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Office of the Minister of Health

Office of the Minister for Economic Development

Cabinet

Future Border Settings: People Movement and Reconnection with International Markets

Proposal

- 1 This paper sets out a proposed approach, as part of our wider COVID-19 response, to facilitate increased people movement across our border to ensure New Zealand is well-positioned to preserve, protect, and rebuild international connections as soon as it is safe to do so, and to allow New Zealanders to return home.
- 2 This paper also outlines the cross-agency work programme underway to increase people movement across the border. Advice as part of this work programme has been or will be submitted in June and July 2020 for Cabinet consideration and approval of any funding required, for key decisions on:
 - 2.1 Extending the current arrangements for quarantine and managed isolation at the border beyond June 2020 when current funding and s70 Order under the Health Act 1956 expire;
 - 2.2 Modifying maritime border measures, including extending the current cruise ship ban which expires on 30 June 2020;
 - 2.3 Exempting workers, who are ordinarily resident in New Zealand but who are not residence class visa holders, from the border restrictions
 - 2.4 The operational approach to the humanitarian category and options for clarifying government policy intent for this exemption category;
 - 2.5 Modifying the exceptions categories from border entry restrictions for other essential workers; partners, dependent children, and legal guardians of New Zealand citizens and residents; diplomatic and consular personnel; and people entering at the maritime border; with further advice to extend exceptions categories to include additional groups as needed;
 - 2.6 Agreeing the core principles for COVID safe travel zones and setting the direction for negotiations with Australia on a trans-Tasman safe zone and our approach to a Pacific Realm safe zone;
 - 2.7 Developing a sustainable, scalable model for isolation at the border over the next 12-18 months, including how to manage demand and implementing cost recovery; and
 - 2.8 Addressing financial implications for border agencies arising from the loss of cost recovery revenues.

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Executive summary

- 3 Going hard and going early at the border has been a cornerstone of our elimination strategy. On 19 March we took an unprecedented decision to close New Zealand's borders to almost all people on temporary visas. Faced with a rapidly escalating global pandemic and the arrival of COVID-19 in New Zealand, closing our borders to people movement bought us a critical window of time to stop the importation of the virus, slow its spread, and develop our plan to eliminate it from New Zealand. The effect of the restrictions was a drop in people arrivals from a typical 20,000 people per day to around 0 to 200 people who enter managed isolation or quarantine on arrival.
- 4 Closing our border to people has been necessary to save lives and prevent the worst social and economic outcomes from an epidemic in New Zealand. Assuming New Zealand's path towards elimination continues, risks at the border will remain the greatest public health threat until a treatment is developed. A best case scenario for production of a vaccine is early to mid-2021 and competition for supply will be intense. The border will therefore remain a key focus in our fight against COVID-19.
- 5 While the global pandemic persists and New Zealanders remain sheltered from COVID-19, there will be a continued need for robust border measures. We need a plan to reconnect with the world in a safe and measured way, especially with close partners that are managing COVID-19 successfully, but with effective controls in place that we have confidence can manage the risk of importation of the virus and stop domestic transmission reigniting in New Zealand. This should be based on the same principal considerations as our border decisions to date, guided by our broader objectives across health, social, economic, and humanitarian interests.
- 6 Importing cases of COVID-19 and allowing the infection to spread remains the highest risk to New Zealand maintaining a successful elimination strategy. Border measures are therefore expected to continue to be required for the next 12-18 month period. This means we will need to retain border entry restrictions for jurisdictions where COVID-19 has not been contained and people movement into New Zealand presents a high risk of importation of the virus. We will also need to put in place more sophisticated controls and assurances at the point of embarkation, arrival in New Zealand and departure, including a more sustainable, scalable model for isolation of arrivals, so that we can allow increasing volumes of people to enter New Zealand, for those groups of people exempt from the restrictions and on a case-by-case exceptions basis for other categories of visa holders. Other countries are interested in working with New Zealand to do this in a coordinated and safe way.
- 7 Where two states are COVID-19-free, fewer controls and assurances may be needed for individual passengers. New Zealand and Australia's Prime Ministers have already announced a commitment to introduce a trans-Tasman COVID-safe travel zone as soon as it is safe to do so, which would remove the need for isolation of those arrivals. Ministers have agreed that the first safe travel zone is intended to be with Australia. Our approach to this first safe travel zone needs to be seen in the context of our wider international equities, with the Realm, the wider Pacific, and other key relationships, with a view to further opening our borders when appropriate.
- 8 A comprehensive work programme (set out in Annex 1) is underway to support border and market re-entry as safely and quickly as possible, while not undoing the gains made under Alert Levels 4 and 3. This focuses on:

- 8.1 *Putting health considerations at the centre of decisions on border measures*, designing the health preconditions to be met and the health measures necessary to support safe cross-border people movement, as the enabler for all other border initiatives progressing.
 - 8.2 *Establishing new entry and exit health policy and measures* to allow increasing people movement at our borders, increasing volumes as conditions allow and laying the groundwork for a full border re-opening.
 - 8.3 *Taking the opportunities and managing the risks around reconnection with global markets*, so we secure the connectivity benefits that support social and economic recovery, strengthen relationships with key trading hubs, attract investment, enable business travel, and reposition our export sectors.
 - 8.4 *Operationalising the world's smartest and safest border*, putting in place the people, technology, processes, and systems necessary for safe reconnection.
- 9 Portfolio Ministers will bring papers on individual items to Cabinet when ready for consideration and approval for any funding required.
- 10 Key to delivery of this work programme will be New Zealand agencies and key non-government stakeholders, including the private sector, working in partnership. Our offshore network will be a vital connection point for government and private interests to influence and advocate on New Zealand's behalf. Equally important will be ensuring we retain a physical seat at the table on significant negotiations, such as on international rules, global trade and national security interests.

Background

- 11 Our strategy is to eliminate COVID-19 within New Zealand. Elimination is a sustained approach to keep it out, find it, and stamp it out.
- 12 Border measures have been used to minimise the risk of virus importation into New Zealand by preventing temporary visa holders from coming to New Zealand and by managing the health risks from New Zealanders returning home from abroad.
- 13 On 19 March 2020, Cabinet agreed to restrict entry to New Zealand from all persons from other countries to reduce the risk of importing cases of COVID-19 [CAB-20-MIN-0122 refers]. There are very limited exemptions for groups of people not subject to these entry restrictions, including currently:
- 13.1 New Zealand citizens and most residence class visa holders¹;
 - 13.2 The partner, legal guardian or any dependent children travelling with a New Zealand citizen or residence class visa holder;
 - 13.3 Australian citizens and permanent residence class visa holders ordinarily resident in New Zealand; and
 - 13.4 People subject to regulation 25 of the Immigration (Visa, Entry Permission, and Related Matters) Regulations 2010, which includes air and marine crew.
- 14 Cabinet also agreed high-level parameters for case-by-case exceptions to the border entry restrictions, which include categories of exemptions for: humanitarian reasons, essential health workers, citizens of Samoa and Tonga for essential travel to New

¹ Persons whose resident visa was granted off shore and who have not yet travelled to New Zealand to activate their visa are still subject to entry restrictions.

Zealand; partners or dependents of a temporary work or student visa holders who normally live in New Zealand; and any other essential workers identified by the group of COVID-19 Ministers with Power to Act. These exceptions categories were further modified by Cabinet on 8 June 2020 [CAB-20-MIN-0268] to expand their definitions for other essential workers; partners, dependent children and legal guardians of New Zealand citizens and residents; diplomatic and consular personnel; and to cover people arriving at the maritime border, where there is a compelling need for the vessel to travel to New Zealand.

- 15 Under a notice made by the Director General of Health under section 70 of the Health Act 1956 on 9 April 2020, all people arriving in New Zealand (with limited exceptions) are required to enter managed isolation or quarantine for 14 days, prior to onward domestic travel. There is also a process in place for case-by-case exceptions from this requirement, for example, where entry is for emergency medical treatment or on compassionate grounds.
- 16 As foreseen, global border measures have had a significant economic and social impact on New Zealand, and particularly on the aviation, tourism and international education sectors:
 - 16.1 International education was worth around \$5 billion to New Zealand in 2019.
s 9(2)(g)(i)
 - 16.2 Inbound international tourism was worth around \$17.2 billion in 2019, with around 3 million holidaying visitors, and was the largest export earner, contributing 20.4% to New Zealand's total exports of goods and services. The tourism sector has been very hard hit by global travel restrictions introduced to reduce COVID-19 transmission, the economic downturn, and consumer behaviour. With no certainty as to when borders will reopen either in New Zealand or in key visitor markets, the volume of international visitors to New Zealand is likely for some years to be at considerably lower levels than in the recent past.
 - 16.3 Aviation sector volumes going from 20,000 international passenger arrivals per day to 0-200, has had significant impacts on the sector's viability, as well as financial impacts on border agencies, education, and visitor services.
- 17 Our border restrictions focused on constraining people movement, including a ban on cruise ships, while supporting continued goods movement as freely as possible. However, the border measures have had a significant impact on air freight capacity, which is largely carried in the belly-hold of air passenger planes. This is why Cabinet agreed to an air freight capacity programme to enable sufficient capacity to move critical imports and exports, and to retain connections to trade and visitor markets.
- 18 Cabinet also agreed on 14 March 2020 to a package of measures at the border to mitigate the worst impacts of COVID-19, including that the border entry restrictions did not apply to cargo ships or marine crew, to keep sea freight routes open for imports and exports, including essential supplies [CAB-20-MIN-0106], and that the requirement to self-isolate would continue not to apply to air and marine crew [on 19 March 2020 CAB-20-MIN-0122 and reconfirmed on 30 March 2020 CAB-MIN-20-0142]. Sea freight is moving freely, although at reduced volumes because of changes in global demand and supply from COVID-19.

