

Proactive Release

Published on or before: 11 September 2026

The following Cabinet papers and related Cabinet minutes have been proactively released by the Minister of Foreign Affairs

Title	Reference
<i>Cabinet Minute of Decision – Report of the Cabinet Economic Policy Committee: Period Ended 31 July 2026</i>	CAB-26-MIN-0249
<i>Cabinet Economic Policy Committee – Minute of Decision – Russia Sanctions</i>	ECO-26-MIN-0138
<i>Russia Sanctions – Cabinet Paper</i>	

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Key to OIA redaction codes:

- 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)(h): to maintain legal professional privilege.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Report of the Cabinet Economic Policy Committee: Period Ended 31 July 2026

On 3 August 2026, Cabinet made the following decisions on the work of the Cabinet Economic Policy Committee for the period ended 31 July 2026:

Out of scope

ECO-26-MIN-0138

Russia Sanctions

Portfolio: Foreign Affairs

CONFIRMED

Out of scope

Rachel Hayward
Secretary of the Cabinet



Cabinet Economic Policy Committee

Minute of Decision

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Russia Sanctions

Portfolio Foreign Affairs

On 29 July 2026, the Cabinet Economic Policy Committee:

- 1 s6(a), s9(2)(f)(iv)
- 2 **noted** that the Minister of Foreign Affairs, as the responsible Minister, is satisfied that:
 - 2.1 the regulations are appropriate to respond to threats to the sovereignty or territorial integrity of Ukraine or another country;
 - 2.2 the United Nations Security Council is unlikely to act or has acted insufficiently;
- 3 **noted** that on 27 May 2026, the Secretary of Foreign Affairs and Trade approved an application under section 13 of the Russia Sanctions Act 2022 (the Act) made by Tatiana Evtushenkova for the revocation of her designation;
- 4 **noted** that the Amendment Regulations will give effect to the decision in paragraph 3 above;
- 5 **noted** that the Amendment Regulations will also implement recommended changes from the 2025 statutory review of the Act;
- 6 s6(a), s9(2)(f)(iv)
- 7 **noted** that the remaining regulatory changes will come into force on 3 September 2026;
- 8 **authorised** the submission to the Executive Council of the Russia Sanctions Amendment Regulations (No 3) 2026 [PCO 29075/6.0];
- 9 s6(a), s9(2)(f)(iv)
- 10 s6(a), s9(2)(f)(iv)

- 11 **agreed** to amend the Act to:
- 11.1 clarify that the Act applies to New Zealand persons wherever they are located;
 - 11.2 amend the definition of sanction to cover all regulations;
 - 11.3 clarify what constitutes secondary legislation under the Act;
 - 11.4 ensure consistency with the Crimes Act 1961 regarding prosecutions;
 - 11.5 confirm there is no consultation requirement prior to designation;
 - 11.6 confirm information-sharing powers for the Ministry of Foreign Affairs and Trade;
 - 11.7 allow exemptions or revocations without a written application;
 - 11.8 remove reference to humanitarian need as a basis for submitting an exemption application;
 - 11.9 clarify the interaction between section 13 of the Act and Schedule 5 of the Customs and Excise Act 2018;
- 12 **authorised** the Minister of Foreign Affairs to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above decisions;
- 13 **authorised** the Minister of Foreign Affairs to prepare further minor or technical amendments necessary to implement the above decisions;
- 14 **agreed** that the Russia Sanctions Amendment Bill be given a category 6 priority on the 2026 Legislation Programme (drafting instructions to be issued in 2026);
- 15 **noted** that the Act binds the Crown.

Rachel Clarke
Committee Secretary

Present:

Hon David Seymour
Rt Hon Winston Peters
Hon Nicola Willis (Chair)
Hon Shane Jones
Hon Paul Goldsmith
Hon Louise Upston
Hon Todd McClay
Hon Tama Potaka
Hon Casey Costello
Hon Simon Watts
Hon Chris Penk
Hon Nicola Grigg
Hon Andrew Hoggard
Hon Mark Patterson
Hon Scott Simpson
Hon Cameron Brewer
Simon Court MP

Officials present from:

Office of the Prime Minister
Office of Hon David Seymour
Officials Committee for ECO

Office of the Minister of Foreign Affairs

Cabinet Economic Policy Committee

Russia Sanctions

Proposal

- 1 This paper seeks decisions in three areas in relation to New Zealand's Russia sanctions regime:
 - 1.1 Agree to amend the Russia Sanctions Act 2022 to implement the findings of the 2025 statutory review;
 - 1.2 Authorise for submission to Executive Council the Russia Sanctions Amendment Regulations (No 3) 2026; and
 - 1.3 s6(a), s9(2)(f)(iv)

Relation to government priorities

- 2 The proposals in this paper advance the Coalition Government's foreign policy objectives regarding close cooperation with like-minded partners in collective responses to Russia's illegal invasion of Ukraine. A credible Russia sanctions regime reduces the scope for New Zealand and its financial systems to be exploited by Russia and its supporters in subverting collective sanctions efforts.
- 3 The proposals also support the implementation of the National Security Strategy 2023 – 2028, particularly New Zealand's response to strategic competition and challenges to the rules-based international system.

