## HON JUDITH COLLINS KC, MINISTER OF DEFENCE

## UNITED NATIONS SECURITY COUNCIL SANCTIONS AGAINST THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA: FUTURE MANDATE OPTIONS FOR THE NEW ZEALAND DEFENCE FORCE'S DEPLOYMENTS

#### December 2024

This publication provides documents on Cabinet's June 2024 decision to extend the mandates for the deployment of NZDF personnel to the United Nations Security Council Sanctions Against the Democratic People's Republic of Korea.

The pack comprises the following documents:

- the Cabinet minute of decision: United Nations Security Council Sanctions against the Democratic People's Republic of Korea: Future Mandate Options for the New Zealand Defence Force's Deployments [CBC-24-MIN-0049]
- the Cabinet paper: Future Mandate Options for the New Zealand Defence Force's Deployments in support of United Nations Security Council Sanctions against the Democratic People's Republic of Korea [CBC-24-SUB-0049].

This pack has been released on the Ministry of Defence website, available at: <a href="https://defence.govt.nz/publications/UNSC-sanctions-against-the-DPRK-future-mandate-options-for-the-NZDF-deployments/">https://defence.govt.nz/publications/UNSC-sanctions-against-the-DPRK-future-mandate-options-for-the-NZDF-deployments/</a>

It has been necessary to withhold certain information in accordance with the following provisions of the Official Information Act 1982. Where information is withheld, the relevant sections of the Act are indicated in the body of the document. Where information has been withheld in accordance with section 9(2) of the Act, no public interest has been identified that would outweigh the reasons for withholding it.

Certain information is withheld, where the making available of the information would be likely to prejudice:

 the security or defence of New Zealand or the international relations of the Government of New Zealand [section 6(a)]

In addition, certain information has been withheld in order to:

- maintain the constitutional conventions for the timing being which protect the confidentiality of advice tendered by Ministers of the Crown and officials [section 9(2)(f)(iv)]
- maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any department or organisation in the course of their duty [section 9(2)(g)(i)].

Where information is withheld pursuant to section 9(2), it is not considered that the public interest in this information outweighs the need to protect it.



# Cabinet Business Committee

## 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.

United Nations Security Council Sanctions Against the Democratic People's Republic of Korea: Future Mandate Options for the New Zealand Defence Force's Deployments

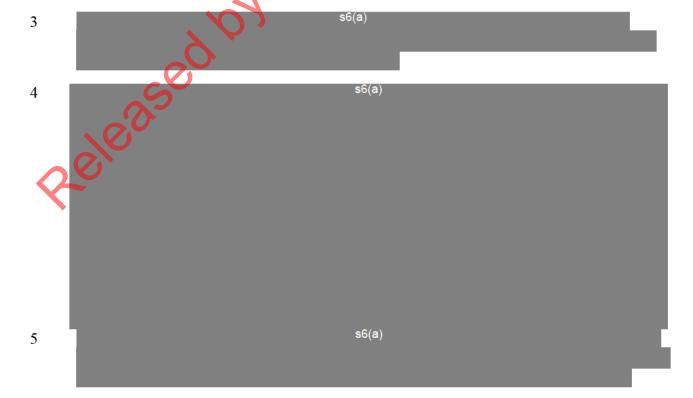
Portfolios

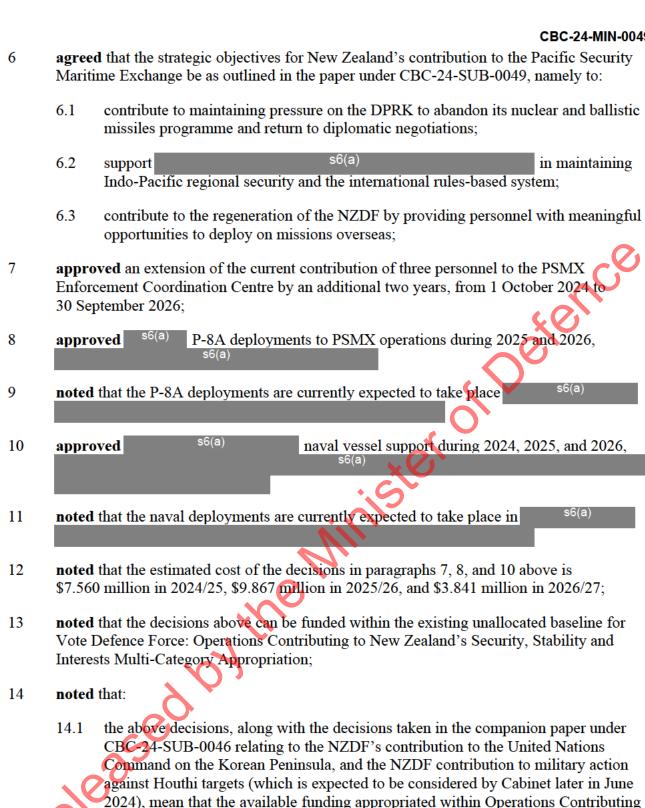
Foreign Affairs / Defence

On 4 June 2024, the Cabinet Business Committee:

## 1 noted that:

- 1.1 the United Nations Security Council sanctions regime, which the Pacific Security Maritime Exchange (PSMX) supports, is key to the global effort to peacefully apply pressure on the Democratic People's Republic of Korea (DPRK) to abandon its nuclear and ballistic missile programmes;
- 1.2 New Zealand's support for the PSMX is consistent with its foreign and defence policies;
- 2 **noted** that New Zealand's current contribution of three personnel to the PSMX Enforcement Coordination Cell expires on 30 September 2024 [ERS-22-MIN-0021];





to New Zealand's Security, Stability, and Interest Multi-Category Appropriation will

s9(2)(f)(iv) 14.2

be exhausted for 2024/25;

Jenny Vickers Committee Secretary

Attendance: (see over)

#### Present:

Rt Hon Winston Peters (Chair)

Hon David Seymour

Hon Brooke van Velden

Hon Shane Jones

Hon Chris Bishop

Hon Dr Shane Reti

Hon Simeon Brown

## Officials present from:

Department of the Prime Minister and Cabinet

Released by the Minister of Defence

Office of the Minister of Foreign Affairs

Office of the Minister of Defence

Chair, Cabinet Business Committee

FUTURE MANDATE OPTIONS FOR THE NEW ZEALAND DEFENCE FORCE'S DEPLOYMENTS IN SUPPORT OF UNITED NATIONS SECURITY COUNCIL SANCTIONS AGAINST THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

## **Proposal**

1. To seek Cabinet agreement to extend for two years the New Zealand Defence Force (NZDF) personnel commitments to the Pacific Security Maritime Exchange (PSMX) in support of United Nations Security Council (UNSC) Resolutions imposing sanctions monitoring against the Democratic People's Republic of Korea (DPRK), and agree to a forward programme of PSMX deployments of P-8A Poseidon maritime patrol aircraft and naval vessels

#### **Relation to Government Priorities**

2. New Zealand's commitment to the PSMX supports the Government's priorities by contributing to collective security efforts and the international rules-based system and working together with traditional partners in our Indo-Pacific. In addition, it contributes to the regeneration of the NZDF by providing meaningful deployment opportunities. This is consistent with defence policy settings and the National Security Strategy. It is also in line with the Foreign Policy Reset as these proposals set(a) renew attentiveness to our traditional, like-minded partnerships.

## **Executive Summary**

- 3. PSMX deployments support the implementation of UNSC sanctions by detecting and deterring the DPRK's sanctions evasion activities at sea. These activities impede the flow of revenue to the DPRK via its illicit export activities and increase the financial, political, and economic costs of continuing its nuclear and ballistic missile programmes. The deployment is valued by our closest defence and security partners,
- This paper provides the following three PSMX contribution options:

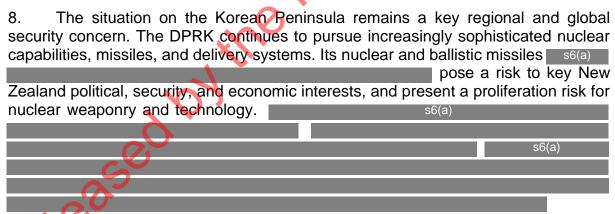
	PSMX contribution options
Option 1 (Platforms - Full)	Extend personnel contributions and agree to a forward programme of deployments $\begin{array}{c c} & s6(a) & ; and \\ \hline s6(a) & ; and \\ \hline s6(a) & maritime patrol aircraft missions and \\ \hline s6(a) & (recommended) \\ \end{array}$
Option 2 (Platforms – Lite)	Extend personnel contributions and agree to a forward programme of deployments $\begin{array}{c c} s6(a) & ; \text{ and } \underline{s6(a)} \text{ maritime patrol aircraft mission and } \underline{s6(a)} \\ \text{naval asset mission} & \underline{s6(a)} & \text{ (not recommended)} \end{array}$
Option 3 (Withdraw)	Conclude all contributions to the PSMX by 31 December 2024 (not recommended)