- 19 This is important to service essential needs in the short term, enable the import of essential goods, and a means for exporters to move goods, and to retain connections to international markets to support economic recovery over time. We need cargo ships to continue to be able to operate moving to and from New Zealand and this requires certainty for industry that replacement cargo ship crew can arrive in New Zealand by air and transfer (as soon as reasonably practicable) to cargo ships which are departing New Zealand. This paper confirms this policy intent and invites the Minister of Immigration to provide for this critical purpose as an exception from border entry restrictions in Immigration Instructions. Requirements for isolation of both replacement cargo ship crew arriving by air and the outgoing crew arriving by sea are provided for in the Minister of Health's parallel paper on maritime border measures.
- 20 The longer restrictions are in place both in New Zealand and internationally, the more businesses are likely to be impacted to an extent that they need greater government support or may not be able to recover. Many of the impacts on sectors like international education and tourism stem from wider global conditions, not our entry restrictions. Countries around the world have closed their borders, there is a global economic downturn, and we can expect lower volume, higher cost international travel in the short to medium term. Lifting our restrictions is not enough to restore historic levels of export earnings and we will need to reposition these sectors for the future.
- 21 We are a global society, with one of the largest diaspora in the world per capita, and increasing capacity to reconnect to our friends, family and whānau in Australia, the Pacific, and beyond will be integral to regaining normalcy and wellbeing in our society. We also need to allow New Zealanders wishing to return home and in due course to recommence outward travel, whether for economic or personal reasons, and to meet our international obligations relating to humanitarian programmes, including relating to the Pacific and restarting our refugee settlement programme.

Proposed approach to lifting border entry restrictions and global reconnection

- 22 Importing cases of COVID-19 and allowing the infection to spread remains the highest risk to New Zealand maintaining a successful elimination strategy. Border measures are therefore expected to be required for the next 12-18 month period. Any measures we retain beyond standard border settings, however, should be reasonable, proportionate and risk-based, and based on the best evidence available, consistent with our international trade and investment obligations and international standards. Health officials anticipate border measures being progressively relaxed as it becomes safe to do so.

Key considerations for decisions on border measures remain the same

- 23 All of our border measures decisions have been based on the same principal considerations, which should also inform the de-escalation of our settings. These are:
- 23.1 Public health protection in New Zealand and the Pacific;
 - 23.2 Economic, social, and international connections; and
 - 23.3 Operational readiness to implement the measures.
- 24 Consistent with previous advice on the border, the following principles should guide New Zealand's approach to border settings for COVID-19. New Zealand should:

- 24.1 Protect New Zealanders from COVID-19, and minimise the risk that COVID-19 is re-introduced through the border;
 - 24.2 Mitigate the risk of COVID-19 transmission to the Pacific;
 - 24.3 Facilitate international re-engagement through our border settings, within safe parameters, recognising that international connectivity remains fundamental to the economic and social wellbeing of New Zealanders;
 - 24.4 Respect and protect international rules and obligations;
 - 24.5 Ensure goods move readily into and out of New Zealand at all Alert Levels to maintain connections with global markets;
 - 24.6 Facilitate safe people movement in and out of New Zealand at all Alert Levels, that allows New Zealanders to return and supports priority response and recovery activity;
 - 24.7 Facilitate increased people movement in and out of New Zealand more widely, as public health considerations allow;
 - 24.8 Recognise the inter-relationship between our domestic and international markets, and seek to maintain a competitive and sustainable aviation and maritime sector in New Zealand; and
 - 24.9 Ensure that any adjustments to border measures are reasonable and proportionate to the risk, able to be effectively implemented, with adequate risk management, a supporting compliance model, and cost recovery or Crown funding in place.
- 25 New Zealand's enduring international interests include a rules-based international order that supports New Zealand's priorities and allows maritime and aviation sectors to operate efficiently and effectively; a security environment that keeps New Zealand people and activities safe; international conditions and connections that enable New Zealanders to prosper; and global action on sustainability issues that matter to New Zealand. The proposed guiding principles for border settings are well aligned to the delivery of these interests.

A comprehensive work programme for border reconnection is underway

- 26 A comprehensive work programme is underway to support border and global markets re-entry as safely and quickly as possible, while not undoing the gains made under Alert Levels 4 and 3. This focuses on four pillars:
- 26.1 *Putting health considerations at the centre of decisions on border measures*, by designing the health preconditions to be met and the health measures necessary to support safe cross-border people movement.
 - 26.2 *Establishing new entry and exit health policy and measures* to allow increasing people movement at our borders, increasing volumes as conditions allow and laying the groundwork for a full border re-opening.
 - 26.3 *Taking the opportunities and managing the risks around reconnection with global markets*, so we secure the connectivity benefits that support social and economic recovery, strengthen relationships with key trading hubs, attract investment, enable business travel, and reposition our export sectors.
 - 26.4 *Operationalising the world's smartest and safest border*, putting in place the people, technology, processes, and systems necessary for safe reconnection.

- 27 The four pillars of the work programme are being progressed in parallel, moving to implementation as health considerations allow for each segment, allowing us a phased and safe way to increase people movement over time (as long as health conditions remain favourable), in support of our economic and social recovery and to maintain our international connections. It is however noted that a priority project is the establishment of the health preconditions as this is a key enabler for other projects (for example revising entry conditions and establishing a bilateral extended bubbled with any other country).
- 28 We will need to take care in progressing each initiative that they are designed and delivered in a country-neutral way, so that they can be extended to other countries when it is safe to do so. Equally, so that progress on one initiative or country does not prevent us from delivering it for another.
- 29 Under this work programme, Cabinet has and will continue to receive report backs from portfolio Ministers as proposals are ready for consideration and, if required, approval of any funding. Key issues on which decisions over the next month have been or will be sought are:
- 29.1 Extending the current arrangements for quarantine and managed isolation at the border beyond June 2020 when current funding and s70 Order under the Health Act 1956 expire;
 - 29.2 Modifying maritime border measures, including extending the current cruise ship ban which expires on 30 June 2020;
 - 29.3 Exempting workers, who are ordinarily resident in New Zealand but who are not residence class visa holders, from the border restrictions
 - 29.4 The operational approach to the humanitarian category and options for clarifying government policy intent for this exemption category;
 - 29.5 Modifying the exceptions categories from border entry restrictions for other essential workers; partners, dependent children and legal guardians of New Zealand citizens and residents; diplomatic and consular personnel and people entering at the maritime border; with further advice to extend exceptions categories to include additional groups as needed;
 - 29.6 Agreeing the core principles for COVID safe travel zones and setting the direction for negotiations with Australia on a trans-Tasman safe zone and our approach to a Pacific Realm safe zone;
 - 29.7 Developing a sustainable, scalable model for isolation at the border over the next 12-18 months, including how to manage demand and implementing cost recovery; and
 - 29.8 Addressing financial implications for border agencies arising from the loss of cost recovery revenues.
- 30 A summary of the border and global market reconnection work programme is provided below. Each of the four pillars is outlined in more detail in subsequent sections of this paper and the full work programme is set out in Annex 1.

Border and market reconnection

A work programme to make border and market reconnection occur as safely and fast as possible

Public health considerations remain at centre of border decisions

Led by MOH

It is possible to have different measures for different countries, as countries eliminate COVID-19.

Key public health factors in determining changes to border measures for people movement

- Level of transmission in New Zealand, and in specific countries or regions.
- Changes to the patterns, transmissibility or severity of illness related to COVID-19 infections.
- Border measures in other countries or regions.
- Diagnostics and testing innovations.
- Our ability to sustain and expand public health innovations such as managed isolation and quarantine as the number of arrivals increases.
- The establishment of suitable health controls at point of embarkation, entry to New Zealand, and exit, and adequate assurances from our partners of the controls in place at their own ports.

Establish new health entry and exit policy and measures to allow for people movement at our borders

Led by various agencies

In medium term, vaccination, immunity, or fast and reliable screening and testing manage COVID-19 risk at border.

Countries where COVID-19 remains widespread and uncontained

- Entry restrictions remain in place with targeted exceptions and managed isolation/quarantine.
- Broaden allowable exceptions to support economic and social recovery priorities (led by MBIE).
- Develop sustainable, safe and fair options for managed isolation (including commercial models) to support increased passenger flow over time (led by MBIE).

Countries that are COVID-free or where virus has been contained

- Implement free movement with close partners when safe and both sides are ready.
 - Australia: leverage close links to introduce a trans-Tasman COVID-safe travel zone (coordinated by DPMC and led by BSGG).
 - The Pacific: maintain close relationships and restore connections when ready.
- Position to lift restrictions for further countries as conditions allow.

Influence and support international standards and measures

Led by MOT and MFAT

- In the short term, consider bilateral agreements with states on point of departure and arrival requirements.
- Actively monitor and participate in international developments to shape the emergence of new international or regional norms and standards.
- Work with strategic partners on a similar risk management trajectory.

Take opportunities and manage risks as we reconnect

Led by various agencies

Support our key export service sectors to recover and adjust

- Rebuild the international education sector to be diverse, resilient and sustainable in a new global economy (led by MOE).
- Reimagine the way we govern, market and manage tourism so that is more sustainable for our people and place in the long-term (led by MBIE).

Facilitate strategic international investment for NZ's recovery

Led by MBIE

- Position New Zealand as a destination for 'smart' investors, businesses and entrepreneurs.
- Attract high value investors looking to develop new products and carry out high value R&D.

Respond to changing labour market needs for skills from global markets as our economy adjusts

Led by MBIE

- Adjust border settings for work migration to respond to significant change in New Zealand's labour market situation.
- Enable access to migrant labour where there is genuine need that cannot be met domestically.

Retain gains from trade and aviation arrangements

Led by MOT

Maintain a viable but efficient aviation sector

Led by MOT

Operationalise our reconnection through the world's smartest and safest border

Led by BSGG and Customs

Put in place the people, technology, processes and incentives to safely reconnect.

Guiding principles

Protect New Zealanders from COVID-19.

Protect the Pacific from COVID-19.

Facilitate re-engagement within safe parameters

Respect and protect international rules and

Ensure goods can move into and out of New Zealand

Facilitate safe movement in and out of New Zealand at

Facilitate increased movement in and out of New Zealand

Maintain competitive and sustainable aviation and

Ensure border settings are reasonable and proportionate

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Public health considerations remain at the centre of decisions on border measures

- 31 As we review border settings, the key test will remain whether public health risk can reasonably be managed. The strategy remains elimination within New Zealand. That is, applying a range of control measures to stop the transmission of COVID-19 within New Zealand, including avoiding reintroducing infections through border controls. Within that overall setting, the actual controls are flexible, depending on the risk of a particular set of circumstances and the tools available to manage it. Given the complexities of the international environment, officials caution against any explicit linking of New Zealand's border measures to domestic Alert Levels, but recognise that the Alert levels provide relevant context for some decision-making at the border, particularly as they relate to opening up domestic economic activity.
- 32 Key factors in determining changes to border measures for people movement are:
- 32.1 The level of transmission occurring in New Zealand, and in specific countries or regions;
 - 32.2 Changes to the pattern, transmissibility or severity of illness related to COVID-19 infections;
 - 32.3 Border measures in other countries or regions;
 - 32.4 Diagnostics and testing innovations;
 - 32.5 Our ability to sustain and expand public health controls such as managed isolation and quarantine as the number of arrivals increases; and
 - 32.6 The establishment of suitable health controls at point of embarkation, entry to New Zealand, and exit, and adequate assurances secured from our partners of the controls in place at their own ports.
- 33 In line with the factors outlined above, it would be possible to have different measures for different countries, as countries eliminate COVID-19. This is similar to approach we take already to mitigating biosecurity risk at the border.