Executive Summary

- 4 The Russia Sanctions Act 2022 (**the Act**) was passed with unanimous support in Parliament on 9 March 2022, two weeks after Russia's illegal invasion of Ukraine. The Act establishes a framework for New Zealand to impose and enforce sanctions in response to Russia's actions. The Russia Sanctions Regulations 2022 (**the Regulations**) set out the detail of the general trade and financial sanctions that apply, and contain the names of individuals, entities and ships on the sanctions list.
- 5 The Act includes a requirement to review the legislation within two years. This review was completed in 2025. The Minister of Foreign Affairs presented the statutory review report to the House of Representatives in October 2025.
- 6 The report found the legislation to be fit for purpose and identified a small number of amendments to the Act and Regulations. This paper seeks policy decisions in relation to the primary legislation amendments. The amendments to the Regulations s6(a), s9(2)(f)(iv) are included in the proposed Russia Sanctions Amendment Regulations (No 3) 2026 (**the Amendment Regulations**).

- 7 New Zealand, in coordination with international partners, has routinely issued new sanctions against Russia. This has included adding new individuals, entities and ships to the sanctions list and introducing new financial and trade sanctions. Sanctions are designed to increase in severity over time, to mount economic pressure on Russia and ultimately influence its ability to continue its illegal invasion of Ukraine.
- 8 This paper seeks authorisation of the Amendment Regulations which will constitute New Zealand's 36th tranche of sanctions against Russia.
- 9 s6(a), s9(2)(f)(iv)

- 10 The proposals in this paper are consistent with the sanctions actions of key like-minded partners, in particular Australia, Canada, Japan, the United Kingdom, the United States and the countries of the European Union.

Findings of the 2025 statutory review

- 11 MFAT officials carried out the statutory review of the Russia sanctions in 2024 and 2025. The review considered:
- 11.1 The operation of the Act since it entered into force on 9 March 2022;
 - 11.2 The effectiveness of the Act, and whether it is fit for purpose;
 - 11.3 Whether the Act strikes the appropriate balance between the risk of sanction evasion in New Zealand and the Act's compliance costs; and
 - 11.4 Whether the Act achieves its statutory purpose.
- 12 Public consultation was carried out in late 2024, seeking views across eight topics. MFAT received sixteen written submissions from a broad range of stakeholders. The review was completed in June 2025. The Minister of Foreign Affairs presented the report of the review to Parliament in October 2025.
- 13 The statutory review found that the Act and its Regulations are fit for purpose and working as intended. It made 29 recommendations to enhance the operation and effectiveness of the Act.
- 14 There are three recommendations which I do not propose implementing at this time. The first relates to New Zealand's implementation of the oil price cap framework s6(a) The second relates to how goods are determined to be of 'Russian origin' under the import prohibitions in the Act. This would present operational challenges for Customs at the border. We recommend that the current exemption process which is routinely used for one-off imports remains appropriate for managing these goods. The third relates to MFAT's ability to compel compliance information from duty holders under the Act. Further work is needed to determine whether a power of compulsion is appropriate.

Amendments to the Russia Sanctions Act

- 15 We propose that the Act is amended to implement the statutory review recommendations. We consider all amendments to be minor and technical in nature. The minor amendments are:
- 15.1 Clarify that the Act applies to “New Zealand persons” (using the same definition as in the Regulations) wherever they are located;
 - 15.2 Amend the definition of sanction to cover all regulations;
 - 15.3 Clarify what constitutes secondary legislation under the Act;
 - 15.4 Ensure consistency with the Crimes Act to confirm that a person can be charged for an offence if they are found in New Zealand and have not been extradited;
 - 15.5 Confirm that there is no consultation requirement prior to the designation of a sanctioned person;
 - 15.6 Confirm that MFAT can share relevant information with other agencies, correcting an oversight from the original drafting;
 - 15.7 Allow the Minister of Foreign Affairs to grant an exemption or recommend to Cabinet that sanctions are revoked without having received a written application; and,
 - 15.8 Remove reference to ‘humanitarian need’ as a basis for submitting an exemption application to not constrain when an application can be made.
 - 15.9 Clarify the interplay, and ensure consistency, between the s 13 exemption process under the Act and the review of seizure of goods process in schedule 5 the Customs and Excise Act 2018.

