



Cabinet

Minute of Decision

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Options for Additional Assistance to Ukraine

Portfolios **Foreign Affairs / Defence**

On 11 April 2022, Cabinet:

Background

- 1 **noted** that Ukraine has an immediate, ongoing and pressing need for military assistance, including weapons, ammunition and other equipment, and that humanitarian needs in Ukraine remain at high levels;
- 2 **noted** that a New Zealand contribution to Ukraine now will have a direct and positive impact on the broad range of New Zealand interests that are engaged through this conflict;
- 3 **noted** that the threat to New Zealand Defence Force (NZDF) personnel operating in Europe (less Ukraine, Belarus, and Russia) is considered to be s6(a)
- 4 **noted** that given the urgency of Ukraine's requirements, the most efficient and effective means to support Ukraine is through the provision of financial assistance to trusted organisations and third countries;
- 5 **noted** that the range of options provided below for additional assistance are funded through existing baseline funding of Vote Foreign Affairs and Trade and Vote Defence Force;
- 6 **noted** that there were a number of options for additional assistance to Ukraine, to respond to emerging needs as the conflict evolves, some of which will be given further consideration after the budget moratorium;

Air transport support

- 7 **agreed** to the deployment of a NZDF air transport detachment to Europe, and the provision of up to 60 days air transport support to the IDCC (International Distribution Coordination Centre) and reconstitution of flying hours;
- 8 **noted** that the estimated cost of the above deployment is \$3.977 million;

9 **approved** the following fiscally neutral adjustments to give effect to the above decision with no impact on the operating balance and/or net core Crown debt:

Vote Defence Force Minister of Defence	\$m – increase / (decrease)			
	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses				
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(3.977)	-	-	-
Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) (A27): Military Operations in Support of a Rules-Based International Order (funded by revenue Crown)	3.977	-	-	-

10 **agreed** that the changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;

11 **authorised** the Minister of Finance and the Minister of Defence to approve (if required) a further fiscally neutral adjustment to Vote Defence Force appropriations for the 2021/22 financial year to enable the funding of the above decision;

Logistics support

12 **agreed** to the deployment of an up to eight-person logistics team to Europe to assist with the processing and handling of donated aid;

13 **noted** that the estimated cost of the above decision is \$0.575 million;

14 **noted** that the above deployment can be funded within Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests Multi Category Appropriation (MCA);

Commercial satellite access

15 **agreed** to fund Ukraine's access to satellite imagery to improve its situational awareness in near real time;

16 **agreed** to establish the following new appropriation to account for the commercial satellite costs associated with the above decision up to 30 June 2022:

Vote	Appropriation Minister	Title	Type	Scope
Vote Defence Force	Minister of Defence (M22)	Military Capabilities in Support of a Rules- Based International Order	Departmental Output Expenses	This appropriation is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

- 17 **noted** that as part of the 2014/15 Estimates, Cabinet agreed to establish ‘Operations Contributing to New Zealand's Security, Stability and Interests’ MCA as a Departmental Output Expense appropriation in Vote Defence Force, and to incur expenses under Imprest Supply;
- 18 **noted** that since it was established, it has become apparent that the scope of the appropriation referred to above needs to be amended in order to include the provision of military capabilities overseas;
- 19 **noted** that the Minister of Finance has agreed that the single overarching purpose of this appropriation be amended to “The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities overseas at the Government's direction,” from 1 July 2022 as follows:

Appropriation	Existing Scope	Amended Scope
Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) (A27)	The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.	The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities overseas at the Government's direction.

- 20 **noted** that the Minister of Finance and the Minister of Defence have agreed to add the following category to the MCA: “Operations Contributing to New Zealand's Security, Stability and Interests MCA,” from 1 July 2022:

Vote	Appropriation Minister	Title	Type	Scope
Vote Defence Force	Minister of Defence (M22)	Military Capabilities in Support of a Rules-Based International Order	Departmental Output Expense	This category is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

- 21 **noted** that the new category, and the new appropriation and amended appropriation purpose referred to above, will be included in the 2021/22 and 2022/23 Estimates documents;
- 22 **noted** that the estimated cost before contingency for the approved commercial satellite access is \$4.129 million, and that an additional \$0.871 million has been included for funding purposes to allow for risk, including foreign exchange variations;
- 23 **noted** that the commercial satellite access support can be funded within existing Vote Defence Force and Vote Foreign Affairs baseline funding;

- 24 **approved** the following fiscally neutral adjustments to give effect to the above decision, with no impact on the operating balance and/or net core Crown debt:

Vote Defence Force Minister of Defence	\$m – increase / (decrease)			
	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses				
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(0.540)	-	-	-
Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(0.560)	-	-	-
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(0.640)	-	-	-
Military Capabilities in Support of a Rules-Based International Order (funded by revenue Crown)	5.000	-	-	-
Multi-Category Expenses and Capital Expenditure				
Protection of New Zealand and New Zealanders MCA Departmental Output Expenses: Resource and Border Protection Operations (funded by revenue Crown)	(0.260)	-	-	-
Vote Foreign Affairs Minister of Foreign Affairs Departmental Multi Category Output Expense: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA – Delivery of New Zealand's Foreign Policy. (funded by revenue Crown)	(3.000)			

- 25 **agreed** that the changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;

Human rights and international legal accountability

- 26 **agreed** to international legal responses (\$500,000) and human rights (\$1 million), with the latter contribution to be funded by the fiscally neutral transfer of forecast departmental underspends for 2021/22 in Vote Foreign Affairs to the non-departmental International Development Cooperation Multi-Year Appropriation;

27 **approved** the following changes to appropriations to give effect to the above policy decision, with no impact on the operating balance and/or net core Crown debt:

