $\frac{s6(a)}{s9(2)(a)(i)}$
- 4. The freeze, and any subsequent reduction in US development assistance, s6(a)

- 5. The US is a significant donor in the Pacific. In the period 2018-22, it provided US\$1.1 billion, making it the fourth largest bilateral donor to the region.<sup>4</sup> Its bilateral support is heavily focused on the Compact states (Federated States of Micronesia (FSM), Republic of Marshall Islands (RMI), and Palau): these three countries received approximately 80 percent of direct US development funding to the Pacific region over this period. It is unclear whether Compact of Free Association (COFA) funding is impacted by the Executive Order, <sup>s6(a)</sup>
- 6. Southeast Asia is the second priority region for New Zealand's IDC Programme. The US is the largest donor in Southeast Asia, and the funding freeze is causing widespread disruption. For example, the Asia Foundation, a large US-based NGO that is the implementing partner

<sup>&</sup>lt;sup>2</sup> This includes funding from USAID, the State Department, the US Trade Development Agency (USTDA), US Development Finance Corporation (DFC), Millennium Challenge Corporation (MCC), Treasury, Department of Health and Human Services, Department of Defence, and others.

<sup>&</sup>lt;sup>3</sup> In 2023, the US provided US\$64 billion in Official Development Assistance (ODA), almost twice as much as the next largest donor, Germany.

<sup>&</sup>lt;sup>4</sup> The largest donor was Australia (US\$4.8b), followed by Japan (US\$1.6b) and New Zealand (US\$1.4b). China (US\$1.1b) was the fifth largest donor, slightly smaller than the US.

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### US development funding freeze - initial impacts

s6(a)

7. The US is the largest donor to many of the multilateral agencies to which New Zealand provides core funding. The freeze is impacting the operations of these organisations, which can have a flow-on effect to projects that are not funded by the US. s6(a), s9(2)(g)(i)

New Zealand response to immediate impacts of the 90-day funding freeze

8. Activities that the Ministry co-funds with the US have been immediately impacted by the 90-Released Under N day funding freeze. s6(a), s9(2)(f)(iv)

9. s6(a)

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US development	funding	freeze -	initial	impacts
s6(a), s6(b)(i)				

10. A wider set of IDC Programme activities are impacted by the US funding freeze where the implementing partner also receives US funding, but the US funding is not directly linked to New Zealand's activity. s6(a), s6(b)(i)
.  11. We intend to maintain our business-as-usual approach to engagement with Boards of UN Funds and Programmes, and other multilateral development agencies. s6(a)
s6(a), s9(2)(f)(iv)
s6(a)
s6(a), s6(b)(i)

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US development funding	freeze – initial	impacts
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s6(a)

16. s6(a)

We will provide a further update after the US funding

review has been completed. 

17. s6(a), s6(b)(i)

18. s6(a)

### Resourcing

19. s6(a), s9(2)(g)(i)

. We

foresee ongoing work for the Ministry to respond to the funding freeze for the first half of 2025 We will meet this from within baseline resources.

20. We will manage any changes to development activities affected by the US funding freeze within existing baselines and delegations.