Amendments to the Russia Sanctions Regulations

- 16 The statutory review report also recommended minor amendments to the Regulations, including:
- 16.1 Changing how sanctions apply to associates and relatives of sanctioned persons;
 - 16.2 Allowing banks to charge fees on frozen assets; and,
 - 16.3 The export of medical devices to Russia.
- 17 These issues were consulted during the statutory review process
s6(a), s9(2)(f)(iv)
- 18 We propose that the amendments be included in the next tranche of Russia sanctions set out below.

Russia Sanctions (Amendment) Regulations No 3

19 We propose that Cabinet authorise for submission to Executive Council the Russia Sanctions (Amendment) Regulations No 3. The Minister of Foreign Affairs is the Responsible Minister under the Russia Sanctions Act 2022 (the Act), and therefore has discretion to decide whether to recommend that sanctions regulations be made under the Act.

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

21 The amendment regulations will:

- 21.1 implement New Zealand's 36th tranche of sanctions against Russia designating individuals and entities that have supported Russia's invasion of Ukraine;
- 21.2 apply the full suite of prohibitions to the designated individuals and entities;
- 21.3 amend the definition of 'associates';
- 21.4 remove the automatic application of sanctions to 'relatives' of sanctioned persons;
- 21.5 introduce a new prohibition on dealings for the purpose of evading sanctions;
- 21.6 amend the list of prohibited exports to remove eight items that are medical equipment and were included in the list erroneously;
- 21.7 confirm that any charges on frozen assets should be limited to recouping administration costs only;
- 21.8 extend the asset and services dealings prohibitions to designated ships;
- 21.9 revoke the designation of Tatiana Evtushenkova, following the consideration of an application for revocation under section 13 of the Act.

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

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

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

Compliance

24 The regulations fall within the intent and purpose of the Act, and comply with each of the following:

- 24.1 the principles of the Treaty of Waitangi;

- 24.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;
 - 24.3 the principles and guidelines set out in the Privacy Act 2020;
 - 24.4 relevant international standards and obligations;
 - 24.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.
- 25 Section 8 of the Act sets out a threshold which the responsible Minister must be satisfied has been met before recommending that an Order in Council be made regarding sanctions under section 9 of the Act. The Section 8 threshold is that: (i) the regulations are appropriate to respond to threats to the sovereignty or territorial integrity of Ukraine or another country; and (ii) the United Nations Security Council is unlikely to act or has acted insufficiently.
- 26 s9(2)(h)
- 27 Section 13(1)(a) of the Act states that any person may apply to the Minister, on the basis of humanitarian need or for any other reason, to request that the Minister recommend the amendment or revocation of a regulation made under section 9 of the Act. Section 13(3) states that the Minister must decide the application in a way that is consistent with the purpose of the regulations providing for the sanction.
- 28 For the revocation of sanctions on Tatiana Evtushenkova, we are further satisfied that:
- 28.1 approving the application for revocation of sanctions under section 13 of the Act is consistent with the purpose of the regulations providing for the sanctions; and
 - 28.2 the section 8 threshold has been met for the regulations revoking the designation.

Regulations Review Committee

- 29 There are no grounds for the Regulations Review Committee to draw the regulations to the attention of the House of Representatives under Standing Order 327.

Certification by Parliamentary Counsel

- 30 The draft regulations were certified by the Parliamentary Counsel Office (PCO) as being in order for submission to Cabinet.

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

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

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

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

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

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

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

Cost-of-living Implications

36 The proposals in this paper will not have any impacts on the cost of living.

Financial Implications

37 There are no direct financial implications from the proposals in this paper. The cost of the Ministry of Foreign Affairs work arising from proposals in this paper will be funded from Vote Foreign Affairs baselines.

Legislative Implications

38 The policy proposals in this paper will require a Russia Sanctions Amendment Bill be drafted. This will be the first amendment to the Act since its introduction in 2022.

39 The Bill was previously included in the 2026 Legislation Programme and afforded Priority 5 – to be referred to select committee before the 2026 General Election. We propose that the Amendment Bill be afforded a new Priority 6 – drafting instructions to be issued in 2026.

40 The Russia Sanctions Act binds the Crown.

Impact Analysis

41 The Ministry for Regulation has determined that the proposals in this Cabinet Paper are exempt from the requirement to provide a Regulatory Analysis Statement on the grounds that it has no or only minor economic, social, or environmental impacts in the context of the existing sanctions in place.