Vote Foreign Affairs Minister of Foreign Affairs	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Multi Category Output Expense: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA – Delivery Of New Zealand’s Foreign Policy. (funded by revenue Crown)	(1.000)	-	-	-	-
Non-Department Other Expenses MYA: International Development Cooperation (funded by revenue Crown)	1.000	-	-	-	-

Direct military assistance: Procuring military assistance through bilateral arrangement with the United Kingdom

28 **agreed** to a contribution of \$7.5 million in assistance, to be channelled through a partner country such as the United Kingdom;

29 **agreed** to establish the following new appropriation:

Vote	Appropriation Minister	Appropriation Administrator	Title	Type	Scope
Foreign Affairs	Minister of Foreign Affairs	Ministry of Foreign Affairs and Trade	Support for Ukraine	Non-Departmental Other Expenses	This appropriation is limited to the provision of support to Ukraine not within the scope of other appropriations

30 **approved** the following changes to appropriations to give effect to the above policy decision, with no impact on the operating balance and net core Crown debt:

Vote Foreign Affairs Minister of Foreign Affairs	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Multi Category Output Expense: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA – Delivery of New Zealand’s Foreign Policy. (funded by revenue Crown)	(7,500)	-	-	-	-
Non-Departmental Other Expenses: Support for Ukraine (funded by revenue Crown)	7,500	-	-	-	-

General

- 31 **agreed** that the changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 32 **noted** that any increases to appropriations for 2021/22 approved in the period between Budget Day (19 May 2022) and 30 June 2022 will be unappropriated expenditure requiring validation in the Appropriation (2021/22 Confirmation and Validation) Bill, which will be introduced into the House in March 2023 and debated in April 2023.

Michael Webster
Secretary of the Cabinet

Secretary’s note: Minute revised to correct reference to Europe in paragraph 12.

[RESTRICTED]

Office of the Minister of Foreign Affairs

Office of the Minister of Defence

Cabinet

Additional Assistance to Ukraine: Options

Proposal

This paper outlines a range of options for further assistance to Ukraine. It makes the case for consideration of further of military assistance to Ukraine in addition to humanitarian, human rights and legal response support. The paper identifies both \$20 million in funding, and New Zealand Defence Force (NZDF) options, which could be allocated or selected. Given the rapidly evolving situation in Ukraine the paper proposes two packages of response options that either utilise the full suite of options immediately or retain some options to respond further in future.

Relation to government priorities

Providing further assistance to Ukraine at this time supports the Government's priorities and New Zealand's interests.

Executive Summary

- 1 The situation on the ground in Ukraine is rapidly evolving and the efforts of the international community are key to supporting Ukraine's ability to sustain its self-defence against Russian aggression. Its successful resistance to date has been enabled significantly by the provision of direct military assistance and other support measures by international partners. In response to Ukraine's requests for military support, our close partners have responded in a manner commensurate with their geographic location, interests, ability to readily respond to direct requests, as well as channelling funding to support humanitarian and other needs. It is evident that Russia's growing aggression and acts of war seek to threaten the international rules and norms that would otherwise assure regional and global peace and stability.
- 2 Ukraine has made requests to New Zealand, as it has to other partners, for further assistance to help Ukraine's self-defence, including for weapons, ammunition and other military logistic equipment and support. This paper sets out a range of options for cabinet to consider as a package of support measures in the next phase of support to Ukraine.

3

s6(a)

R E S T R I C T E D

4 New Zealand has previously provided military assets to support a country's self-defence when there has been a breach of international law (e.g. during the Gulf War). There are some particular factors in this case that warrant consideration of further military assistance:

- The attack on Ukraine was completely unprovoked;
- It followed efforts by multiple parties to address Russia's concerns through diplomacy and dialogue;
- The aggressor has significant asymmetric military power (including being a nuclear power and having the capacity to hide behind its UN Security Council veto);
- There is a mounting death toll of civilians, and significant emerging evidence of war crimes and crimes against humanity being committed.

5 New Zealand has provided a range of support measures to Ukraine to date

- Placed immediate export controls on dual-use goods to Russia on 24 February
- Passed the Russia Sanctions Act on 9 March and introduced regulations under the Act to impose sanctions including:
 - travel bans to more than 500 Russians and Belarusian members of the political, military and business elite;
 - applied the full swathe of sanctions under the Act to Vladimir Putin, 12 members of his Security Council, and 36 oligarchs associated with Putin;
 - applied an asset freeze to 18 entities and one bank connected to the Russian war machine;
 - banned all Russian Government aircraft and vessels from New Zealand waters.
- On 6 April Ministers announced that New Zealand will apply 35% tariffs to all imports from Russia, and extend the existing export prohibitions to industrial products closely connected to strategic Russian industries. These measures will enter into force from 25 April.
- Direct support for Ukraine's self-defence:
 - \$5m of military assistance to support Ukraine through the NATO Trust Fund and communications equipment procured from TAIT Communications.
 - Provided the Ukraine military 1066 Body Armour Plates, 473 Helmets, and 571 Camouflage Vests/Harness Webbing from NZDF supplies.