Establishing new entry and exit health policy and measures at our borders


- 34 It is possible the global pandemic may subside as it runs its course, but this situation may take several years to resolve. A treatment or vaccine may be developed and widespread immunity achieved, but this is not certain. A best case scenario is for an immunisation programme to begin early-mid 2021 with population immunity achieved mid-2021.
- 35 It is also possible that waves of illness continue and immunity is not obtained. Work is underway globally to develop fast and reliable screening and testing measures to manage the COVID-19 risk at the border. This will also take time, and we will also need to put in place the domestic systems and processes, and secure the international protocols, reciprocal arrangements, and assurances necessary to support this approach.
- 36 However, as we move from response to recovery in New Zealand, we can and must move to facilitate increasing people movement to support our social and economic recovery and to re-energise our international connections. This means we propose that for jurisdictions:

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- 36.1 **That are COVID-19 free or where the virus has been contained or eliminated** – entry restrictions could be lifted, when both jurisdictions are ready and agreements are in place to assure health conditions being met. Adequate health conditions and assurances, protocols on information sharing, and reciprocal arrangements will be needed to support these safe travel zones being delivered in practice. We will need to be poised to quickly restrict entry again or to apply isolation on entry, if conditions deteriorated.
- 36.2 **Where the virus remains widespread and uncontained** – entry would continue to be restricted, with testing and/or isolation and quarantine required for those groups of people who are exempt (such as New Zealanders) and for visa-holders approved to enter on an exceptions basis. A more sustainable, scalable model for isolation will be needed to facilitate greater volumes of people movement to bring in the people, skills and investment we need as a priority for economic, social and humanitarian reasons.
- 37 New Zealand and Australia's Prime Ministers have already announced a commitment to introduce a trans-Tasman COVID-safe travel zone as soon as it is safe to do so. Our approach to trans-Tasman and Pacific Realm COVID-19 safe travel zones is being coordinated by DPMC, with oversight from the Border Sector Governance Group. Initial work is now underway by officials towards operationalising the Prime Ministers' commitment, but further decisions will be needed to shape the approach to enable more detailed work with Australia. Proposals are being considered by Cabinet in parallel with this paper, and this work would establish the pre-conditions, protocols, systems and agreements necessary to provide confidence to both sides.
- 38 s 6(a)
- 39 s 6(a)
- 40 s 6(a)
- 41 International best practice on enabling international travel while managing the risk of COVID-19 crossing borders will develop over the coming weeks and months. Where

New Zealand is not at the forefront of this activity, we are going to want to be positioned to be “fast followers” given the socio-economic significance of border flows. We should therefore retain the flexibility quickly to adopt technologies or operational practices proven successful elsewhere in supporting greater movement across the border while minimising public health risk. To do that, we will actively monitor and participate in international developments, as well as work with partners s 6(a) to shape the emergence of new international or regional norms and standards in international fora.

- 42 For other countries, where COVID-19 is not contained, we will continue to need to rely on entry restrictions at the border to manage the public health risk, supported by isolation of all passenger arrivals. As we shift from emergency response to a new normal at the border, we will need to move to a more sustainable footing for managed isolation requirements on arrival, to ensure that robust health risk management provisions are maintained but to allow volumes of arrivals to increase over time. The current state run model can support an average of 190 people arriving per day (predicated on funding constraints to control overall costs) but these arrangements currently expire in June 2020, and advice is being provided in parallel from the Ministers of Health and Housing on their extension.

- 43 s 9(2)(f)(iv)
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- 44 As now, border entry restrictions will be regularly reviewed with advice on border entry restrictions led by MBIE and Ministry of Health. Proposals from the Ministers of Immigration and Economic Development on short term settings for exemptions from the entry restrictions that are needed to support our recovery were agreed on 8 June [CAB-20-MIN 0268], including an expanded definition of exceptions categories for other essential workers; enabling the partners, dependent children and legal guardians of New Zealand citizens and residents to enter New Zealand when travelling independently; extended the exemption category for diplomatic and consular personnel; and a new exemption category for people entering at the maritime border where there is a compelling need for the vessel to travel to New Zealand.

- 45 Further advice from the Minister of Health on requirements for isolation and quarantine of people who enter New Zealand in the maritime domain, including plans to extend the ban on cruise ships due to expire on 30 June 2020, will also be considered later this month.

- 46 As our capacity for managed isolation grows, so too will the volume we can allow to enter and a further key issue will be what priority we give to different demands on that


capacity: for returning New Zealanders, for business travel and workers, for international students, for family of New Zealanders, for our humanitarian programmes and general visitors. Advice on how to develop this model will be led by MBIE, including how to prioritise urgent needs and to manage demand and supply of isolation capacity, in partnership with the Ministry of Health and portfolio agencies.

Taking the opportunities and managing risks around reconnection to global markets

- 47 International connections, of which border movement is a key enabler, are critical to New Zealand's economic productivity and wellbeing. Because we are small and economically remote, we need to work harder to remain connected and successful in international markets. Our current border settings, while justified, could exacerbate challenges around New Zealand's productivity performance, hinder wellbeing improvements, and impede New Zealand's economic recovery - particularly if they extend for a significant period of time.
- 48 We need to look to a longer term horizon, and make sure that New Zealand is well-positioned to engage on what the future of travel in a post-COVID-19 world looks like, where international connectivity settles into a 'new normal' state, health risks are managed, and people-to-people links are facilitated. It also provides an opportunity to think about our economy differently, including how it relates to measures in place at the border. If successful, New Zealand's elimination strategy could position us as an attractive option for international investment, or increase our value as a destination for study, travel and work. The way we adjust our border settings can present opportunities, at the same time as requiring us to manage risks.
- 49 New Zealand also has the potential to use its comparative advantage as a relatively COVID-free country to attract high value economic activity and investment. There is an opportunity to leverage our position to fast track the development of targeted sectors and companies that support our long term recovery and economic development objectives, including transitioning our economy to a lower carbon emission and focussing on key industries that drive high value jobs. The post-COVID world will also require new goods and services, from new companies or existing companies that pivot and innovate. These companies and sectors will require 'smart' capital and increased managerial capability.
- 50 As we begin to lift entry restrictions and facilitate greater movement of people across our border, we need to focus on leveraging the opportunities it creates to:
- 50.1 *Support our key export services sectors to recover and adjust to a post-COVID environment.* COVID-19 has changed the context significantly for international education and for tourism, and is a major disrupter both domestically and globally. We need to rebuild the international education sector to be diverse, resilient and sustainable in a new global economy; and reimagine the way we govern, market and manage tourism so that is more sustainable for our people and places in the long-term.
- 50.2 *Facilitate strategic international investment for New Zealand's recovery.* As we develop smart ways to manage risk at the border we can also proactively support high-value international connections that reinforce our economic goals. A core part of our border strategy needs to be the facilitation of investment, market development, innovative partnerships and high end talent flows that will fuel the growth that we need to sustain ourselves.

50.3 *Respond to changing labour market needs for skills from global markets as our economy adjusts.* The economic downturn and increased unemployment mean that fewer foreign workers will be required to fill job vacancies in the short-term. Deploying New Zealanders into job vacancies will continue to be the priority, as we build a productive, sustainable and inclusive New Zealand economy. We expect to see fewer lower-skilled and lower-paid foreign workers in particular, but also fewer skilled migrant workers as New Zealanders upskill or re-skill to fill these roles. This will take time, so there will be a short- to medium-term gap in the labour market that could be filled by migrant workers, either those already in New Zealand or those currently offshore. Officials are currently assessing whether existing settings for labour market tested essential skills work visas sufficiently balance these objectives in the rapidly changing labour market.

50.4 s 6(a)



50.5 *Maintain a viable but efficient aviation sector.* Recovery of international passenger aviation is likely to be slow for a number of reasons including: fear of opening borders to people who have the virus; low demand as people manage through an economic recession and are likely to have concerns about flying again; and there will be a much leaner aviation system as many firms retrench or go out of business. As we reconnect globally and determine entry and exit health measures, our choices must also consider the sustainability and recovery of our aviation sector.

Operationalising the world's safest and smartest border

51 In delivering our future border settings, we also need to ensure we create a smart and safe border that can be effectively operationalised. A key issue will be ensuring we have the operational work underway to design and implement the screening processes, systems, technology and data at border to manage the health risk from COVID-19. We will want to stay closely connected to the border innovations of international partners, as we all adapt to the new health risk, with resultant adjustments likely to global systems and rules relating to aviation and people-movement.

52 The Border Sector Governance Group of Chief Executives provides oversight of work at the border, and has established supervision of the work programme at and across the border to ensure New Zealand's border remains amongst the world's smartest and safest. Our border must work to both protect New Zealand and grow the economy in a rapidly changing environment where traditional and non-traditional threats, such as viruses, coexist.