5. Options 1 and 2 would be an uplift to the	current activity made possible due to
the introduction into service of the new P-8A Pos	seidon aircraft, HMNZS AOTEAROA,
and the completion of the ANZAC Class frigate	upgrades. The recommended option
would provide the key benefits of:	s9(2)(g)(i)
maintaining Indo-Pacific regional	security; adding credibility to our
relationships with our traditional likeminded secu	, , ,
to develop and regenerate the NZDF, positively	. •
those individuals deployed, with positive outcom	es for retention.
6. s6(a)	
	80,
	36(a)
	X

7. The cost for recommended Option 1 is \$21.267M over FY24/25 to FY26/27. Alternative Options 2 and 3 cost \$16.866M and \$0.181M respectively. All options are proposed to be funded within the existing baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA.

#### Context

The DPRK's nuclear and ballistic missile programmes



United Nations Security Council sanctions on the DPRK

9. UNSC sanctions are the international community's key tool to restrict the DPRK's access to inputs for its illicit nuclear and ballistic weapons programmes, deprive it of revenue to support those programmes, and encourage it to pursue denuclearisation and return to diplomacy. The sanctions imposed on the DPRK ban its export of resources such as coal and sand (revenues that have historically contributed to its nuclear and ballistic missile programmes), and limit the import of refined petroleum to 500,000 barrels per year.

## PSMX sanctions monitoring

10. Sanctions evasion activities (such as ship-to-ship transfers at sea with foreign-flagged vessels) continue to undermine the effectiveness of UNSC sanctions. The PSMX is a multinational coalition formed in 2018 to detect and deter DPRK sanctions evasion. PSMX members currently include Japan, the United States, the ROK, Australia, the United Kingdom, Germany, Canada, France, Italy, and New Zealand. PSMX member nations deploy naval vessels, maritime patrol aircraft, and staff officers to assist with sanctions monitoring. These efforts are coordinated by the PSMX Enforcement Coordination Cell (ECC),

## New Zealand's contributions to the PSMX

11. In addition to up to three staff at the ECC, the NZDF has made six deployments of maritime patrol aircraft to PSMX activities from September 2018 to April 2024, the first five with the now retired P-3K2 Orion and the most recent being the first PSMX deployment of the new P-8A Poseidon. In June 2022, the previous Government extended the PSMX mandate to 30 September 2024.

## **Proposed Strategic Objectives**

- 12. Officials have proposed the following strategic objectives for any further military contributions to the PSMX:
  - 12.1. To contribute to maintaining pressure on the DPRK to abandon its nuclear and ballistic missiles programmes and return to diplomatic negotiations.
  - 12.2. To support s9(2)(g)(i) in maintaining Indo-Pacific regional security and the international rules-based system, s6(a), s9(2)(g)(i)
  - 12.3. To contribute to the regeneration of the NZDF by providing personnel with meaningful opportunities to deploy on missions overseas.

## General benefits of PSMX contribution

13. The following benefits are associated with a New Zealand PSMX contribution:

Benefit	Assessment
Supports the safety of New Zealanders.	Contributes in a substantial way to a well-established mission that helps to address key regional and global security concerns with consequences for New Zealand's own security, economy, and prosperity.
Contributes to collective security efforts that protect New Zealand's interests and values.	Signals New Zealand's continued commitment to deploying into North Asia and the Indo-Pacific more generally.
Partner relationships and interoperability.	Strengthens New Zealand's relationships with PSMX partners.

	by contributing to multinational coalition efforts that support the implementation of sanctions against the DPRK.
	s6(a)
Contributes to the enhancement of NZDF operational skills.	Enhances the NZDF's overall trained state with the technical skills that can be applied to other operations, s6(a)
Support retention of NZDF talent.	Allows NZDF personnel to conduct meaningful activities with a sense of real purpose, supporting retention and morale.
Provides opportunities for regional partner collaboration while assets are in the region.	This supports the Foreign Policy Reset refocus on Asia and traditional partnerships.

## NZDF platforms available to enhance New Zealand's contribution

With the introduction into service of the P-8A maritime patrol aircraft fleet, the availability of HMNZS AOTEAROA, and the operational release of the ANZAC Class frigates following the completion of the Frigate Systems Upgrade project, there are increasing opportunities over the next two years for NZDF assets to be deployed into the Indo-Pacific. The PSMX provides a prime opportunity for undertaking tasking with partners and reinforcing our security interests in the region.