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- Deployment of nine defence force personnel to the United Kingdom and Belgium, to support our partners in intelligence and engagement work, over three months.
 - A total of \$6 million in humanitarian assistance in partnership with the International Committee of the Red Cross (ICRC), the Ukraine Humanitarian Fund (managed by the UN Office for the Coordination of Humanitarian Affairs (UNOCHA)) and the UN High Commissioner for Refugees (UNHCR).
 - Establishment of a special Ukraine visa for family members of Ukrainian New Zealanders plus other visa changes.
 - Pledged a \$315,000 untagged contribution to support the International Criminal Court investigation into war crimes in Ukraine.
 - Immediately suspended diplomatic consultations with Russia on 24 February and have called in the Russian Ambassador on four occasions to register condemnation of Russia's actions.
 - Delivered national statements, joined statements with others, and co-sponsored resolutions condemning Russia's invasion of Ukraine at the UN Human Rights Council and the UN General Assembly.
- 6 The needs of Ukraine are broad. They are changing rapidly and will continue to change as the conflict evolves. The New Zealand Government will continue to ensure support is provided across the spectrum, whether it is military, economic, diplomatic or humanitarian.
- 7 Further consideration of military assistance (logistics, equipment and support) will ensure that New Zealand continues to make a practical and meaningful impactful contribution to Ukraine's efforts to defend itself.
- 8 Russia's invasion of Ukraine engages a range of New Zealand's national security, defence and foreign policy interests. Most immediately, Russia's invasion is a violation of international law, fundamentally challenges the international rules-based system, ^{s6(a)}
[REDACTED]
[REDACTED]
[REDACTED]
- 9 This Cabinet paper proposes options for the reallocation of up to \$20 million in MFAT departmental underspend to provide further support to Ukraine. This funding would not require any diversion in funds away from New Zealand's other priorities, including in relation to the Pacific. Officials will continue to monitor the situation and provide regular updates to Ministers, including assessments of needs based on the state of the conflict.

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Background

Ukraine requests

- 10 Ukraine (through NATO and bilaterally including to the Minister of Defence), has asked New Zealand, and other partners, to provide military support to the Armed Forces of Ukraine (AFU). [REDACTED] s6(b)(i)
- [REDACTED]
- [REDACTED] Within this range, their highest priorities continue to evolve. [REDACTED] s6(a), s6(b)(i)
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- 11 Despite the array of international military support donated to it so far, Ukraine will require additional military support in order to sustain its self-defence [REDACTED] s9(2)(g)(i)
- [REDACTED]
- [REDACTED]
- Consistent, timely and sustainable supply channels of military support is the most recent request from the Ukrainian Government to the international community.
- 12 The nature of New Zealand's support should be considered as a package of responses that are timely, in step with commensurate actions of international partners and where practicable add value to the international effort to use diplomacy to broker an end to war to effect a durable outcome and hold perpetrators to account.

Options for Further New Zealand Contributions

A number of options are available for consideration as part of the next package to support Ukraine.

- 13 MFAT has identified NZ \$20 million underspend from the current financial year that could be used to provide additional support.
- 14 The NZDF and Ministry of Defence have identified a range of considerations in this paper that would also support the provision of military assistance to Ukraine.

1. Air Transport Support

- 15 Cabinet is asked to consider the option to deploy an **NZDF C-130H Hercules transport aircraft** to Europe to assist with the transportation and distribution of donated military aid to Ukraine. This would be a very visible contribution which demonstrates our willingness to alleviate the pressures on European logistics networks in support of Ukraine.
- 16 The UK Defence Minister and the International Distribution Coordination Centre (IDCC) have identified an urgent need for additional airlift support to cope with the unprecedented levels of aid being pledged and the considerable strain being placed on established logistic networks. Many European nations are pledging military aid to support Ukraine. However, the transportation of the aid is often not provided by the

donor state, resulting in an acute shortage of military air transport. As such, a multinational headquarters has been established in Stuttgart, Germany, to control and cohere the flow of military aid—the IDCC. Commanded by a senior UK military official, the IDCC is focused on delivering military aid with the required levels of assurance, security and appropriate discretion in the face of increasingly aggressive and adversarial Russian Federation threats.

17 The IDCC brings together multinational partners and allies to match Ukrainian demand with supply from a global community of support in a constrained environment. This includes facilitating donated aid, connecting potential financiers with potential suppliers and facilitating the transportation of this equipment. There is heavy demand for immediate transport and logistic support. [REDACTED] s6(a)

18 The NZDF contingent would likely be based from either Royal Air Force (RAF) Base Brize Norton, [REDACTED] s6(a), s6(b)(i) The detachment would consist of up to 50 personnel.² While there will be elements of third-party support, the NZDF would decide what aid is transported and from where. At no stage would the C-130H aircraft or personnel enter the territories of Ukraine, Belarus or Russia.

19 The detachment would remain agile and adaptable to re-orientate operations as the situation develops. [REDACTED] s6(b)(i), s6(a)

20 s9(2)(g)(i) [REDACTED] s6(a)

The estimated direct cost of this option is \$3.977 million; this cost includes additional fleet servicing costs of \$1 million to account for the earlier-than-forecast consumption of flying hours and prevent a shortfall in future aircraft availability. This cost can be funded within existing NZDF baselines

21 [REDACTED] s9(2)(g)(i)

[REDACTED] s6(b)(i)

² The contingent would be comprised of a command team, aircrew, maintenance technicians, air movements (cargo) specialists and support staff.

[REDACTED] s6(a)

s9(2)(g)(i)

2. Logistics Support

22 Cabinet is also asked to consider the option to deploy an **NZDF logistics support team to the IDCC** in order to assist with the multinational logistics enterprise.

23 The UK Defence Minister welcomed any contribution New Zealand could make in order to support the rapid expansion in the provision and delivery of aid. The large volumes of military aid donations require logistics expertise to ensure the coordinated and timely delivery of much needed supplies to Ukrainian authorities. The NZDF could provide valuable support and would operate with urgency, yet in a coordinated and prioritised manner that will not overmatch Ukraine’s logistic capacity. Using the existing network of attachés and international military cooperation staff, the IDCC staff ensure that what is asked for is understood; and what is offered, and subsequently delivered, is not only noted and acknowledged by Ukraine, but matches their demands.