- 53 This work will enable the border agencies to have meaningful discussions with their Ministers about the end to end border system, and the future direction of the border sector, including substantive discussions about specific aspects of progressing the 'smartest and safest border', such as legislative change, investment decisions, or how best to balance the tensions between personal privacy, national security and economic growth. This work will also ensure the border continues to provide effective clearance of goods and people, meeting the objectives of the separate systems that it serves across biosecurity, immigration, aviation security, and customs
- 54 There are strong parallels between the robust biosecurity measures already in place at the New Zealand border and the potential tool box for mitigating the risk of COVID-19 re-introduction. New Zealand's successful biosecurity strategies over time have contributed significantly to our comparative advantage and export success in primary products, and have protected our unique biodiversity. For example, New Zealand exports around 80-90% of its primary products, earning over \$46 billion in exports in 2018/19 and our biosecurity system provides essential assurances about pests & diseases to importing countries, which could give us an advantage to pursue in our international relationships and negotiations on standard setting.
- 55 While the biosecurity risks coming through the passenger pathway will be significantly reduced due to COVID-19, the level of risk coming through the cargo pathway will be largely similar. There is likely to be higher volumes of mail and there may be some additional risks from hitchhiker pests settling on cargo that has had to sit in one place for extended time.
- 56 s 6(a) Australia gives biosecurity a similar level of focus and we cooperate closely with them. We have an agreement to allow the movement of cats and dogs between the two countries based on mutual trust of each other's biosecurity systems. We have cooperated with Australia to reduce risks from the brown marmorated stink bug, resulting in fewer interceptions at the border last year. We also share capability and staff when needed. For example, we have drawn on Australian staff to support the Mycoplasma bovis programme. Our two countries' experience in managing biosecurity risks at the border, and the cooperation we have established, may be useful to support a regime for managing health risks across the border.
- 57 The Border Sector Governance Group will also provide oversight to the design and operationalisation of the trans-Tasman safe zone, as well as wider establishment of new entry and exit measures to allow for people movement at our borders. s 9
s 9(2)(f)(iv)
- 58 A further issue will be the continuing capability and capacity of border agencies in a peri- and post-COVID-19 environment. A number of border and transport agencies are substantially cost recovered from fees on air passenger movements. The level of fees has been adversely affected by the closure of the air border, and in April 2020 Cabinet approved funding to meet the shortfall for the 2019/20 financial year for departments, and for 2019/20 to 2021/22 for transport Crown entities.

- 59 Cabinet also asked for a report back by the end of July 2020 on the financial sustainability of affected agencies and what mitigations the agencies will make to offset the impact of reduced revenues from third parties [CAB-20-MIN-0148]. This work is being co-ordinated by Customs, working with Treasury and the State Services Commission. The July paper will outline proposed approaches to managing the staffing and financial impacts of the loss in revenue on the one hand, ensuring that agencies are able to support the re-opening of the air border as it occurs on the other, while ensuring that the other work summarised in this paper to reimagine the border is completed.

Stakeholder Engagement

- 60 Many of the projects on the work programme have their own stakeholder groups. For example, the C-19 Tourism Action Group or the Australia New Zealand Leadership Forum for the Trans-Tasman COVID-safe travel zone. Officials will also set up an advisory group for the World's Safest and Smartest border, comprising key sector participants and health expertise.
- 61 These groups could suggest a wider range of initiatives to be developed and will provide pragmatic overlay to ensure ideas that do emerge can be implemented by the public and private entities in the relevant sectors.

Financial implications

- 62 There are no financial implications directly arising from this paper. If new funding is required, these funding requests and implications will be considered when individual proposals are considered by Cabinet.

Legislative implications

- 63 There are no legislative implications from this paper.


Impact analysis

- 64 The impact analysis requirements do not apply because this is a policy proposal directly related to the COVID-19 response.


Population implications

- 65 There are no specific population implications from this paper.

Human rights

- 66 s 9(2)(h)
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67 s 9(2)(h)



Consultation

68 This paper was prepared by the Ministry of Foreign Affairs and Trade, Ministry of Business, Innovation and Employment, and Ministry of Transport. The following agencies were consulted: the Ministry of Health, the Ministry of Primary Industries, New Zealand Customs Service, the Treasury, Immigration New Zealand, Biosecurity NZ, National Emergency Management Agency, Ministry of Social Development, the Ministry of Education, Education New Zealand, the National Crisis Management Centre, New Zealand Police, Crown Law Office, and the Department of Prime Minister and Cabinet.

Communications

69 Clear and proactive communications with international partners and key sector stakeholders will be critical to ensure that New Zealand is well positioned to protect and rebuild its interests as they relate to the international border. A set of agreed points (Annex 2) will be circulated to agencies and New Zealand's diplomatic posts to ensure consistency of messaging and approach. Communications will be coordinated with the Government's broader communications around COVID-19.

Proactive release

70 This paper would be proactively released following Cabinet consideration.

Recommendations

The Ministers of Health and for Economic Development recommend that the Committee:

- 1 **Note** that placing hard and early restrictions on border entry have made a fundamental contribution to the success of New Zealand's COVID-19 elimination strategy;
- 2 **Note** that importing cases of COVID-19 and allowing the infection to spread remains the highest risk to New Zealand maintaining a successful elimination strategy;
- 3 **Note** that robust border measures, including entry restrictions, will therefore continue to be required so long as there remains a high risk to public health from an open border of the kind that existed prior to COVID-19, and that this is expected to remain the case for at least the next 12-18 months;
- 4 **Note** that there have been significant economic and social consequences from New Zealand's border measures, and that we now need to take steps to reconnect with the world in a safe and measured way;

- 5 **Agree** the guiding principles for New Zealand's approach to reconnection, ie that New Zealand should:
- 5.1 Protect New Zealanders from COVID-19, and minimise the risk that COVID-19 is re-introduced through the border;
 - 5.2 Mitigate the risk of COVID-19 transmission to the Pacific;
 - 5.3 Facilitate international re-engagement through our border settings, within safe parameters, recognising that international connectivity remains fundamental to the economic and social wellbeing of New Zealanders;
 - 5.4 Respect and protect international rules and obligations;
 - 5.5 Ensure goods move readily into and out of New Zealand at all Alert Levels to maintain connections with global markets;
 - 5.6 Facilitate safe people movement in and out of New Zealand at all Alert Levels, that allows New Zealanders to return and supports priority response and recovery activity;
 - 5.7 Facilitate increased people movement in and out of New Zealand more widely, as public health considerations allow;
 - 5.8 Recognise the inter-relationship between our domestic and international markets, and seek to maintain a competitive and sustainable aviation and maritime sector in New Zealand; and
 - 5.9 Ensure that any adjustments to border measures are reasonable and proportionate to the risk, able to be effectively implemented, with adequate risk management, a supporting compliance model, and cost recovery or Crown funding in place.
- 6 **Agree** that in order to facilitate increasing levels of people movement, while managing the public health risks, our approach to border measures over time should be that for:
- 6.1 Jurisdictions which are COVID-19 free or where the virus has been contained or eliminated, we take steps when we can to agree safe travel zones. This would enable entry restrictions to be lifted, but will require both jurisdictions to be ready and adequate assurances, protocols and agreements to be in place.
 - 6.2 Jurisdictions where COVID-19 remains widespread and uncontained, we will maintain border entry restrictions, with people able to enter on an exceptions-basis. Testing and/or isolation and quarantine will continue to be required for people arriving.
- 7 **Note** that New Zealand and Australia's Prime Ministers announced on 6 May 2020 a commitment to introduce a trans-Tasman COVID-safe travel zone as soon as it is safe to do so;
- 8 **Note** that proposals for the core principles for COVID-19 safe travel zones and setting the direction for our approach to a trans-Tasman safe zone are being considered in parallel with this paper, and that our approach to entering into a COVID-safe trans-Tasman safe travel zone includes developing a mechanism for bringing the Realm into that zone, and looking for opportunities to extend the zone to the Pacific as appropriate;

- 9 **Note** that a more sustainable, scalable model for isolation will be needed to facilitate greater volumes of people movement into New Zealand to bring in the people, skills and investment we need as a priority for our economic and social recovery and to meet our international obligations;
- 10 **Note** that our package of border measures will continue to be kept under regular review, and modified to increase the volume of people able to enter New Zealand as public health conditions allow;
- 11 **Note** that there is a comprehensive work programme underway across agencies aiming at making border and market reconnection occur as safely and fast as possible. This is focused on:
- 11.1 Putting health considerations at the centre of decisions on border measures;
 - 11.2 Establishing new entry and exit policy and measures to allow increasing people movement at our borders;
 - 11.3 Taking the opportunities and managing the risks around reconnection to global markets; and
 - 11.4 Operationalising the world's smartest and safest border.
- 12 **Note** that advice has or will be provided to Cabinet to support key decisions and approval of any funding required in June and July 2020 on:
- 12.1 Extending the current arrangements for quarantine and managed isolation at the border beyond June 2020 when current funding and s70 Order under the Health Act 1956 expire, and nominating a lead agency and Minister;
 - 12.2 Modifying maritime border measures, including extending the current cruise ship ban which expires on 30 June 2020;
 - 12.3 Exempting workers, who are ordinarily resident in New Zealand but who are not residence class visa holders, from the border restrictions
 - 12.4 The operational approach to the humanitarian category and options for clarifying government policy intent for this exemption category;
 - 12.5 Modifying the exceptions categories from border entry restrictions for other essential workers, partners/dependent children/legal guardians of New Zealand citizens and residents, diplomatic and consular personnel and people entering at the maritime border [CAB-20-MIN-0268]; with further advice to extend exceptions categories to include additional groups as needed;
 - 12.6 Agreeing the core principles for COVID safe travel zones and setting the direction for negotiations with Australia on a trans-Tasman safe zone and our approach to a Pacific Realm safe zone;
 - 12.7 Developing a sustainable, scalable model for isolation at the border over the next 12-18 months, including how to manage demand and implementing cost recovery; and
 - 12.8 Addressing financial implications for border agencies arising from the loss of cost recovery revenues.

- 13 **Agree** the draft public messaging at Annex 2, as the basis of New Zealand's communication with international partners and key stakeholders, at home and abroad;
- 14 **Note** that Cabinet agreed on 14 March 2020 to a package of measures at the border to mitigate the worst impacts of COVID-19, including that the border entry restrictions did not apply to cargo ships or marine crew, to keep sea freight routes open for imports and exports, including essential supplies [CAB-20-MIN-0106], and that the requirement to self-isolate would continue not to apply to air and marine crew [on 19 March 2020 CAB-20-MIN-0122 and reconfirmed on 30 March 2020 CAB-MIN-20-0142];
- 15 **Agree** that replacement cargo ship crew have a critical purpose for travelling to New Zealand and that the border entry restrictions do not apply to replacement cargo ship crew arriving in New Zealand by air and transferring as soon as practicable to a cargo ship to depart New Zealand;
- 16 **Invite** the Minister of Immigration to give effect to recommendation 15 through certifying Immigration Instructions, as appropriate.

