



BRIEFING

COVID-19: Request for exemptions to border restrictions for essential workers in two 36th America's Cup syndicate teams

Date:	9 June 2020	Priority:	High
Security classification:	Sensitive	Tracking number:	3626 19-20

Action sought		
	Action sought	Deadline
Hon Phil Twyford Minister for Economic Development	Agree that workers in the 36 th America's Cup syndicate teams, American Magic, USA and INEOS Team, UK are 'other essential workers', for the purpose of exceptions to border restrictions.	10 June 2020
Hon Ian Lees-Galloway Minister of Immigration	Copy for information only.	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Susan Sawbridge	Manager, Major Events	s 9(2)(a)	✓
Fiona Dally	Special Projects Advisor (36 th America's Cup)		

The following departments/agencies have been consulted
MBIE, All of Government: Isolation, Quarantine and Repatriation Cell

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



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Purpose

This briefing seeks your agreement that the workers in the 36th America's Cup syndicate teams, American Magic, USA and INEOS Team UK are essential workers.

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** that on 19 March 2020, Cabinet agreed to border restrictions preventing entry to New Zealand and high-level parameters for case-by-case exemptions to these restrictions, including for 'other essential workers' identified by the Group of Ministers with Power to Act on COVID-19 matters [CAB-20-MIN-0122 refers].

Noted

- b **Note** that on 21 April 2020, the Group of Ministers with Power to Act agreed to delegate decision making on whether a worker is an "other essential worker", for the purpose of exceptions to border restrictions, to the Minister for Economic Development and the relevant portfolio Minister [Unnumbered Cabinet Minute]¹

Noted

- c **Note** that officials have received exemption applications from the following 36th America's Cup Syndicate teams:

- a. American Magic, USA
- b. INEOS Team, UK.

Noted

- d **Note** that both syndicate teams meet the 'other essential worker' exemption criteria by:
- a. having expertise/unique talent that is critical to setting up syndicate bases in New Zealand, designing and building syndicate boats, and undertaking on-water testing and training to compete in the 36th America's Cup;
 - b. being critical components to enable the successful delivery of the 36th America's Cup within the events sector; and
 - c. contributing to the outcomes sought from New Zealand hosting the 36th America's Cup through international reputation benefits, spend in New Zealand generated through the event and syndicate teams, wider objectives derived by hosting the event in New Zealand such as national pride, and leverage and legacy outcomes.

Noted

¹ Unnumbered Minute from Meeting of the COVID-19 Ministerial Group, entitled *COVID-19: Request for Exemption to Temporary Border Restrictions for Essential Worker, and Proposal to Delegate Decision Making to Joint Ministers*.

- e **Note** that these applications are supported by the Ministry of Business, Innovation and Employment, as the workers are critical to time dependent project work associated with the events sector.
Noted
- f **Note** that, on arrival in New Zealand, the workers and family will be required to undergo quarantine or managed isolation in an approved facility for a minimum of 14 days.
Noted
- g **Note** that all costs associated with the worker's (and families/dependents) international and domestic travel, accommodation and support will be met by the international syndicate teams.
Noted
- h **Agree** that the **102** American Magic workers and **104** associated family members detailed in Annex One fall under the "other essential workers" category, for the purpose of exceptions to border restrictions
Agree / Disagree
- i **Agree** that the **86** INEOS Team UK workers, **128** associated family members and **1** nanny detailed in Annex Two meet the fall under the "other essential workers" category, for the purpose of exceptions to border restrictions.
Agree / Disagree
- j **Forward** this briefing to the Minister of Immigration for his information
Agree / Disagree



Siân Roguski
Manager, Immigration Policy
Immigration Policy, MBIE

09/06/2020



Susan Sawbridge
Manager, New Zealand Major Events
Labour, Science and Enterprise, MBIE