24 The NZDF would deploy eight logistics personnel for up to three months in support of the IDCC.⁴ The contingent would likely be based in Stuttgart, Germany, but would be required to routinely travel to other logistics nodes around Europe, this would be to coordinate with donor nations and assess consignments in order to plan the most effective means to transport and distribute the materiel. At no stage would personnel enter the territories of Ukraine, Belarus or Russia. The deployed personnel would be involved in the reception, support and processing of incoming aircraft, unloading aircraft, preparation and packaging of stores and equipment for onward movement and transfer of lethal and non-lethal aid to the AFU.

25 s6(b)(i) Cabinet could choose to employ this option in isolation or as a complementary contribution to Air Transport Support. Feedback from partners indicates that the combination of Air Transport Support and Logistics Support would provide added value to ensure optimal employment of the NZDF aircraft. The estimated direct cost of this option is \$0.575 million and can be funded within existing NZDF baselines.

26 This option does not impact on the NZDF’s ability to operate in, or respond to, contingencies domestically or in the Pacific.

3. Commercial Satellite Access

27 Cabinet is asked to consider the option of **access to commercial satellite imagery** s6(a) s6(a) Officials recommend that \$1.129 million be provided from NZDF baselines, and a further \$3 million be allocated from MFAT underspend (to be transferred to Vote Defence Force) to support this option.

⁴ The most effective composition of the team would be confirmed with partners prior to deploying, but would likely include: specialist logistic planning staff, machinery operators or drivers, an air cargo specialist and specialist technicians as required.

28 Satellite imagery provides an important situational awareness capability in conflict situations. [REDACTED] s6(a)

[REDACTED] This highly valuable imagery support can be used to help inform Government decision makers on all elements of their response, including how best to support the civilian population and infrastructure. s6(a), s6(b)(i)

29 [REDACTED] s6(a), s6(b)(i)

30 The NZDF (and MFAT, via funds transferred to Vote Defence Force) could fund additional satellite access [REDACTED] s6(b)(i)

31 [REDACTED] s6(b)(i) will submit a Letter of Offer to the NZDF, under existing arrangements, to provide for the funding to be transferred and the coordination of satellite access to occur.

[REDACTED] s6(a)

32 There are no other risks associated with this option or impacts on the ability of the NZDF to respond to domestic or regional contingencies.

4. Human Rights and Legal Accountability

33 Providing financial support to initiatives that promote accountability and awareness of human rights and legal violations taking place in Ukraine would demonstrate the importance we place on supporting accountability as well as our respect for the international rules-based system. New Zealand is a reliable contributor in this area and the following options are set out below;

34 Officials recommend providing an additional contribution of \$1 million to the Office of the High Commissioner for Human Rights (OHCHR) Ukraine related work. This would be in addition to core funding of OHCHR that New Zealand provides. OHCHR has two Ukraine-focused mechanisms - the Human Rights Monitoring Mechanism in Ukraine and the recently-established Commission of Inquiry in the context of the Russian Federation's aggression against Ukraine. Both would be possible recipients of the additional contribution. New Zealand's contribution for spending in this calendar year could support both the ongoing monitoring of and accountability for human rights violations.

35 Officials advise that it would be appropriate to earmark \$500,000 for international legal responses to the situation in Ukraine, to be dispersed before June 2022. This could include the provision of further funding to the **International Criminal Court (ICC)**, which has opened a formal investigation into the situation in Ukraine. On Friday 25

March, Minister Mahuta pledged a contribution of €200,000 (NZ\$315,000) in untagged funding to the ICC. That pledge could be met as part of the earmarked \$500,000, and there may be a case for additional assistance.

36 An **International Court of Justice (ICJ)** case has also been lodged against Russia in relation to the Ukraine situation, and officials are exploring how New Zealand could support that case, which funding earmarked for legal causes could support. There may be other efforts to hold Russia legally accountable which could be worthy of New Zealand support. Further advice on the allocation of this \$500,000 in earmarked funding would be provided to the Minister of Foreign Affairs. This is an area of support where New Zealand's interests are reflected in the important role that the ICJ will play to hold Russia to account for its aggression against Ukraine and to reinforce the importance of the international rule of law.

5. *Humanitarian Assistance*

37 Feedback from United Nations agencies and donor peers indicates the Ukraine humanitarian response is well funded and well-resourced in the short term. That said, humanitarian needs will remain at highly elevated levels as a result of Russia's illegal invasion of Ukraine.

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

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39 The United Nations has encouraged donors not to divert funding from other major humanitarian crises, some of which are not as well funded. s6(a), s9(2)(f)(iv)

[Redacted text block]

40

[Redacted text block]

6. *Direct Military Assistance*

41

[Redacted text block]

[Redacted text block]. Within this range, their highest priorities continue to evolve. s6(a)

[Redacted text block]

s6(a)

42

s6(a)

. In considering its response New Zealand could join a multi-nation military procurement pipeline that would bolster military assistance which could be provided in a relevant and timely manner.

43

The provision of military assistance, including funding for weapons and ammunition, is permissible under international law. Consistent with Article 51 of the United Nations Charter, New Zealand is entitled to provide military assistance to Ukraine to act in self-defence in response to Russia's aggression.

6B. Procuring Military aid through bilateral arrangement with the UK

44

One option for channelling funding assistance for further military assistance would be to purchase weapons and ammunition through the UK. This is the approach requested by Ukraine's Defence Minister, s6(b)(i). This approach would ensure we were working through a trusted defence partner in a way that directly meets the immediate needs of Ukraine and which utilises existing distribution systems. s6(b)(i)

The UK have indicated that they will consult the donating nation on what their funding will be spent on prior to procurement. If New Zealand identifies our proposed budget, type of capability we want to provide, as well as the time frame in which we can provide the funding, the UK can provide us with a capability that matches our criteria. New Zealand would have control over selection of equipment purchased with New Zealand funding. Should Cabinet wish to pursue this option, officials recommend that up to \$7.5 million s9(2)(g)(i).