Authorised for lodgement

Hon David Clark

Minister of Health

Hon Phil Twyford

Minister for Economic Development

Annex 1: Cross-agency work programme for border and global markets reconnection

Annex 2: Draft Key messages: Future Border Settings

- On 19 March, New Zealand made an unprecedented decision to close its borders to foreign nationals.
- Placing hard and early restrictions on border entry was necessary to save lives and prevent the worst social and economic outcomes from an epidemic in New Zealand. International arrival numbers dropped from around 20,000 people per day to between 0 and 200 people.
- As we anticipated, our border restrictions have had significant economic and social consequences for New Zealand, as have broader global conditions beyond our control.
- Industries that rely on international people movement, including our aviation, tourism and international education industries, have been especially affected.
- There is still a high risk to public health in New Zealand from an open border of the kind that existed prior to COVID-19. We expect this to remain the case for some time.
- At the same time, international connectivity remains fundamental to the wellbeing of New Zealanders. Our economy relies on international connections for skills, investment, ideas and jobs. Reconnecting to our family and whānau in Australia, the Pacific, and beyond, will be integral to regaining normalcy and wellbeing in our society.
- For these reasons, New Zealand is taking steps to reconnect with the world in a safe and measured way.
- We want to open the border to people as quickly and widely as is consistent with managing the public health risk.
- We will be flexible and responsive to the developing situation. It is likely that restrictions at the border will be lifted gradually, and at every step will be informed by public health advice.
- The New Zealand Government has decided on a set of guiding principles for the longer-term management of New Zealand's border settings. These include: protecting New Zealanders from Covid-19 and minimising the risk that Covid-19 is re-introduced through the border; mitigating the risk of COVID-19 transmission to the Pacific; ensuring goods move into and out of New Zealand at all Alert Levels to maintain connections to key trade markets; and facilitating increased people movement in and out of New Zealand, as public health considerations allow.
- New Zealand officials from across government are taking forward more detailed work on our border settings, with an early focus on health measures, re-entry into global markets, and developing the world's smartest and safest border. This includes work on travel to Australia and the Pacific when it is safe.
- Any adjustments to New Zealand's border settings will remain in close step with our overall response to COVID-19.

Annex 1: Cross-agency work programme for border and global markets reconnection

- 1 In order to deliver on our guiding principles and proposed approach for re-connecting, Government agencies have worked together to develop a cohesive work programme which:
 - 1.1 **Puts health considerations at the centre of decisions on border measures** – this work establishes the health preconditions that need to be met and measures necessary to support international people movement.
 - 1.2 **Establishes new health entry and exit policy and measures to allow greater people movement at our borders** – this is a three programme approach to supporting re-opening of people movement in a way that allows us to make progress early, but also positions us well for full border re-opening.
 - 1.3 **Takes the opportunities and manage the risks around reconnection with global markets.** The way we adjust entry restrictions presents opportunities, at the same time as requiring risks to be managed. This work aims to put us in the best position to deliver connectivity benefits that will support the social and economic recovery for New Zealand, including how we attract investment, enable business travel, and reposition our export sectors.
 - 1.4 **Operationalises the world's smartest and safest border** – this work aims to put in place the people, technology, processes, systems and incentives to operationalise a cohesive border of the future.

Public health considerations remain at the centre of decisions on border measures

- 2 As we review border settings, the key test will remain whether public health risk can reasonably be managed. The strategy remains elimination within New Zealand. That is, applying a range of control measures to stop the transmission of COVID-19 within New Zealand, including avoiding reintroducing infections through border controls. Within that overall setting, the actual controls are flexible, depending on the risk of a particular set of circumstances and the tools available to manage it. Given the complexities of the international environment, officials caution against any explicit linking of New Zealand's border measures to domestic Alert Levels, but recognise that the Alert levels provide relevant context for some decision-making at the border, particularly as they relate to opening up domestic economic activity.
- 3 Key factors in determining changes to border measures for people movement are:
 - 3.1 the level of transmission occurring in New Zealand, and in specific countries or regions;
 - 3.2 changes to the pattern, transmissibility or severity of illness related to COVID-19 infections;
 - 3.3 border measures in other countries or regions;

- 3.4 diagnostics and testing innovations;
 - 3.5 our ability to sustain and expand public health controls such as managed isolation and quarantine as the number of arrivals increases; and
 - 3.6 the establishment of suitable health controls at point of embarkation, entry to New Zealand, and exit, and adequate assurances secured from our partners of the controls in place at their own ports.
- 4 In line with the factors outlined above, it would be possible to have different measures for different countries, as countries eliminate COVID-19. This is similar to approach we take already to mitigating biosecurity risk at the border.

Establishing new health entry and exit policy and measures to allow for people movement at our borders

- 5 It is possible the global pandemic may subside as it runs its course, but this situation may take several years to resolve. A vaccine may be developed and widespread immunity achieved, but this is not certain. A best case scenario is for an immunisation programme to begin early-mid 2021 with population immunity achieved mid-2021.
- 6 It is also possible that waves of illness continue and immunity is not obtained. Work is underway globally to develop fast and reliable screening and testing measures to manage the COVID-19 risk at the border. This will also take time, and we will also need to put in place the domestic systems and processes, and secure the international protocols, reciprocal arrangements, and assurances necessary to support this approach. This means in the short term, we will continue to need to rely on entry restrictions at the border to manage the public health risk.
- 7 However, as we move from response to recovery in New Zealand, we can and must move to facilitate increasing people movement to support our social and economic recovery and to re-energise our international connections.
- 8 Officials have developed a work programme to enable this, with three streams of work being progressed in parallel. We will need to take care in progressing each of these work streams that they are designed and delivered in a country-neutral way, so that they can be extended to other countries when it is safe to do so. Equally, so that progress on one initiative or country does not prevent us from delivering another. This means that for jurisdictions:
- 8.1 which are COVID-19 free or where the virus has been contained or eliminated, we take steps when we can to agree safe travel zones. This would enable entry restrictions to be lifted, but will require both countries to be ready and adequate assurances, protocols and agreements to be in place. Work is underway to develop the health conditions and assurances, protocols on information sharing, and reciprocal arrangements that would need to be agreed to support such 'safe travel zones' being delivered in practice. Our approach to trans-Tasman and Pacific Realm COVID-19 safe travel zones is being coordinated by DPMC. We will also need to be poised to quickly restrict entry again or to apply managed isolation or quarantine on entry, if conditions deteriorated.

- 8.2 where COVID-19 remains widespread and uncontained, we will maintain border entry restrictions, with people able to enter on an exceptions-basis. Testing and/or isolation and quarantine will continue to be required for people arriving. A more sustainable, scalable model for isolation will be needed to facilitate greater volumes of people movement to bring in the people, skills and investment we need as a priority for economic, social and humanitarian reasons. Work is underway to put this in place.
- 9 As now, border entry restrictions will be regularly reviewed with advice on border entry restrictions led by MBIE and Ministry of Health. Proposals from the Ministers of Immigration and Economic Development on short term settings for exemptions from the entry restrictions that are needed to support our recovery were agreed on 8 June [CAB-20-MIN 0268].
- 10 Further advice from the Minister of Health on requirements for isolation and quarantine of people who enter New Zealand in the maritime domain, including plans to extend the ban on cruise ships due to expire on 30 June 2020, will also be considered later this month.
- 11 As our capacity for managed isolation grows, so too will the volume we can allow to enter and a further key issue will be what priority we give to different demands on that capacity: for returning New Zealanders, for business travel and workers, for international students, for family of New Zealanders, for our humanitarian programmes and general visitors. Advice on how to develop this model will be led by MBIE, including how to prioritise urgent needs and to manage demand and supply of isolation capacity, in partnership with the Ministry of Health and portfolio agencies.

Work Stream 1: Increasing our capacity for entry on an exceptions-basis from countries where COVID-19 remains widespread and uncontained

- 12 This work stream would enable us to approve greater volumes of people entry into New Zealand from those countries where COVID-19 remains widespread and uncontained. These countries would remain in Category 1A (no entry to New Zealand). People seeking to enter New Zealand from those countries will be required to be approved to enter on an exceptions basis, meeting one of the Cabinet-agreed categories, and to undertake managed isolation on arrival.

Further allowable exceptions to support economic and social recovery priorities

- 13 Cabinet has agreed on 8 June 2020 [CAB-20-MIN-0268] to modify the exceptions regime that governs which temporary visa holders can be granted the permission to travel to and enter New Zealand from Category 1A countries, to expand exceptions for other essential workers; partners, dependent children, and legal guardians of New Zealand citizens and residents; diplomatic and consular personnel; and people entering at the maritime border. While existing exceptions in place allowed some travel, further allowable exceptions would enable a broader interpretation of the people who need to enter New Zealand to support our recovery efforts. Further advice will be provided on extending exceptions categories to include additional groups as needed. This includes supporting our:
- 13.1 *Economic recovery*, by bringing the skills, investment and services we need into critical sectors, projects or firms; and

- 13.2 *Social recovery*, by supporting the return of those who normally live here but do not meet the narrow terms of current exceptions categories. These could *for example* be temporary visa holders who have homes, jobs and lives to come back to in New Zealand, but may have had to temporarily shelter in place in third countries when borders closed around the world.
- 13.3 *Global diplomatic connections in order to support New Zealand foreign and trade policy engagement*. A properly functioning global diplomatic network will be critical to New Zealand's economic recovery, support for New Zealanders overseas, and our COVID-19 vaccine strategy.
- 14 These additional exceptions from the entry restrictions do not alter our approach to managing the health risk at the border. All exceptions have strict conditions attached to manage public health risks, including continuing to require isolation on arrival. Any new exceptions categories need to be tightly limited in scope and volume in early stages to ensure volumes of arrivals remain manageable.
- Additional arrival volumes will need to be phased, as we develop more sustainable, and larger scale, options for managed isolation, including commercial models*
- 15 The quarantine and isolation facilities in Auckland and Christchurch are currently coordinated and resourced by a multi-agency team supporting the National Crisis Management Centre with local coordination led by Auckland and Canterbury Civil Defence and Emergency Management (CDEM) Groups. Current capacity (predicated on funding constraints to control overall costs) can support an average of 190 people arriving per day. This process enables New Zealanders to return home safely, alongside small volumes of arrivals from the existing exceptions for visa-holders to our entry restrictions. Managed isolation and quarantine on arrival is currently Crown-funded, however options for cost-recovery for managed isolation are being developed as we move out of emergency response and into recovery.
- 16 There is also an opportunity cost to existing functions of those agencies, with the Regional Isolation and Quarantine functions in Auckland requiring over 400 government staff from multiple agencies, working across a range of functions in addition to the private sector staff delivering accommodation and catering services. The Regional Isolation and Quarantine leadership, coordination and service delivery roles will need to transition from non-border agencies, such as the CDEM sector, New Zealand Police and New Zealand Defence Force to more traditional border agencies or private providers as we shift out of emergency response.
- 17 Further decisions need to be taken on how that will be funded and resourced, and these are set out in a parallel paper on funding and management of isolation and quarantine, from the Ministers of Health and Housing. Work is underway to assess the capability and capacity of border agencies to resource and coordinate the longer term future border response model; officials are also working on options to move to commercial models, run by private sector accommodation providers, but which would require processes and protocols to be established to assure these are adequate to manage the risks, well-managed, and their legal basis. Health officials are also exploring further options for approval of bespoke individual or group isolation plans, for example, where a group of workers enter the country, or a scientific mission. Any such plans would need to ensure cumulative public health risk can be managed, and that people are treated fairly. Further proposals will be brought by the Minister of

Housing and Minister of Health on developing a sustainable, scalable model for isolation of arrivals, including on cost recovery options.