P-8A Poseidon Maritime Patrol Aircraft



Naval assets – HMNZS AOTEAROA and the ANZAC Class frigates

To date, New Zealand has not provided naval vessel support to the PSMX. While this would be a first for New Zealand, and Royal New Zealand Navy (RNZN) vessels routinely passage these waters on activities not related to sanctions enforcement. HMNZS AOTEAROA would conduct replenishment at sea and sustainment of units undertaking PSMX operations, and in doing so, provide a New Zealand surface unit presence on the mission. The ANZAC Class frigate would conduct surveillance and sanctions monitoring in the area of operations, gathering evidence of any violations.

Platform risks

s6(a)



## Deployment package options

21. Three options are presented for Cabinet consideration below. The proposed scheduling of each deployment is based on a number of factors such as the efficiency of being in the vicinity already and discussions with partners around their projected deployments, so as to de-conflict and spread out asset provision to the PSMX.<sup>1</sup>

Option 1 – Platforms – Full (recommended)

22. This option brings us more into line with our partners' contributions and strongly signals that New Zealand is prepared to play its part in regional security. It takes full

s6(a)	

advantage of the range of platforms becoming available and opportunities to insert New Zealand contributions into PSMX programming. This option is a step-up on previous NZDF contributions of two platforms a year of the P-3K2 before its retirement but is considered appropriate in light of increased sanctions evasion activity and a general deterioration in global and regional security.

Proposed Commitment	Personnel/Capability	Year	Duration	Cost
NZDF Staff Officers to the PSMX ECC	s6	(a)		\$1.423M
HMNZS AOTEAROA			, Oe	\$3,419M \$3.419M
ANZAC Class frigate				\$3.117M
P-8A Poseidon		; S		\$4.568M
1 -OAT OSCIDOT	in			\$4.569M
TOTAL COST				\$21.267M

Option 2 – Platforms – Lite (not recommended)

23. This option removes one P-8A Poseidon deployment from 2025 and 2026 compared to Option 1 to provide a lower cost option for Cabinet consideration. It would ensure that New Zealand has at least one aircraft and one vessel to contribute per year,

The reduced total cost would be \$16.866M.

Option 3 – Withdraw – Conclude all contributions to PSMX by 31 December 2024 (not recommended)

- 24. Should Cabinet decide not to renew New Zealand's contribution to the PSMX, the convention is to provide six months' notice before withdrawing from the mission. This would involve extending the deployment mandate out by three months from 31 September 2024 until 31 December 2024 at a cost of \$0.181M.
- 25. A decision not to renew New Zealand's contribution to the PSMX would reduce New Zealand's modest overseas deployment footprint and cut across our reputation as a supporter of peace and stability in the Indo-Pacific. It would put us out of step with many of our key partners and forfeit a valuable means of demonstrating our commitment to the region's security. We would also stand out as the first to withdraw.

## **Operational Threat Assessment**

26. NZDF Intelligence assesses the overall threat as across all options.

## **Financial Implications**

Option 1: Platforms - Full (recommended)

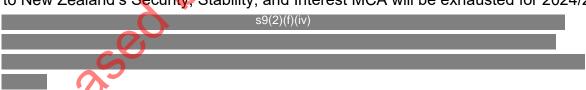
27. The option to extend and enhance with a Platforms – Full option for two years until 30 September 2026 is estimated to cost \$7.560M in 2024/25, \$9.867M in 2025/26 and \$3.841M in 2026/27. This option can be funded within the existing baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA. This is represented in the table at Annex A.

Option 2: Platforms - Lite (not recommended)

28. The option to extend and enhance with a Platforms – Lite option for a further two years until 30 September 2026 is estimated to cost \$6.676M in 2024/25, \$7.893M in 2025/26, \$2.297M in 2026/27. This option can be funded from within the baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA. This is represented in the table at Annex A.

Option 3: Withdraw (not recommended)

- 29. The option to withdraw NZDF personnel from the mandate by 31 December 2024, following a six month notice period, is estimated to cost \$0.181M in 2024/25. This is represented in the table at Annex A.
- 30. These deployments are not declared to be "qualifying operational service" under the Act. There is no impact on veterans' support entitlement obligation.
- 31. If the recommended option is approved, along with the recommendation for mandate options for the NZDF's contribution to the United Nations Command on the Korean Peninsula (being considered by Cabinet at the same time), and the NZDF contribution to military action against Houthi targets (being considered at FPS on 25 June 2024); then the available funding appropriated within Operations Contributing to New Zealand's Security, Stability, and Interest MCA will be exhausted for 2024/25.