45

The UK advises that any provision of funding from New Zealand would be used to seek additional military support for Ukraine (that is, it would not simply displace already-planned UK spending). As a donor, New Zealand would work with the UK to determine the specific defensive material to be purchased, informed by a list of Ukrainian priority items. s6(b)(i)

. Decisions on publicising donations and wider media handling, will be agreed between the donor and the UK on a case by case basis.

46

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

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s6(b)(i), s9(2)(g)(i)

48



6A. NATO Trust Fund

49 The most effective and timely mechanism for providing other military assistance to Ukraine would be through a further contribution to the **NATO Trust Fund** (supplementing the \$4.24 million that New Zealand has already provided). This would enable the provision of further support for needs such as fuel, military rations, communications and military first aid kits. s6(a), s9(2)(g)(i)



50 Projects developed, funded and delivered through the NATO Trust Fund are based on Ukraine's specific needs and prioritised by NATO in collaboration with Ukrainian officials. s6(a), s9(2)(g)(i)



51 s9(2)(g)(i)

52 The procurement of military aid through the UK would also enable New Zealand to reflect its preferences based on the direct and specific requests by the Ukrainian government.

Options for Consideration

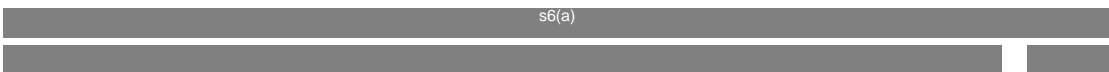
53 This paper has been prepared to ensure that New Zealand plays its role in contributing to Ukraine’s self-defence and reflecting the unique role that we can play alongside International partners. International partners on all fronts have acknowledged our contribution as commensurate and well-considered.. For example we were one of the early countries to make a pledge [NZ\$2 million] to the ICRC and UNHCR to assist in Ukraine and we also made an early pledge of 200,000 Euros to the ICC.

54 As part of New Zealand’s ongoing efforts to support Ukraine I propose that cabinet consider the following combined options to form package one or package two:



- Package Two: A combination that makes a significant immediate contribution but allows for further contributions to be identified :
 - C-130 to support logistics
 - NZDF logistics personnel
 - \$4.129 million in commercial satellite hire for Ukraine (MFAT and NZDF funded)
 - \$1 million to the Office of the High Commissioner for Human Rights and \$500,000 earmarked for the International Court of Justice and International Criminal Court respectively;
 - \$7.5 million in military assistance through procurement by the UK

55



s6(a)

Threat Assessment

56 New Zealand Defence Intelligence assess that the threat to NZDF personnel operating in Europe (less Ukraine, Belarus and Russia) would likely be equivalent to the NZDF Strategic Military Threat Assessment of s6(a)

Legal Considerations

57 All options discussed in this paper would be consistent with international law. Under the United Nations Charter, New Zealand is entitled to provide support to Ukraine to act in self-defence in response to Russia's aggression. None of the options proposed would present a significant risk of being a party to a conflict.⁵ Operational parameters for any logistic support activities or air transport support will be tailored to ensure compliance with New Zealand's legal obligations. The NZDF will ensure that any assistance provided will be consistently monitored to ensure compliance with New Zealand's legal obligations.

58 **Legal framework for activities.** The legal basis for New Zealand air transport support and logistics support activities to assist the flow of donated military aid to Ukraine through European partner nations is on a bilateral basis and will rely on the standard diplomatic clearance process.

59 **Status of forces and application of host nation law.** New Zealand maintains an Exchange of Personnel Memorandum of Arrangement with the UK. Exchange personnel in the UK are subject to the provisions of the Great Britain and Northern Ireland Visiting Forces Act 1952. New Zealand maintains a Visiting Forces Agreement with Germany, however the options may not come within the scope of the Agreement. If Air Transport Support or Logistics Support is approved, officials will engage with German counterparts to confirm the appropriate legal instrument. New Zealand does not maintain agreements of this nature with any other European partner nation, which means NZDF personnel will be subject to their domestic laws and regulations. No stand-alone agreements for the options identified exist at this time, and none are considered necessary.

60 **Human Rights Risk Assessment.** There is a negligible likelihood of the NZDF options in this paper causing or contributing to a human rights breach.⁶

Financial Implications

61 All of the proposed contributions can be funded from within existing Vote Foreign Affairs and Vote Defence Force baselines although some require the transfer of funding within or between the two Votes and some require the establishment of new appropriations or the amendment to the scope of existing appropriations.

⁵ A State is a party to a conflict if there is participation by armed force and this behaviour can be attributed to the State in question.

⁶ There is a negligible likelihood of a human rights breach as there is no general possibility the interaction could contribute to a breach of human rights.



62 Should the provision of direct military assistance to a third country (Option 6B) be directed by Cabinet, the following new appropriation would need to be established, as the scope of MFAT appropriations do not cover this kind of expenditure.

Vote	Appropriation Minister	Title	Type	Scope
Vote Foreign Affairs	Minister of Foreign Affairs	Support for Ukraine	Non-Departmental Other Expenses	This appropriation is limited to the provision of military support to Ukraine that is not within the scope of any other appropriation.

63 Purchase of additional satellite imagery would require a transfer of funding from Vote Foreign Affairs to Vote Defence Force; while additional support to human rights and humanitarian causes would require a transfer of funding from Vote Foreign Affairs departmental appropriation to the International Development Cooperation non-departmental appropriation.