09/06/2020

Hon Phil Twyford
Minister for Economic Development

..... / /

Background

1. On 19 March 2020, Cabinet agreed to border restrictions largely preventing entry to New Zealand [CAB-20-MIN-0122 refers]. Cabinet also agreed high level parameters for case-by-case exemptions to COVID-19 border restrictions, which includes 'other essential workers' identified by the Group of Ministers with Power to Act on COVID-19 matters.
2. On 21 April 2020, the COVID-19 Ministerial Group agreed to delegate further decision making on exemptions to border restrictions for essential workers to the Minister for Economic Development and the relevant portfolio Minister and noted criteria to consider these exemptions under [Unnumbered Cabinet Minute].²

Event Background - 36th America's Cup

3. The 36th America's Cup (AC36) is due to take place in Auckland from mid-December 2020 to late March 2021. New Zealand may be the first country to host a global major event post the worldwide pandemic.
4. The Crown and Auckland Council have made significant commitments and investments in developing the event infrastructure and supporting the delivery of the event through an event fee and agency support. The Crown has committed an overall investment of \$136.5m which includes an event fee of \$40m to support event delivery to America's Cup Events Ltd.
5. To enable AC36 to go ahead, securing international syndicate team entry into New Zealand is pertinent.
6. With less than 6 months until the first competition, teams have an immediate requirement to confirm their ability to travel to New Zealand to enable forward parties to set up bases in New Zealand and for syndicates to plan for full team relocation. Approval of these exemption applications will provide the necessary platform to enable AC36 to take place in New Zealand.
7. There are currently four syndicates challenging for AC36:
 - Luna Rossa, Challenger of Record, Italy
 - INEOS Team UK, UK
 - American Magic, USA
 - Stars and Stripes, USA s 9(2)(g)(i)
8. Currently, we have the detailed information required to be able to identify the workers in **two syndicate teams: INEOS Team UK and American Magic**. We expect to receive a future exemption application from Luna Rossa. s 9(2)(g)(i)
9. We also expect an application from the Challenger of Record for its event staff, key sponsors and other key parties directly involved in supporting AC36 and is anticipated to account for approximately another 130 people.

² Unnumbered Minute from Meeting of the COVID-19 Ministerial Group, entitled *COVID-19: Request for Exemption to Temporary Border Restrictions for Essential Worker, and Proposal to Delegate Decision Making to Joint Ministers*.

We consider that the workers in the American Magic and INEOS Team UK 36th America's Cup syndicate teams are essential workers

10. Officials have received applications to enable essential workers (and their families) in AC36 syndicate teams American Magic and INEOS Team UK to enter New Zealand to enable AC36 to take place in New Zealand as planned. Details of these workers (and their families) are provided in Annexes One and Two. The essential nature of the work is discussed in the section below.
11. We have applied the following test to the application to advise you on whether the requested workers are essential.
 - a. *Whether individuals from overseas are critical for delivery of time critical projects or programmes that are of strategic economic importance (such as, providing significant spill-over benefits to the economy or major employment in a region, preserving significant international trade-related business)*
 - b. *Whether international expertise, technical requirements or a unique talent is critical for success*
 - c. *Whether it is possible to redeploy workers already in New Zealand (or fill the position within New Zealand)*
 - d. *Whether there are already people performing these roles*
 - e. *The length of time the workers are likely to be in New Zealand*
12. Following this analysis, we have recommend that the workers are essential.
13. Family members of essential workers may also be included for consideration for an exception to the border restrictions. The key matters for consideration in allowing exemptions for family members are:
 - a. *The length of the time the worker is required for – requests should only include family members if the essential worker was expected to be in New Zealand for a significant period of time;*
 - b. *The number of family members an exemption is sought for – the starting point for consideration would be immediate family members – the partner and dependent children of the worker;*
 - c. *The long-term accommodation situation of the family – the worker and family may be returning to New Zealand to an established household in New Zealand*
14. Following this criteria, we have recommend that the family members of these workers be agreed as exceptions to border restrictions.
15. INEOS Team UK's request includes a request for a nanny to be exempted from border restrictions. We consider that this nanny is an essential worker, as she is essential for care of the dependents of other workers.