## **Legal Considerations**

- 32. International mandate: The legal basis for the NZDF deployment to monitor UNSC sanctions evasion by the DPRK is UNSC Resolution 2397 (2017). Despite Russia's veto of the extension of the Panel of Experts mandate, the sanctions themselves are not impacted and must continue to be implemented in full.<sup>3</sup>
- 33. **Status of forces:** NZDF personnel deployed to Japan are able to draw on the provisions of the Agreement regarding the Status of Forces of the United Nations in

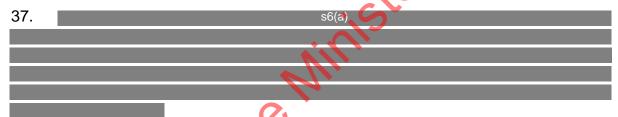
S6(a)

<sup>&</sup>lt;sup>3</sup> The Panel of Experts was established pursuant to resolution 1718(2006) to assist the UN Sanctions Committee. It conducts independent investigations of Pyongyang's unlawful weapons of mass destruction and ballistic missile programmes.

Japan (1954), to which New Zealand is a Party. Members of the Armed Forces are at all times subject to the Armed Forces Discipline Act 1971. Should Cabinet agree to approve the deployment of a naval vessel, operations will be in accordance with the United Nations Convention on the Law of the Sea.

34.	Rules of Engagement (ROE):	s6(a)

- 35. **Health and safety:** The NZDF contribution to PSMX is an operational activity for the purposes of section 7 of the Health and Safety at Work Act 2015 (HSWA). Consequently, the HSWA does not apply to any member of the NZDF while carrying out their duties on this deployment. However, the Chief of Defence Force will ensure that the purposes of the HSWA are complied with to the maximum extent possible under Defence Force Order 71 *Defence Force Safety*.
- 36. **Civilian harm:** The nature of the proposed commitments renders the likelihood of involvement in any action leading to civilian harm as negligible. If instances of civilian harm are reported, they will be recorded and investigated in accordance with Defence Force Order 35 *Response to Civilian Harm.*



38. **Human Rights Risk Assessment (HRRA):** The NZDF has undertaken a HRRA to assess the risk of becoming complicit in a violation of human rights through this mission. The HRRA was informed by the nature of the UNSC sanctions monitoring operations undertaken by the PSMX, its historic human rights record, and the specifics of the roles undertaken by NZDF personnel. The HRRA determined that there is a negligible likelihood of the NZDF knowingly contributing to a human rights violation.



## Consultation

40. This paper was jointly prepared by the Ministry of Defence, the NZDF, and the Ministry of Foreign Affairs and Trade. The Department of the Prime Minister and Cabinet (National Security Group and Policy Advisory Group), the Government Communications Security Bureau, the New Zealand Security Intelligence Service, and the Treasury were consulted.

## **Communications and Proactive Release**

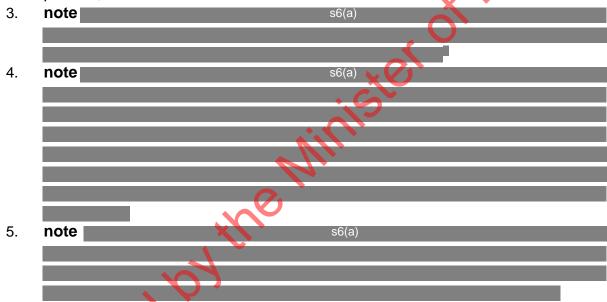
41. The Minister of Foreign Affairs and Minister of Defence will make public

announcements about this deployment, in coordination with the Prime Minister's Office. The Ministry of Defence will proactively release this paper in due course, subject to redactions as appropriate under the Official Information Act 1982.

