

Proactive Release

10/04/2024

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 – Russia Sanctions Amendment Regulations 2024</i> | CAB-24-MIN-0045 |
| <i>Cabinet External Relations and Security Committee – Minute of Decision – New United Nations Treaty on Marine Biodiversity of Areas Beyond National Jurisdiction: Updated Negotiating Mandate</i> | ERS-22-MIN-0035 |
| <i>Updated negotiating mandate for new UN treaty on marine biodiversity of areas</i> | |

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the OIA). Where this is the case, the relevant sections of the OIA that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

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)(g)(i): to protect the free and frank expression of opinions by departments;
- 9(2)(g)(ii): to protect officers and employees from improper pressure or harassment; 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.

Russia Sanctions Amendment Regulations 2024

Portfolio Foreign Affairs

On 26 February 2024, Cabinet:

- 1 **noted** that on 13 February 2024, the Cabinet Foreign Policy and National Security Committee agreed:
 - 1.1 that a package of sanctions be implemented under the Russia Sanctions Act 2022 (the Act), consisting of the following measures:
 - 1.1.1 implementation of the G7-plus oil price cap initiative;
 - 1.1.2 clarification and confirmation that the export of restricted items to Russia and Belarus through third countries is prohibited;
 - 1.1.3 designation of individuals and entities involved in sanctions evasion;
 - 1.2 s6(a)

[FPS-24-MIN-0003];
- 2 **noted** that the Russia Sanctions Amendment Regulations 2024 (the Regulations) give effect to the decisions referred to in paragraph 1 above;
- 3 **noted** that, before recommending that regulations be made under the Act, the responsible Minister must be satisfied that:
 - 3.1 the regulations are appropriate to respond to threats to the sovereignty or territorial integrity of Ukraine or another country;
 - 3.2 the United Nations Security Council is unlikely to act or has acted insufficiently;
- 4 **noted** the advice of the Minister of Foreign Affairs that the requirement in paragraph 3 has been met;
- 5 s6(a), s9(2)(g)(i)

- 6 **noted** that Part 1 of the Regulations come into force on 1 March 2024 and Part 2 of the Regulations come into force on 14 April 2024;
- 7 **authorised** the submission to the Executive Council of the Russia Sanctions Amendment Regulations 2024 [PCO 25801/3.0].

s9(2)(g)(ii)

for Secretary of the Cabinet

Proactively Released by the
Minister of Foreign Affairs

Office of the Minister of Foreign Affairs

Chair, Cabinet Legislation Committee

Russia Sanctions Amendment Regulations 2024

Proposal

- 1 This paper seeks authorisation for submission to the Executive Council of the Russia Sanctions Regulations (No 1) 2024 (the Regulations).

Policy

- 2 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.
- 3 s6(a)
- 4 The Regulations will implement measures under the Russia Sanctions Act 2022 to counter sanctions evasion, involving: (a) implementation of the G7-plus price cap on Russian-origin oil; (b) the explicit prohibition of the export of restricted items to Russia and Belarus through third countries; and (c) the designation of individuals and entities to counter evasion, including Russian persons involved in illegally procuring weapons from North Korea.

Timing and 28-day rule

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

Compliance

- 6 The Regulations are in line with the intent and purpose of the Act and compliant with each of the following:
 - 6.1 the principles of the Treaty of Waitangi;
 - 6.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
 - 6.3 the principles and guidelines set out in the Privacy Act 2020;
 - 6.4 relevant international standards and obligations;
 - 6.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

- 7 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 with regard to 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.
- 8 The Minister is satisfied that the threshold in section 8 has been met for the sanctions measures recommended in the Regulations.^{s6(a)}

Regulations Review Committee

- 9 The Parliamentary Counsel Office (PCO) does not consider there to be any grounds for the Regulations Review Committee to draw the Regulations to the attention of the House of Representatives as a Standing Order requirement.

Certification by Parliamentary Counsel

- 10 The draft Regulations have been certified by the PCO as being in order for submission to Cabinet.

Impact Analysis

- 11 The Treasury's Regulatory Impact Analysis team considers that the proposal to implement a new package of sanctions under the Act is exempt from the requirement to provide a Regulatory Impact Statement, on the grounds that it would have no or only minor impacts on businesses, individuals, and not-for-profit entities in the context of the existing sanctions in place.

Publicity

- 12 The new regulations will be publicised through a press release, issued in close proximity to the two-year point since Russia's 2022 illegal invasion of Ukraine. In addition, the Ministry of Foreign Affairs and Trade (the Ministry): will update its website to provide guidance on the new regulations, and to update the Sanctions Register (as required by section 14 of the Act). The Ministry will also email information to those who subscribe to its Russia Sanctions Updates service.

Proactive release

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

Consultation

- 14 The Ministry of Foreign Affairs and Trade has consulted the following agencies in developing the policy and draft regulations: Parliamentary Counsel Office, Crown Law Office, Customs New Zealand, Department of Internal Affairs, Financial

Markets Authority, Immigration New Zealand, Land Information New Zealand, New Zealand Police, Ministry of Defence, Ministry of Justice, Ministry of Transport, Reserve Bank, and Treasury.

Recommendations

The Minister of Foreign Affairs recommends that the Cabinet Legislative Committee:

- 1 s6(a)
- 2 note that Russia Sanctions Regulations (No 1) 2024 will give effect to the decision referred to in paragraph 1 above;
- 3 note that, before recommending that regulations be made under the Act, the responsible Minister must be 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;
- 4 note the advice of the Minister of Foreign Affairs that this requirement has been met;
- 5 s6(a)
so that Part 1 of the Regulations can come into force on 1 March 2024 and Part 2 of the Regulations can come into force on 14 April 2024;
- 6 authorise the submission to the Executive Council of the Russia Sanctions Regulations (No 1) 2024.

Authorised for lodgement

Rt Hon Winston Peters

Minister for Foreign Affairs

Russia Sanctions Amendment Regulations 2024

s9(2)(h)

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