Information considered in making these recommendations

Two AC36 syndicate teams have requested exemptions for workers required to set up team bases, design, build and sail boats to enable competition in AC36

16. To enable AC36 to take place in New Zealand, syndicate entry into New Zealand is essential. Officials have received applications from American Magic and INEOS Team UK to enable essential workers (and their family members/partners, children and/or other dependents) to enter New Zealand in a phased manner. The forward parties are seeking early entry into New Zealand to undertake critical advanced preparations including establishing team bases, meeting cargo (including their boat) in Auckland, and ensuring

everything is set up and ready to enable the team to recommence boat design and building, and commence on-water testing and training/sailing.

17. A summary of the syndicates expected stay and spend in New Zealand is outlined below:

American Magic

- a. American Magic is requesting its first tranche of essential workers (and family members) to travel to New Zealand as soon as possible, ideally in June 2020, with additional members entering in a phased manner over the following months. The team is expected to stay until the end of March 2021; for the majority of the team this represents a **stay of up to 10 months in New Zealand**
- b. Currently, the overall team syndicate membership is **217** (including family members), which includes **11** New Zealanders, many of whom are either already in New Zealand or making arrangements to return.
- c. American Magic is seeking border exemptions to bring **206 people** (**102** essential workers and **104** family members) into New Zealand.
- d. The team has forecast it's spend to be **s 9(2) in the local economy.**

INEOS Team UK

- a. INEOS Team UK is requesting its first tranche of essential workers (and family members) travel to New Zealand from July 2020, with additional members entering in a phased manner over the following months. The team is expected to stay until the end of March 2021; for the majority of the team this represents a **stay of up to 9 months in New Zealand.**
- b. Currently, the overall team syndicate membership is **240** including families/and support personnel, which includes **25** New Zealanders, many of which are either already in New Zealand or making arrangements to return.
- c. INEOS Team UK is seeking border exemptions to bring **215 people** (**86** essential workers, **123** partners and children, and **1** nanny, **2** mothers and **3** mother-in laws to provide childcare support to children of essential workers).
- d. The team has forecast it's spend to be **s 9(2)(b) in the local economy.**

18. The international syndicate teams are essential to:

- a. Provide expertise which is **critical for delivery of time critical projects** that are of strategic economic importance to New Zealand's events sector.
- b. The international expertise, **technical requirements and unique talent is critical for the success of AC36** allowing for syndicate teams to design, build and test their boats ready for competition.
- c. The syndicate teams will perform a **range of specialist roles** ranging from naval architects, designers, engineers, boat builders to sailors.

19. The international syndicate teams are looking to prioritise the phased arrival of key personnel and their families as follows:

- a. American Magic border exemption applicants

Month	Essential worker	Partner/spouse	Dependent	Total people by month
June 2020	46	29	36	111
July 2020	8	5	6	19
September 2020	22	7	11	40

October 2020	3	0	0	3
December 2020	5	0	0	5
January 2021	2	0	0	2
To be Determined	16	6	4	26
			Total	206

b. INEOS Team UK border exemption applicants

Month	Essential worker	Partner/spouse	Dependent	Others	Total people by month
July 2020	4	4	5		13
August 2020	32	24	26	1 mother 2 mother in-laws	85
September 2020	30	21	16	1 mother in-law 1 nanny	69
October 2020	21	15	13	1 mother	50
			Total		215

20. This request is supported by the Ministry of Business, Innovation and Employment.
21. Supporting these requests will ensure the **critical platform for ensuring AC36 can be delivered, rebuilding confidence in the events sector**; and establishing the key benefits sought from hosting AC36, including:
- tourism revenue and event/syndicate spend in New Zealand
 - significant international media/broadcast and destination exposure
 - leverage opportunities for government agencies to showcase New Zealand as an attractive place to visit, do business, invest, work, study and live, especially through showcasing innovation
 - legacy infrastructure (in partnership with the local authority) that can be used by the event and which will provide an ongoing benefit to the economy and the community
 - legacy outcomes which inspire behavioural change toward how we look after our waters and our islands
 - national identity and pride

The workers will be required to enter managed isolation or quarantine on arrival in New Zealand in accordance with established procedures

22. On arrival in New Zealand the workers will be required to undergo managed isolation or quarantine in an approved facility for a minimum of 14 days. If, at any time during this period, the worker develops symptoms, they will be required to enter a quarantine facility. Syndicate teams will be residing and working in Auckland after the quarantine period.
23. All costs associated with the worker's international and domestic travel, including managed isolation costs, are to be met by the individual syndicate teams. This does not include

wraparound services (such as health, security and welfare services), which will be covered by the government.