Human Rights

- 42 Compliance with New Zealand Bill of Rights (NZBORA) requirements was considered at the time the Russia Sanctions Bill 2022 was proposed for introduction to the House.
- 43 It was assessed that while the legislation clearly targets Russian individuals and entities, the threshold for imposing sanctions does not distinguish on the basis of nationality. The Act expressly allows for other countries, and individuals of other nationalities, to be the target of sanctions. To the extent that there is indirect discrimination against those of Russian nationality, this is demonstrably justified as necessary to hold those responsible for threats to the sovereignty and territorial integrity of Ukraine to account.
- 44 Specific sanctions imposed by regulation limit freedom of movement and freedom of association, for example travel bans. The limits on these are demonstrably justified in relation to the purpose of sanctions, and in that way are consistent with NZBORA.

Other implications

- 45 New Zealand has been the subject of five rounds of Russian 'counter-sanctions', in the form of travel bans on government figures, as well as other public and media figures. Russia may expand its travel ban list over time. Russia has also classified New Zealand as an "unfriendly country" (alongside most of or like-minded counterparts) in response to sanctions measures. s6(a)

Consultation

- 46 The Ministry of Foreign Affairs and Trade has consulted the following agencies in developing this paper: Cabinet Office, Crown Law Office, New Zealand Customs Service, Department of Internal Affairs, Financial Markets Authority, Ministry of Business, Innovation and Employment, Land Information New Zealand, New Zealand Police, Ministry of Defence, Ministry of Justice, Ministry for Cities, Environment, Regions and Transport, Oranga Tamariki – Ministry for Children, Treasury and Ministry for Regulation.

Communications

- 47 We intend to announce New Zealand's 36th tranche of sanctions against Russia via press release on Friday 7 August. We will also detail the changes being made to the Regulations in response to the statutory review report. Stakeholders will also be updated directly via a sanctions newsletter published by the Ministry of Foreign Affairs and Trade.

Proactive Release

- 48 This paper will be proactively released with appropriate redactions within 30 business days of the decisions having been confirmed by Cabinet. It is expected that the announcement will have been made within this period.

Recommendations

We recommend that the Committee:

- 1 s6(a), s9(2)(f)(iv)
- 2 note that the Minister of Foreign Affairs, as the responsible Minister, is satisfied that:
 - (i) the regulations are appropriate to respond to threats to the sovereignty or territorial integrity of Ukraine or another country; and (ii) the United Nations Security Council is unlikely to act or has acted insufficiently;
- 3 note that on 27 May 2026, the Secretary of Foreign Affairs and Trade approved an application under section 13 of the Russia Sanctions Act made by Tatiana Evtushenkova for the revocation of her designation;
- 4 note that the Russia Sanctions Amendment Regulations (No 3) 2026 will give effect to the Secretary of Foreign Affairs and Trade's decision referred to in paragraph 3;
- 5 note that the Amendment Regulations Russia Sanctions Amendment Regulations (No 3) 2026 will implement recommended changes from the 2025 statutory review of the Russia Sanctions Act;
- 6 s6(a), s9(2)(f)(iv)
- 7 note that the other regulatory changes included in the Amendment Regulations will come into force on 3 September 2026;
- 8 authorise the submission to the Executive Council of the Russia Sanctions Amendment Regulations (No 3) 2026;
- 9 s6(a), s9(2)(f)(iv)
- 10 s6(a), s9(2)(f)(iv)
- 11 agree to amend the Russia Sanctions Act 2022 to:
 - 11.1 Clarify that the Act applies to "New Zealand persons" wherever they are located;
 - 11.2 Amend the definition of sanction to cover all regulations;
 - 11.3 Clarify what constitutes secondary legislation under the Act;

- 11.4 Ensure consistency with the Crimes Act to confirm that a person can be charged for an offence if they are found in New Zealand and have not been extradited;
 - 11.5 Confirm that there is no consultation requirement prior to the designation of a sanctioned person;
 - 11.6 Confirm that the Ministry of Foreign Affairs and Trade can share relevant information with other agencies;
 - 11.7 Allow sanctions exemptions or revocations without having received a written application;
 - 11.8 Remove reference to 'humanitarian need' as a basis for submitting an exemption application so as to not constrain when an application can be made;
 - 11.9 Clarify the interplay, and ensure consistency, between the s 13 exemption process under the Act and the review of seizure of goods process in schedule 5 of the Customs and Excise Act 2018.
- 12 authorise the Minister of Foreign Affairs to issue drafting instructions to the Parliamentary Counsel Office to implement the agreed policy proposals in this paper in the Russia Sanctions Act 2022;
 - 13 authorise the Minister of Foreign Affairs to prepare other amendments to the Act that are minor and technical in nature or required to give effect to the proposals set out in recommendation 14;
 - 14 agree that the Russia Sanctions Amendment Bill be afforded a new Priority 6 in the 2026 Legislative Programme;
 - 15 note that the Russia Sanctions Act 2022 binds the Crown.

Authorised for lodgement

Rt Hon Winston Peters

Minister of Foreign Affairs