- 18 Further advice from the Minister of Health on requirements for isolation and quarantine of people who enter New Zealand in the maritime domain, including plans to extend the ban on cruise ships due to expire on 30 June 2020, will also be considered later this month.

As we expand options for managed isolation and quarantine, we can increase entry volumes

- 19 Putting in place options for smarter, larger scale and lower cost models outside of government for isolation on arrival could enable higher volumes of people movement. However, this will not provide the assurances or scale needed to lift entry restrictions for whole visa categories or whole jurisdictions where the virus is widespread or uncontained. Entry would still need to be on an exceptions basis to bring visa holders into New Zealand, while maintaining broader entry restrictions for those jurisdictions.

- 20 As we increase our domestic capacity for managed isolation and quarantine, we could consider whether to extend exceptions categories further to facilitate:

20.1 *Initial repositioning of sectors in our economy.* For example, to support limited volumes of people coming to New Zealand for study or to visit, but with a focus on low volume but high value opportunities; or to bring in higher volumes of skilled temporary migrants to meet skills needs in our labour market; and/or

20.2 *Social recovery,* by supporting the return of those who ordinarily live here but do not meet the narrow terms of current exceptions categories. These could *for example* be temporary visa holders who have homes, jobs and lives to come back to in New Zealand, but may have had to temporarily shelter in place in third countries when borders closed around the world.

20.3 *Meeting international obligations.* For example, supporting Antarctic basing requirements or restarting our refugee quota programme.

Supporting Antarctica

- 21 New Zealand holds important environmental, scientific, conservation, reputational and economic interests (the latter arising from our 'gateway' status) in Antarctica. The United States, South Korea and Italy have Antarctic programme offices in Christchurch and access their research bases in the Ross Sea via Christchurch. Other countries use Christchurch to access Antarctica less regularly. We have legally binding cooperation agreements under the Antarctic Treaty that require New Zealand to facilitate entry into and transit through New Zealand. Supporting New Zealand's interests in Antarctica requires the movement of people, including foreign nationals, between New Zealand and Antarctica by sea and by air.

Meeting humanitarian needs

- 22 New Zealand supports global calls, including by the United Nations Secretary General, to allow movement of people and supplies through borders to enable rapid and responsive humanitarian action. This is essential for the continuation of COVID-19 preparedness and response efforts in the Pacific. Movement of humanitarian

personnel and supplies will be accompanied by health and safety protocols, agreed with the World Health Organisation and the Pacific Islands Forum Secretariat through the Pacific Humanitarian Pathways initiative, to mitigate the risk of humanitarian action spreading COVID-19 in the Pacific.

- 23 New Zealand also has a number of immigration programmes which fulfil international and humanitarian obligations and commitments. These include the Refugee Quota Programme, which is planned to increase from 1,000 people per year to 1,500 people per year from July 2020; the Refugee Family Support category which enables former refugees in New Zealand to sponsor their offshore family members to join them here; and the Pacific Access Category and Samoan Quota which provide a residency pathway for nationals of certain Pacific island countries. Under Alert Levels 4 and 3, all migration under these categories has halted.
- 24 Refugees face specific protection challenges and vulnerabilities, which are exacerbated during times of crisis such as the COVID-19 pandemic. Officials are preparing advice on the conditions under which the Refugee Quota Programme may be able to resume. Considerations include immigration system integrity, COVID-19 health testing and health management offshore, commercial travel routes that are safe for refugees, COVID-19 infection control processes on arrival in New Zealand, and communities' ability to support settlement.

Supporting New Zealanders to travel abroad and return home

- 25 Just as people are looking to enter New Zealand, we also have New Zealanders wishing to recommence outward travel, whether for economic or personal reasons. The current SafeTravel advisory level for all destinations is "do not travel". The global advisory level will be reviewed as circumstances change, taking into consideration the levels of COVID-19 and the capacity of health care systems in destination countries; this could include a move back to specific country advice.
- 26 As long as the requirement for managed isolation on return continues, this will also require adequate capacity to be available for isolation or quarantine on arrival back in New Zealand. s 9(2)(f)(iv)

Work Stream 2: Free movement between close partners, when both sides are ready

- 27 For those countries that are COVID-19 free or where the virus has been contained or eliminated, we can look to lift entry restrictions for the whole country, or by temporary visa type (eg work, visitor, students), when both countries are ready and adequate assurances, protocols and agreements are in place.
- 28 Work is underway to develop the health conditions and assurances, protocols on information sharing, and reciprocal arrangements that would need to be agreed to support such 'safe travel zones' being delivered in practice. We will also need to be poised to quickly restrict entry again or to apply managed isolation or quarantine on entry, if conditions deteriorated.

Leveraging our close links with Australia

- 29 New Zealand and Australia's Prime Ministers announced on 6 May a commitment to introduce a trans-Tasman COVID-safe travel zone as soon as it is safe to do so. Work is now under way by officials to operationalise that decision, according to

principles discussed in this paper. Measures will be designed and implemented in a country-neutral way so far as possible, so they could then serve as the basis to explore possible further progressive opening of the border, including the potential to expand the trans-Tasman concept to the Realm and more broadly in the Pacific region. Advice on the core principles for COVID safe travel zones and setting the direction for negotiations with Australia on a trans-Tasman safe zone is being considered in parallel with the *Future Border Settings* paper. Our approach to trans-Tasman and Pacific Realm COVID-19 safe travel zones is being coordinated by DPMC, with oversight from the Border Sector Governance Group.

Maintaining our close relationships with the Pacific

30 New Zealand is a Pacific nation and we retain an enduring geostrategic stake in a stable and prosperous region. To date the Pacific Realm (Cook Islands, Niue and Tokelau), Samoa, Tonga, and Vanuatu have remained COVID-free by adopting a very low or zero risk approach to COVID-19, while Fiji has effectively managed its small outbreak of cases through strict public health measures. Their readiness to consider free movement of people with New Zealand will be informed by their level of confidence in New Zealand's COVID-19 response.

31 s 6(a)



32 s 6(a)



Implementing safe travel between COVID-19 free, or contained, countries

33 In order to ensure we can move earlier to open our borders to people movement where there is limited risk but large gain (like Australia and the Pacific), we will establish arrangements for safe travel between COVID-19 free countries, or where the virus has been contained.

34 This will require protocols, standards, information sharing arrangements and reciprocal agreements in place to assure both countries they can have the confidence to move to free movement, including an exit strategy should conditions deteriorate. This will enable us to move whole countries from Category 1A (no entry) into Category 1B (entry with managed isolation) and then into Category 2 (entry without managed isolation).

35 In order to move forward with safe travel arrangements, we will need assurances of the other country's protocols and health conditions, so that we can move to an arrangement for free people movement without isolation or quarantine requirements in place. Initial identified health preconditions include:

- 35.1 Assessment of containment in the country, or that they are COVID-19 free; and the robustness of their surveillance, testing and contact tracing and case-control systems;
- 35.2 Protocols 'at the border' of each country so that:
 - 35.2.1 the risk of importing new cases from outside the safe zone is controlled, and
 - 35.2.2 people who are sick do not travel and for declarations to be made for people departing and arriving;
- 35.3 Robust arrangements for contact tracing and sharing of information between countries; and
- 35.4 Arrangements to monitor health conditions in each country and rapidly restrict entry or require isolation of arrivals, if conditions deteriorate.

36

s 6(a)

[Redacted text block]

Work Stream 3: Influencing and supporting international standards and measures that could open up borders globally

- 37 International connectivity, both maritime and aviation, remains based on international agreements and standards. These consistent processes and standards ensure passengers and goods can move in an efficient, safe, secure and effective way, as well as supporting New Zealand's wider interests in protecting international rules based systems. In the absence of these agreements, we would be left with a patchwork of variable and inconsistent approaches which would increase costs and undermine connectivity.
- 38 When considering movement of people and re-entry into international markets, we may in the shorter term need to consider bilateral arrangements with states on point of departure and arrival requirements (e.g. safe zones), depending on where they are in their journey in managing COVID-19, and our international objectives (see below). However, in the medium term we will be striving for consistent and robust international standards around managing health risks at borders, to contribute toward building a productive, sustainable and inclusive New Zealand economy.
- 39 International best practice on enabling international travel while managing the risk of COVID-19 crossing borders will develop over the coming weeks and months. Where New Zealand is not at the forefront of this activity, we are going to want to be positioned to be "fast followers" given the socio-economic significance of border flows. We should therefore retain the flexibility quickly to adopt technologies or operational practices proven successful elsewhere in supporting greater movement across the border while minimising public health risk.

- 40 To do that, we will actively monitor and participate in international developments, as well as work with partners s 6(a), to shape the emergence of new international or regional norms and standards in fora like ICAO (the International Civil Aviation Organisation), the WHO (the World Health Organisation), the World Customs Organisation (WCO), and the IMO (International Maritime Organisation).
- 41 This work will mean we can iteratively introduce new health measures, technology and standards as they emerge, but also be well positioned to open up our borders safely, when there are effective international health measures and standards in place.

Taking the opportunities and managing the risks around reconnection to global markets

- 42 International connections, of which border movement is a key enabler, are critical to New Zealand's economic productivity and wellbeing. Because we are small and economically remote, we need to work harder to remain connected and successful in international markets. Our current border settings (while justified) could exacerbate challenges around New Zealand's productivity performance, hinder wellbeing improvements, and impede New Zealand's economic recovery (particularly if they extend for a significant period of time).
- 43 We need to look to a longer term horizon, and make sure that New Zealand is well-positioned to engage on what the future of travel in a post-COVID-19 world looks like, where international connectivity settles into a 'new normal' state, health risks are managed, and people-to-people links are facilitated. It also provides an opportunity to think about our economy differently, including how it relates to measures in place at the border. If successful, New Zealand's elimination strategy could position us as an attractive option for international investment, or increase our value as a destination for study, travel and work. The way we adjust our border settings can present opportunities, at the same time as requiring us to manage risks.