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64 If Commercial Satellite Access is agreed, a fiscally neutral adjustment is required to be approved to the new *Military Capabilities in Support of a Rules-Based International Order* appropriation to avoid unappropriated expenditure in FY21/22 as the expenditure is likely to occur in April 2022. If Air Transport Support is agreed, a further fiscally neutral adjustment in FY21/22 will be required to Output Class 5.1 *Military Operations in Support of a Rules-Based International Order*. If Logistics Support is agreed, this can be funded from within the current appropriation for Output Class 5. A detailed review of the NZDF's baseline funding will be completed during April 2022 to determine if any further fiscally neutral adjustments for the 2021/22 financial year are required to enable funding of Air Transport Support if it is agreed by Cabinet.

65 **Commercial Satellite Access: Establish and amend appropriations.** The selection of this option will require agreement to establish the following new appropriation to account for the costs associated with the provision of Commercial Satellite access, up to 30 June 2022:

Vote	Appropriation Minister	Title	Type	Scope
Vote Defence Force	Minister of Defence (M22)	Military Capabilities in Support of a Rules-Based International Order	Departmental Output Expenses	This appropriation is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

66 The selection of Commercial Satellite Access will require agreement to amend the overarching purpose of the *Operations Contributing to New Zealand's Security, Stability and Interests' Multi Category Appropriation (MCA)* and establish a new appropriation with effect from 1 July 2022 as outlined below.

67 As part of the 2014/15 Estimates, Cabinet agreed to establish the *Operations Contributing to New Zealand's Security, Stability and Interests Multi Category* as a Departmental Output Expense appropriation in Vote Defence Force, and to incur expenses under Imprest Supply. Since it was established, it has become apparent that the scope of the appropriation mentioned above needs to be amended in order to include the provision of military capabilities overseas. Cabinet will be asked to note that the Minister of Finance has agreed that the single overarching purpose of this appropriation is amended to "*The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities overseas at the Government's direction,*" from 1 July 2022.

Appropriation	Existing Scope	Amended Scope
Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) (A27)	The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.	The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities overseas at the Government's direction.

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- 68 Cabinet will be asked to note that Minister of Finance and the Minister of Defence have agreed to add the following category to the multi-category appropriation: *Operations Contributing to New Zealand's Security, Stability and Interests MCA*, from 1 July 2022:

Vote	Appropriation Minister	Title	Type	Scope
Vote Defence Force	Minister of Defence (M22)	Military Capabilities in Support of a Rules-Based International Order	Departmental Output Expenses	This category is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

- 69 This deployment is not declared to be 'qualifying operational service' under the Veterans' Support Act. There is no impact on the veterans' support entitlement obligation.

Impact Analysis

- 70 Impact analysis requirements do not apply to this paper.

Consultation

- 71 This Cabinet paper has been consulted with the Ministry of Foreign Affairs and Trade, the Ministry of Defence, and the New Zealand Defence Force.

Next Steps, Communications and Proactive Release

- 72 If options for the provision of funding for any of the following options is approved: military assistance; human rights; legal accountability; ^{s6(a)} [redacted] officials will work with partner agencies and governments to progress the payment of contributions (including where applicable ensuring appropriate safeguards are in place).
- 73 If options relating to Air Transport Support or Logistics Support are approved, the NZDF will immediately deploy a small team to the IDCC to commence planning for the rest of the contingent(s). Officials will provide and update on the deployment plan and timeline to the Prime Minister, Minister of Foreign Affairs and Minister of Defence.
- 74 If the provision of Commercial Satellite Access is approved, officials will conduct an exchange of letters ^{s6(a)} [redacted] to facilitate the agreed access.
- 75 The options which Cabinet agrees to will be publicly announced if appropriate. The paper will be proactively released in due course

Recommendations

The Minister of Foreign Affairs and Minister of Defence recommend that Cabinet:

- 1 **Note** that Ukraine has an immediate, ongoing and pressing need for military assistance, including weapons, ammunition and other equipment, and that humanitarian needs in Ukraine remain at high levels;

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- 2 **Note** that a New Zealand contribution to Ukraine now will have a direct and positive impact on the broad range of New Zealand interests that are engaged through this conflict;
- 3 **Note** the threat to NZDF personnel operating in Europe (less Ukraine, Belarus and Russia) is considered to be s6(a)
- 4 **Note** that given the urgency of Ukraine's requirements, the most efficient and effective means to support Ukraine is through the provision of financial assistance to trusted organisations and third countries;
- 5 **Note** the range of options provided below for additional assistance are funded through existing baseline funding of Vote Foreign Affairs and Trade and Vote Defence Force;
- 6 **Note** that two packages of options have been developed for Cabinet consideration, comprising:

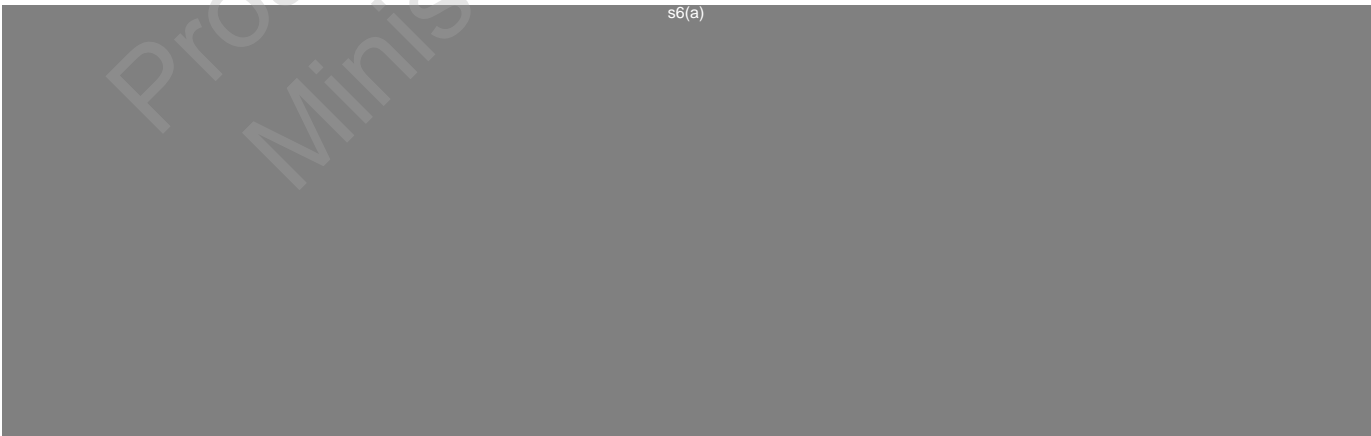
EITHER



OR

6.2 Package Two:

- 6.2.1 A package of NZDF support and \$4.5 million in MFAT baseline funding, to be provided immediately, comprising: Option 1 (Air Transport Support); Option 2 (Logistics Support); Option 3 (Commercial Satellite Access); Option 4A (Human Rights support) and 4B (international legal responses); Option 6A (direct military assistance through procurement via the UK).



OPTION 1: Air Transport Support *(if either package one or package two are preferred)*

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9 **Agree** to Option 1 (up to 60 days of Air Transport Support), the deployment of a New Zealand Defence Force air transport detachment to Europe and provision of up to 60 days air transport support to the IDCC (International Distribution Coordination Centre) and reconstitution of flying hours);

9.1 **Note** the estimated cost of Option 1 is \$3.977 million.

9.2 **Approve** the following fiscally neutral adjustments to give effect to the decision at recommendation 9 above, with no impact on the operating balance and/or net core Crown debt:

Vote Defence Force Minister of Defence	Sm – increase / (decrease)			
	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses				
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(3.977)	-	-	-
Operations Contributing to New Zealand’s Security, Stability and Interests MCA (M22) (A27): Military Operations in Support of a Rules-Based International Order (funded by revenue Crown)	3.977	-	-	-

9.1 **Agree** that the proposed changes to appropriation for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

9.2 **Authorise** the Minister of Finance and the Minister of Defence to approve (if required) a further fiscally neutral adjustment to Vote Defence Force appropriations for the 2021/22 financial year to enable the funding of Option 1 agreed by Cabinet.

OPTION 2: Logistics Support (if either package one or package two are preferred)

10 **Agree** to Option 2 (Logistics Support), the deployment of an up to eight person logistics team to the United Kingdom to assist with the processing and handling of donated aid;

10.1 **Note** the estimated cost of Option 2 is \$0.575 million;

10.2 **Note** the proposed Option 2 can be funded within Vote Defence Force: *Operations Contributing to New Zealand's Security, Stability and Interests MCA*.

OPTION 3: Commercial Satellite Access (if either package one or package two are preferred)

11 **Agree** to Option 3 (Commercial Satellite Access), funding Ukraine’s access to satellite imagery to improve its situational awareness in near real time.

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12 If Option 3 is agreed – Establish and amend appropriations

12.1 **Agree** to establish the following new appropriation to account for the Commercial Satellite costs associated with option 3 up to 30 June 2022:

Vote	Appropriation Minister	Title	Type	Scope
Vote Defence Force	Minister of Defence (M22)	Military Capabilities in Support of a Rules-Based International Order	Departmental Output Expenses	This appropriation is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

12.2 **Note** that as part of the 2014/15 Estimates, Cabinet agreed to establish ‘Operations Contributing to New Zealand’s Security, Stability and Interests’ Multi Category Appropriation as a Departmental Output Expense appropriation in Vote Defence Force, and to incur expenses under Imprest Supply.

12.3 **Note** that since it was established it has become apparent that the scope of the appropriation mentioned in recommendation 12.2 above needs to be amended in order to include the provision of military capabilities overseas.

12.4 **Note** that the Minister of Finance has agreed that the single overarching purpose of this appropriation is amended to “*The single overarching purpose of this appropriation is the employment of New Zealand’s Armed Forces overseas and provision of military capabilities overseas at the Government’s direction,*” from 1 July 2022.

Appropriation	Existing Scope	Amended Scope
Operations Contributing to New Zealand’s Security, Stability and Interests MCA (M22) (A27)	The single overarching purpose of this appropriation is the employment of New Zealand’s Armed Forces overseas at the Government’s direction.	The single overarching purpose of this appropriation is the employment of New Zealand’s Armed Forces overseas and provision of military capabilities overseas at the Government’s direction.

12.5 **Note** that the Minister of Finance and the Minister of Defence have agreed to add the following category to the multi-category appropriation: “Operations Contributing to New Zealand’s Security, Stability and Interests MCA,” from 1 July 2022:

Vote	Appropriation Minister	Title	Type	Scope
Vote Defence Force	Minister of Defence (M22)	Military Capabilities in Support of a Rules-Based International Order	Departmental Output Expense	This category is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

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12.6 **Note** that the proposed new category as described above in recommendation 12.5 and the new appropriation and amended appropriation purpose in recommendations 12.1 and 12.4 above, will be included in the 2021/22 and 2022/23 Estimates documents.

13 Option 3 Commercial Satellite Access - Financial Recommendation

13.1 **Note** the estimated cost before contingency for Option 3 is \$4.129 million and that an additional \$0.871 million has been included for funding purposes to allow for risk including foreign exchange variations.

13.2 **Note** the proposed Option 3 can be funded within existing Vote Defence Force and Vote Foreign Affairs baseline funding.