Risks

Operational risks associated with this managed isolation and quarantine task

24. To ensure the risk of importation of COVID-19 is appropriately managed, essential workers and their families will need to be facilitated through the existing managed isolation system.
25. These are high profile exemption applications, seeking a total combined entry of **421 people**. The syndicates are taking a phased arrival approach, prioritising team members into multiple tranches based on when it is critical for each team member to commence work in New Zealand. The first tranche of arrivals poses the highest risk because of the proposed date of entry (June) and the size of the group.
26. At present the system, particularly from a supply and support perspective, is under significant pressure. Auckland and Wellington are currently the only cities with operational facilities, with nearly 3,000 people currently in managed isolation or quarantine. To manage this risk and facilitate the arrival of a group of this size, it is recommended that the first tranche of arrivals enter managed isolation in another city, such as Christchurch, to ensure no added pressure is placed on Auckland. This may require some currently closed facilities to be reopened.
27. It is further recommended that enough time is given for syndicate teams to plan before they enter New Zealand. This would mean allowing at least 3 weeks from approval to arrival.
28. Further planning will be required for the subsequent groups, but they pose less of a risk as they are smaller and there is a longer lead time before arrival to enable this.

Precedent setting and perception risks of approving this border exemption

29. The exemption requests are being made now due to the critical timing required by syndicate teams to establish team bases in New Zealand, relocate, recommence designing and building their boats, and commence on-water testing and training to be able to compete in AC36.
30. The syndicates include a range of specialist and skilled workers that are seeking exemptions to stay in New Zealand for a considerable period of time. Given the extended period of time, many of them are also seeking exemptions to bring their families with them, which results in a much larger number of exemptions sought. There may be perception risks as to whether some of these parties are essential (for example, a nanny and broader family members responsible for caring for children).
31. The extended stay and size of the syndicates however contributes to the significant forecast syndicate spend in New Zealand, **forecast at \$ 9(2)() for these two syndicate teams alone**. In addition, the syndicate spend outlined above excludes personal spend of families that are likely to enjoy the shopping, entertainment and hospitality offerings in Auckland and throughout New Zealand during their stay.
32. We note that applications from Luna Rossa and the Challenger of Record staff are expected to follow.
 - a. Luna Rossa is preparing its detailed arrival requests and is not part of this exemption request. It is anticipated it will seek arrival into the country from September 2020 onwards and will bring in approximately 200 people, including team members and their families.
 - b. Challenger of Record staff, key sponsors and other key parties directly involved in supporting AC36 are anticipated to account for approximately another 130 people and

are not part of this exemption request. In addition, we may also receive further applications from parties such as international media that may want to travel to New Zealand for AC36.

33. Agreeing that the American Magic and INEOS Team UK workers are 'other essential workers' will set a precedent for enabling AC36 syndicate teams into New Zealand and potentially other major events in New Zealand as well. All other non-essential event personnel seeking to enter New Zealand in association with AC36 will be assessed on a case-by-case basis, and subject to the border restrictions and managed isolation/quarantine facility capacities at the time of application.

Next steps

34. If you agree the workers meet be classified as 'other essential workers', the workers and their family members may be invited to apply for temporary visas as advised by Immigration New Zealand.
35. All workers and their family members will have visa requirements outlining that they will be required to isolate for fourteen days, with all costs covered by the individual syndicate teams.

Annexes

Annex One: List of essential workers and their family members- America Magic, USA

Annex Two: List of essential workers and their family members- INEOS Team UK, UK

Annex One - List of essential workers and their family members- American Magic, USA

Annexes One and Two are withheld under section 9(2)(a)