Supporting our key export services sectors to recover and adjust to a post-COVID environment, starting with tourism and international education

- 44 Inbound international tourism was worth around \$17 billion in 2019, with around 3 million holidaying visitors, while New Zealanders spent about \$5 billion travelling overseas. Tourists can gain knowledge of the countries they visit, "promoting" New Zealand goods and services to their friends and family. Short-term travel flows can also play a critical role in social and community well-being. It allows families to reconnect. Tourism supports services and amenities and is a major employer including for some of our most vulnerable segments of the labour market. Its role in promoting Maori culture and providing a focus for iwi investment will be an important aspect of New Zealand's post-COVID recovery.
- 45 The tourism sector has been very hard hit by the travel restrictions and border closures introduced to reduce COVID-19 transmission. With no certainty as to when borders will reopen either in New Zealand or in key visitor markets, the volume of international visitors to New Zealand is likely for some years to be at considerably lower levels than in the recent past. Through a Tourism New Zealand-led 'Reimagining Tourism' project, officials are working with the sector to understand how the COVID-19 disruption can enable a reset that will accelerate the sector's progress towards becoming more productive, sustainable and inclusive.

- 46 International education was worth around \$5 billion to New Zealand in 2019.

s 9(2)(g)(i)

International education supports innovation, global leadership, and can help build prosperity and regional development and strengthen research capability, in line with the International Education Strategy. Scientific and academic exchanges provide similar opportunities.

- 47 COVID-19 has changed the context significantly for the International education system, and is a major disrupter for the international education sector both domestically and globally. The full impact COVID-19 will have on the international education sector is not yet known, but it does include a significant reduction in the volume of students and the revenue generated from student fees. A considerable benefit for New Zealand's recovery effort is the strength of our reputation as a result of our response and management of COVID-19. However, there is uncertainty about how international markets will respond as international travel becomes possible again; what the strategic recovery approaches of 'competitor' countries will include and how they will influence the New Zealand market; and the implications relating to the loss of provider capability and capacity that is likely to result from the closure of some providers and the retrenchment of funded providers. A phased and targeted approach to recovery will be taken which aligns with the government's broader recovery efforts and focuses on broad public value and long term sector sustainability.

Facilitating strategic international investment needs for New Zealand's recovery

- 48 As we develop smart ways to manage risk at the border we can also proactively support high-value international connections that reinforce our economic goals. Prior to the emergence of COVID-19, we had been increasingly successful at positioning New Zealand as a location for innovating at the global frontier, as a place to create, locate and grow businesses, many of which are technology led and in nearly all cases technology-enabled. The technology sector has been a strong performer with sustained and unprecedented increases in private sector investment in R&D and innovation over recent years. These types of businesses are found across all sectors of the economy. A core part of our border strategy needs to be the facilitation of investment, market development, innovative partnerships and high end talent flows that will fuel the growth that we need to sustain ourselves.
- 49 New Zealand also has the potential to use its comparative advantage as a relatively COVID-free country to attract high value economic activity and investment, including those businesses or investors looking to carry out high value R&D and develop new products. Investment in new products and ideas is a key component of diffusing key technology from global frontier firms to New Zealand. There is an opportunity to leverage our position to fast track the development of targeted sectors and companies that support our long term recovery and economic development objectives, including transitioning our economy to a lower carbon emission and focussing on key industries that drive high value jobs. The post-COVID world will also require new goods and services, from new companies or existing companies that pivot and innovate. These companies and sectors will require 'smart' capital and increased managerial capability.

Changing labour market needs for skills from global markets as our economy adjusts

- 50 The economic downturn and increased unemployment will mean that fewer migrant workers will be required to fill job vacancies in the short-term. Deploying New Zealanders into job vacancies will continue to be the priority, as we build a productive, sustainable and inclusive New Zealand economy. We expect to see fewer lower-skilled and lower-paid foreign workers in particular, but also fewer skilled migrant workers as New Zealanders upskill or re-skill to fill these roles. This upskilling and re-skilling will take time, so there will be a short- to medium-term gap in the labour market that could be filled by migrant workers, either those already in New Zealand or those currently offshore. Of course, enabling any migrant workers to enter New Zealand will be subject to managing the public health risk.
- 51 The task for our immigration system therefore is to sufficiently safeguard work opportunities, work conditions and wages for New Zealanders, but enable access to migrant labour where there is a genuine need that cannot be met, and while these skills are unavailable domestically. Officials are currently assessing whether existing settings for labour market tested essential skills work visas sufficiently balance these objectives in the rapidly changing labour market. Facilitating entry to New Zealand for the highest skilled workers will help to contribute to our economic recovery. These include occupations for which the skills are in scarce supply globally, such as veterinarians, engineers, and technical and scientific experts. Additionally, there may continue to be a need for labour from Working Holiday visa schemes and the Recognised Seasonal Employer scheme which both provide short term seasonal labour in the horticulture and arable industries.
- 52 Immigration settings will need to be flexible to adapt to changes in the domestic labour market over time and work in tandem with clear economic, sector and labour market planning that identifies skills shortages that need to be filled quickly as well as longer term training opportunities for New Zealanders. Changes underway to the temporary work visa system and to regional labour market planning aim to address this. Officials are further developing this work.

Retaining the gains we have made from trade and aviation arrangements

- 53 While we carry out work on border adjustments and international reconnection, we will need to keep a close eye on and, understand the inter-related impacts for New Zealand with respect to:

- 53.1 Obligations arising under our trade and investment agreements, and obligations relating to the movement of people such as working holiday schemes;
- 53.2 International maritime, aviation, and health obligations and standards;
- 53.3 Air Services Agreements and Slot management considerations; and
- 53.4 International human rights law, including the right to freedom from unreasonable searches and arbitrary detention, freedom of movement, and the right to family.

- 54 s 6(a)

s 6(a)

- 55 Many of our international air services agreements have been negotiated over a number of years and enable foreign airlines to enter New Zealand and Air New Zealand to enter other countries. One of the key elements of the agreements are slots i.e. the number of services an airline can operate in a country. Under international slot management rules, if an airline does not use a slot for a period of time, it can lose the slots it holds. Given the significant decrease in commercial passenger flights under COVID-19, most countries have provided exemptions to this slot requirement with many of the exemptions running out late 2020.

56 s 6(a)

Maintaining a viable but efficient aviation sector

- 57 There have been significant impacts on the aviation sector from the COVID-19 pandemic. Many international airlines have suspended commercial passenger services to New Zealand. AirNZ has seen significantly reduced loadings on its international flights and suspended many services as well as having severe impacts on its financial viability. Most of the current services are for air cargo purposes.
- 58 Any recovery of international passenger aviation is likely to be slow for a number of reasons including: fear of opening borders to people who have the virus; low demand as people manage through an economic recession and are likely to have concerns about flying again; and there will be a much leaner aviation system as many firms retrench or go out of business.
- 59 It is critical that any border adjustment and international reconnection strategy considers the sustainability and recovery of our aviation sector, as how we think about re-entry and border settings can have a real impact on the sector. For example:

59.1 s 9(2)(f)(iv)

- 59.2 Consistent approaches to health measures internationally reduce costs on airports and airlines. Re-entry will need to consider air services arrangements and impacts that may have on Air New Zealand's entry into other markets, as

well as supporting other airlines to remain in NZ to ensure we can have a competitive and sustainable sector well –positioned for recovery.

59.3 s 9(2)(f)(iv)

Operationalising our re-connection through the ‘World’s Smartest and Safest Border’

60 The Border Sector Governance Group¹ has work underway to ensure New Zealand’s border remains amongst the world’s smartest and safest. This work includes:

60.1 *A coherent border in a peri- and post-COVID-19 world.* Our border must work to both protect New Zealand and grow the economy in a rapidly changing environment where traditional and non-traditional threats, such as viruses, coexist.

60.2 *How to attain the safest and smartest border in the world.* This work will enable the border agencies to have meaningful discussions with their Ministers about the future direction of the border sector, including substantive discussions about specific aspects of progressing the ‘smartest and safest border’, such as legislative change, investment decisions, or how best to balance the tensions between personal privacy, national security and economic growth. This work will also ensure the border continues to provide effective clearance of goods and people, meeting the objectives of the separate systems that it serves across biosecurity, immigration, aviation security and customs

60.3 *Capability and capacity of border agencies.* A number of border and transport agencies are substantially cost recovered from fees on air passenger movements. The level of fees has been adversely affected by the closure of the air border, and in April 2020 Cabinet approved funding to meet the shortfall for the 2019/20 financial year for departments, and for 2019/20 to 2021/22 for transport Crown entities. Cabinet also asked for a report back by the end of July 2020 on the financial sustainability of affected agencies and what mitigations the agencies will make to offset the impact of reduced revenues from third parties [CAB-20-MIN-0148]. This work is being co-ordinated by Customs, working with Treasury and the State Services Commission. The July paper will outline proposed approaches to managing the staffing and financial impacts of the loss in revenue on the one hand, ensuring that agencies are able to support the re-opening of the air border as it occurs on the other, while ensuring that the other work summarised in this paper to reimagine the border is completed.

60.4 s 9(2)(f)(iv)

¹ Chief Executives of the New Zealand Customs Service, Immigration New Zealand, Ministry for Primary Industries and the Ministry of Transport.

s 9(2)(f)(iv)

Building on our success in biosecurity

- 61 There are strong parallels between the robust biosecurity measures already in place at the New Zealand border and the potential tool box for mitigating the risk of COVID-19 re-introduction. New Zealand's successful biosecurity strategies over time have contributed significantly to our comparative advantage and export success in primary products, and have protected our unique biodiversity. For example, New Zealand exports around 80-90% of its primary products, earning over \$46 billion in exports in 2018/19 and our biosecurity system provides essential assurances about pests & diseases to importing countries, which could give us an advantage to pursue in our international relationships and negotiations on standard setting.
- 62 While the biosecurity risks coming through the passenger pathway will be significantly reduced due to COVID-19, the level of risk coming through the cargo pathway will be largely similar. There is likely to be higher volumes of mail and there may be some additional risks from hitchhiker pests settling on cargo that has had to sit in one place for extended time.
- 63 s 6(a) Australia gives biosecurity a similar level of focus and we cooperate closely with them. We have an agreement to allow the movement of cats and dogs between the two countries based on mutual trust of each other's biosecurity systems. We have cooperated with Australia to reduce risks from the brown marmorated stink bug, resulting in fewer interceptions at the border last year. We also share capability and staff when needed. For example, we have drawn on Australian staff to support the Mycoplasma bovis programme. Our two countries' experience in managing biosecurity risks at the border, and the cooperation we have established, may be useful to support a regime for managing health risks across the border.