13.3 **Approve** the following fiscally neutral adjustments to give effect to the decision at recommendation 11 above, with no impact on the operating balance and/or net core Crown debt:

	Sm – increase / (decrease)			
	2021/22	2022/23	2023/24	2024/25 & Outyears
Vote Defence Force Minister of Defence				
Departmental Output Expenses				
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(0.540)	-	-	-
Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(0.560)	-	-	-
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue crown)	(0.640)	-	-	-
Military Capabilities in Support of a Rules-Based International Order (funded by revenue Crown)	5.000	-	-	-
Multi-Category Expenses and Capital Expenditure				
Protection of New Zealand and New Zealanders MCA Departmental Output Expenses: Resource and Border Protection Operations (funded by revenue Crown)	(0.260)	-	-	-
Vote Foreign Affairs Minister of Foreign Affairs Departmental Multi Category Output Expense: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA – Delivery Of New Zealand’s Foreign Policy.	(3.000)			

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(funded by revenue Crown)				
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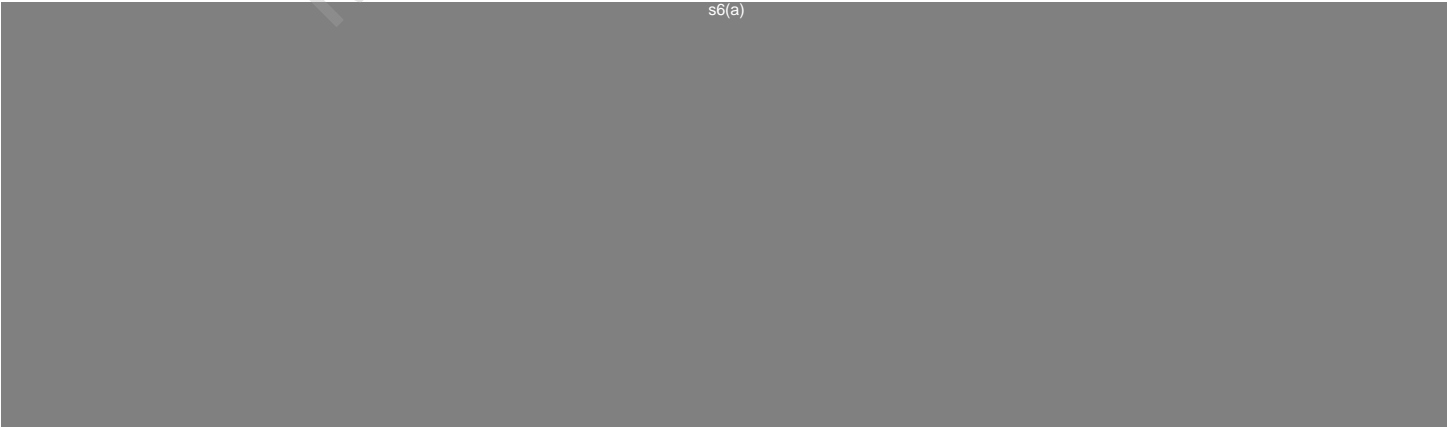
13.4 **Agree** that the proposed changes to appropriation for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

OPTION 4: Human Rights and International Legal Accountability (if either package one or package two are agreed)

- 14 **Agree** to Option 4: a total contribution of \$1.5 million to: international legal responses (\$500,000), and human rights (\$1 million) with the latter contribution to be funded by the fiscally neutral transfer of forecast departmental underspends for 2021/22 in Vote Foreign Affairs to the non-departmental International Development Cooperation Multi-Year Appropriation;
- 15 **Approve** the following changes to appropriations to give effect to the policy decision in recommendation 14 above, with no impact on the operating balance and/or net core Crown debt:

	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Vote Foreign Affairs					
Minister of Foreign Affairs					
Departmental Multi Category Output Expense: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA – Delivery Of New Zealand’s Foreign Policy. (funded by revenue Crown)	(1.000)	-	-	-	-
Non-Department Other Expenses MYA: International Development Cooperation (funded by revenue Crown)	1.000	-	-	-	-

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OPTION 6A: Direct Military Assistance: Procuring Military assistance through bilateral arrangement with the UK (if either package one or two is preferred)

18 **Agree** to a contribution of \$7.5 million in assistance, to be channelled through a partner country such as the UK;

18.1 **Agree** to establish the following new appropriation:

Vote	Appropriation Minister	Appropriation Administrator	Title	Type	Scope
Foreign Affairs	Minister of Foreign Affairs	Ministry of Foreign Affairs and Trade	Support for Ukraine	Non-Departmental Other Expenses	This appropriation is limited to the provision of military support to Ukraine that is not within the scope of any other appropriation.

18.2 **Approve** the following changes to appropriations to give effect to the policy decision in recommendation 18 above, with no impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)				
Vote Foreign Affairs Minister of Foreign Affairs	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears

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Departmental Multi Category Output Expense: Act in the world to build a safer, more prosperous and more sustainable future for New Zealanders MCA – Delivery Of New Zealand’s Foreign Policy. (funded by revenue Crown)	(7.500)	-	-	-	-
Non-Departmental Other Expenses: Support for Ukraine (funded by revenue Crown)	7.500	-	-	-	-

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- 20 **Agree** that the proposed changes to appropriations in recommendations above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply; and
- 21 **Note** that any increases to appropriations for 2021/22 approved in the period between Budget Day (19 May 2022) and 30 June 2022 will be unappropriated expenditure requiring validation in the Appropriation (2021/22 Confirmation and Validation) Bill, which will be introduced in to the House on March 2023 and debated in April 2023.

Authorised for lodgement

Hon Nanaia Mahuta
Minister of Foreign Affairs

Hon Peeni Henare
Minister of Defence

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Annex: Comparison of country support for Ukraine

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