#### Recommendations

The Ministers of Foreign Affairs and Defence recommend that the Committee:

- 1. **note** that New Zealand's current contribution of three personnel to the Pacific Security Maritime Exchange Enforcement Coordination Cell expires on 30 September 2024;
- 2. note that the United Nations Security Council sanctions regime, which the Pacific Security Maritime Exchange supports, is key to the global effort to peacefully apply pressure on the Democratic People's Republic of Korea to abandon its nuclear and ballistic missile programmes, and New Zealand's support for the Pacific Security Maritime Exchange is consistent with its foreign and defence policies;



- 6. **agree** that the strategic objectives for New Zealand's contribution to the Pacific Security Maritime Exchange are as defined in paragraph 12 above;
- 7. agree to:

#### **EITHER**

## Option - Platforms - Full (recommended)

- 7.1. **approve** an extension of the current contribution of three personnel to the Pacific Security Maritime Exchange Enforcement Coordination Centre by an additional two years from 1 October 2024 to 30 September 2026;
- 7.2. **approve** s6(a) P-8A deployments to Pacific Security Maritime Exchange operations during 2025 and 2026, including support elements s6(a)

s6(a)	

- 7.3. **note** that these P-8A deployments are currently expected to take place in \$6(a)
- 7.4. approve s6(a) naval vessel support during 2024, 2025, and 2026,
- 7.5. **note** that these naval deployments are currently expected to take place in \$6(a)
- 7.6. **note** the estimated cost is \$7.560M in 2024/25, \$9.867M in 2025/26 and \$3.841M in 2026/27;
- 7.7. **note** this option can be funded within the existing unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA if the FNA requested in the accompanying Op Monitor Cabinet Paper is approved.

## OR

## Option 2 - Platforms - Lite (not recommended)

- 7.8. **approve** an extension of the current contribution of s6(a) personnel to the Pacific Security Maritime Exchange Enforcement Coordination Cell by an additional two years from 1 October 2024 to 30 September 2026;
- 7.9. **approve** s6(a) P-8A deployments to Pacific Security Maritime Exchange operations during 2025/2026, including support elements s6(a)
- 7.10. **note** that these P-8A deployments are currently expected to take place in
- 7.11. **approve** naval vessel support during 2024, 2025, and 2026,
- 7.12. **note** that these naval deployments are currently expected to take place in \$6(a)
- 7.13. **note** the estimated cost is \$6.676M in 2024/25, \$7.893M in 2025/26, \$2.297M in 2026/27;
- 7.14 **note** this option can be funded within the existing unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA if the FNA requested in the accompanying Op Monitor Cabinet Paper is approved;

#### OR

## Option 3 – Conclude all contributions to Pacific Security Maritime Exchange by 31 December 2024 (not recommended)

7.15. **approve** an extension of the current personnel contribution to the PSMX ECC by three months, from 1 October 2024 until 31 December 2024, to notify partners and identify replacements before withdrawing from the deployment;

- 7.16. **note** the estimated cost is \$0.181M in 2024/25; and
- 7.17. **note** this option can be funded within the existing unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA if the FNA requested in the accompanying Op Monitor Cabinet Paper is approved.
- 8. **note** if the recommended option is approved, along with the recommendation for mandate options for the NZDF's contribution to the United Nations Command on the Korean Peninsula NZDF contribution to military action against Houthi targets (being considered at FPS on 25 June 2024); then the available funding appropriated within Operations Contributing to New Zealand's Security, Stability, and Interest MCA will be exhausted for 2024/25 exhausted for 2024/25.

Authorised for lodgement

Rt Hon Winston Peters Released by the **Minister of Foreign Affairs** 

Hon Judith Collins KC MP

**Minister of Defence** 

## **ANNEX A: FINANCIAL TABLES**

Option 1: Platforms - Full (recommended)

1. The following table provides financial estimates for the activities Cabinet has been asked to consider for Option 1:

	\$ million				
Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA	2023/24	2024/25	2025/26	2026/27	2027/28
Minister of Defence					
Option 1 – Platforms - Full	-	7.560	9.867	3.841	-
Total	-	7.560	9.867	3.841	-

Option 2: Platforms - Lite (not recommended)

2. The following table provides financial estimates for the activities Cabinet has been asked to consider for Option 2:

	\$ million				
Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA Minister of Defence	2023/24	2024/25	2025/26	2026/27	2027/28
Option 2 Platforms Lite (Not Recommended)		6.676	7.893	2.297	-
Total	-	6.676	7.893	2.297	-

Option 3: Withdraw (not recommended)

3. The following table provides financial estimates for the activities Cabinet has been asked to consider for Option 3:

	\$ million				
Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA Minister of Defence	2023/24	2024/25	2025/26	2026/27	2027/28
Option 3 – Conclude all contributions to Pacific Security Maritime Exchange by 31 December 2024 (Not Recommended)	-	0.181	-	-	-
Total	-	0.181	•	-	-