Border and market reconnection

A work programme to make border and market reconnection occur as safely and fast as possible

Public health considerations remain at centre of border decisions

Led by MOH

It is possible to have different measures for different countries, as countries eliminate COVID-19.

Key public health factors in determining changes to border measures for people movement

- Level of transmission in New Zealand, and in specific countries or regions.
- Changes to the patterns, transmissibility or severity of illness related to COVID-19 infections.
- Border measures in other countries or regions.
- Diagnostics and testing innovations.
- Our ability to sustain and expand public health innovations such as managed isolation and quarantine as the number of arrivals increases.
- The establishment of suitable health controls at point of embarkation, entry to New Zealand, and exit, and adequate assurances from our partners of the controls in place at their own ports.

Establish new health entry and exit policy and measures to allow for people movement at our borders

Led by various agencies

In medium term, vaccination, immunity, or fast and reliable screening and testing manage COVID-19 risk at border.

Countries where COVID-19 remains widespread and uncontained

- Entry restrictions remain in place with targeted exceptions and managed isolation/quarantine.
- Broaden allowable exceptions to support economic and social recovery priorities (led by MBIE).
- Develop sustainable, safe and fair options for managed isolation (including commercial models) to support increased passenger flow over time (led by MBIE).

Countries that are COVID-free or where virus has been contained

- Implement free movement with close partners when safe and both sides are ready.
 - Australia: leverage close links to introduce a trans-Tasman COVID-safe travel zone (coordinated by DPMC and led by BSGG).
 - The Pacific: maintain close relationships and restore connections when ready.
- Position to lift restrictions for further countries as conditions allow.

Influence and support international standards and measures

Led by MOT and MFAT

- In the short term, consider bilateral agreements with states on point of departure and arrival requirements.
- Actively monitor and participate in international developments to shape the emergence of new international or regional norms and standards.
- Work with strategic partners on a similar risk management trajectory.

Take opportunities and manage risks as we reconnect

Led by various agencies

Support our key export service sectors to recover and adjust

- Rebuild the international education sector to be diverse, resilient and sustainable in a new global economy (led by MOE).
- Reimagine the way we govern, market and manage tourism so that is more sustainable for our people and place in the long-term (led by MBIE).

Facilitate strategic international investment for NZ's recovery

Led by MBIE

- Position New Zealand as a destination for 'smart' investors, businesses and entrepreneurs.
- Attract high value investors looking to develop new products and carry out high value R&D.

Respond to changing labour market needs for skills from global markets as our economy adjusts

Led by MBIE

- Adjust border settings for work migration to respond to significant change in New Zealand's labour market situation.
- Enable access to migrant labour where there is genuine need that cannot be met domestically.

Retain gains from trade and aviation arrangements

Led by MOT

Maintain a viable but efficient aviation sector

Led by MOT

Operationalise our reconnection through the world's smartest and safest border

Led by BSGG and Customs

Put in place the people, technology, processes and incentives to safely reconnect.

Guiding principles

Protect New Zealanders from COVID-19.

Protect the Pacific from COVID-19.

Facilitate re-engagement within safe parameters.

Respect and protect international rules and obligations.

Ensure goods can move into and out of New Zealand.

Facilitate safe movement in and out of New Zealand at all Alert Levels.

Facilitate increased movement in and out of New Zealand when safe.

Maintain competitive and sustainable aviation and maritime sectors.

Ensure border settings are reasonable and proportionate to risk.



Cabinet

Minute of Decision

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Future Border Settings: People Movement and Reconnection with International Markets

Portfolios **Economic Development / Health**

On 15 June 2020, Cabinet:

Background

- 1 **noted** that placing hard and early restrictions on border entry have made a fundamental contribution to the success of New Zealand's COVID-19 elimination strategy;
- 2 **noted** that importing cases of COVID-19 and allowing the infection to spread remains the highest risk to New Zealand maintaining a successful elimination strategy;
- 3 **noted** that robust border measures, including entry restrictions, will therefore continue to be required so long as there remains a high risk to public health from an open border of the kind that existed prior to COVID-19, and that this is expected to remain the case for at least the next 12-18 months;
- 4 **noted** that there have been significant economic and social consequences from New Zealand's border measures, and that the government now needs to take steps to reconnect with the world in a safe and measured way;

Proposed approach

- 5 **agreed** to the guiding principles for New Zealand's approach to reconnection, ie that New Zealand should:
 - 5.1 protect New Zealanders from COVID-19, and minimise the risk that COVID-19 is re-introduced through the border;
 - 5.2 mitigate the risk of COVID-19 transmission to the Pacific;
 - 5.3 facilitate international re-engagement through border settings, within safe parameters, recognising that international connectivity remains fundamental to the economic and social wellbeing of New Zealanders;
 - 5.4 respect and protect international rules and obligations;
 - 5.5 ensure goods move readily into and out of New Zealand at all Alert Levels to maintain connections with global markets;

- 5.6 facilitate safe people movement in and out of New Zealand at all Alert Levels, that allows New Zealanders to return and supports priority response and recovery activity;
- 5.7 facilitate increased people movement in and out of New Zealand more widely, as public health considerations allow;
- 5.8 recognise the inter-relationship between New Zealand's domestic and international markets, and seek to maintain a competitive and sustainable aviation and maritime sector in New Zealand;
- 5.9 ensure that any adjustments to border measures are reasonable and proportionate to the risk, and are able to be effectively implemented, with adequate risk management, a supporting compliance model, and cost recovery or Crown funding in place;
- 6 **agreed** that in order to facilitate increasing levels of people movement, while managing the public health risks, the approach to border measures over time should be that:
 - 6.1 for jurisdictions which are COVID-19 free or where the virus has been contained or eliminated: the government takes steps when it can to agree safe travel zones. This would enable entry restrictions to be lifted, but will require both countries to be ready, and for adequate assurances, protocols and agreements to be in place;
 - 6.2 for jurisdictions where COVID-19 remains widespread and uncontained: the government will maintain border entry restrictions, with people able to enter on an exceptions-basis. Testing and/or isolation will continue to be required for people arriving;
- 7 **noted** that on 6 May 2020, the Prime Ministers of New Zealand and Australia announced a commitment to introduce a trans-Tasman COVID-safe travel zone as soon as it is safe to do so;
- 8 **noted** that a more sustainable, scalable model for isolation will be needed to facilitate greater volumes of people movement into New Zealand to bring in the people, skills and investment that is needed as a priority for New Zealand's economic and social recovery and to meet international obligations;
- 9 **noted** that future volumes of people movement into New Zealand from locations other than agreed safe travel zones will need to be carefully matched to the provision of quarantine facilities;
- 10 **noted** that the package of border measures will continue to be kept under regular review, and modified to increase the volume of people able to enter New Zealand as public health conditions allow;

Work programme and next steps

- 11 **noted** that there is a comprehensive work programme underway across agencies aimed at making border and market reconnection occur as safely and fast as possible. This is focused on:
 - 11.1 putting health considerations at the centre of decisions on border measures;
 - 11.2 establishing new entry and exit policy and measures to allow increasing people movement at our borders;

- 11.3 taking the opportunities and managing the risks around reconnection to global markets;
- 11.4 operationalising the world's smartest and safest border;
- 12 **noted** that advice has or will be provided to Cabinet to support key decisions and approval of any funding required in June and July 2020 on:
 - 12.1 extending the current arrangements for quarantine and managed isolation at the border beyond June 2020 when current funding and section 70 Orders under the Health Act 1956 expire, and nominating a lead agency and Minister;
 - 12.2 modifying maritime border measures, including extending the current cruise ship ban, which expires on 30 June 2020;
 - 12.3 exempting workers, who are ordinarily resident in New Zealand but who are not residence class visa holders, from the border restrictions;
 - 12.4 the operational approach to the humanitarian category and options for clarifying government policy intent for this exemption category;
 - 12.5 modifying the exceptions categories from border entry restrictions for other essential workers, partners/dependent children/legal guardians of New Zealand citizens and residents, diplomatic and consular personnel, and people entering at the maritime border [CAB-20-MIN-0268], with further advice to extend exceptions categories to include additional groups as needed;
 - 12.6 agreeing the core principles for COVID-safe travel zones and setting the direction for negotiations with Australia on a trans-Tasman safe zone;
 - 12.7 developing a sustainable, scalable model for isolation at the border over the next 12-18 months, including how to manage demand and implementing cost recovery;
 - 12.8 addressing financial implications for border agencies arising from the loss of cost recovery revenues;
- 13 **agreed** to the draft public messaging set out in Annex 2 to the paper under CAB-20-SUB-0281, as the basis of New Zealand's communications with international partners and key stakeholders, at home and abroad;

Cargo ship crew

- 14 **noted** that Cabinet has previously agreed to a package of measures at the border to mitigate the worst impacts of COVID-19, including that the border entry restrictions did not apply to cargo ships or marine crew, to keep sea freight routes open for imports and exports, including essential supplies, and that the requirement to self-isolate would continue not to apply to air and marine crew [CAB-20-MINS-0106, 0122 and 0142];
- 15 **noted** that the Minister of Health is preparing an Order under section 11 of the COVID-19 Public Health Response Act 2020 to strengthen measures at the maritime border, and intends to discuss the draft Order at the Cabinet Social Wellbeing Committee on 17 June 2020;
- 16 **agreed** that replacement cargo ship crew have a critical purpose for travelling to New Zealand, and that the border entry restrictions do not apply to replacement cargo ship crew arriving in New Zealand by air and transferring as soon as practicable to a cargo ship to depart New Zealand;

- 17 **invited** the Minister of Immigration to give effect to the decision in paragraph 16 above through certifying Immigration Instructions, as appropriate;
- 18 **directed** the Ministry of Health to report back to Cabinet on the arrangements for monitoring and enforcement of the maritime border provisions as it relates to replacement ship crew.

Michael Webster
Secretary of the Cabinet