



## BRIEFING

### COVID-19: Request for exemptions to border restrictions for essential Maritime sector workers contracted to deliver New Zealand's Maritime Sustainment Capability ship, AOTEAROA, to New Zealand

Date:	25 May 2020	Priority:	High
Security classification:	In Confidence	Tracking number:	3411 19-20

Action sought		
	Action sought	Deadline
Hon Phil Twyford <b>Minister for Economic Development</b>  Hon Ron Mark <b>Minister of Defence</b>	<b>Agree</b> to make exemptions from temporary border restrictions for 38 essential workers to travel from South Korea to New Zealand and then return as part of a contract to deliver New Zealand's Maritime Sustainment Capability (MSC) ship, AOTEAROA by 24 Jun 2020.	25 May 2020
Hon Ian Lees-Galloway <b>Minister of Immigration</b>	Copy for information only.	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Mr Michael Yardley	Deputy Secretary Capability Delivery, Ministry of Defence	s 9(2)(a)	
s 9(2)(a)	MSC Integrated Project Team Leader, Ministry of Defence		✓
Captain Karl Woodhead, RNZN	Acting Assistant Chief of Capability		

The following departments/agencies have been consulted
Immigration New Zealand, Maritime New Zealand, Ministry of Health, Ministry of Business Innovation and Employment (inc Immigration NZ), Ministry of Foreign Affairs and Trade, Ministry of Defence, New Zealand Defence Force, DPMC, Treasury, NZ Police Force, Customs, MPI, Transport, s 6(a) and State Services Commission.
Ministry of Health has confirmed that the standard medical pratique (health clearance process) will need to be completed on arrival, which includes questions on COVID-19. Furthermore, subject to immigration clearance, and providing there is no infectious illness notified on arrival, those arriving will not need to complete further isolation on board the vessel and will be permitted to depart and stay on base at Devonport Naval base as proposed. While in New Zealand they will be subject to the same restrictions as New Zealanders under the alert level at the time. If there is

illness notified on arrival this would be reported to the Medical Officer of Health in Auckland who will advise on any necessary actions, including if any quarantine measures under the Health Act 1956 are required.

Maritime New Zealand has confirmed that 14 days at sea counts as isolation time and that marine crew are generally classed as essential workers.

NZ Police are comfortable with our approach as long as we have addressed distancing, hygiene and contact with people once the ship arrives in New Zealand.

**Minister's office to complete:**

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

**Comments**



## BRIEFING

### COVID-19: Request for exemptions to border restrictions for essential workers

Date:	25 May 2020	Priority:	High
Security classification:	In Confidence	Tracking number:	3411 19-20

#### Purpose

This briefing seeks your agreement to exemptions to the temporary border controls for essential workers in the Maritime sector to enable the contracted delivery of New Zealand's Maritime Sustainment Capability (MSC) ship, AOTEAROA, to New Zealand by 24 Jun 2020.

#### 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 [CAB-20-MIN-0122 refers].  
*Noted*
- b **Note** that officials have received the following request from the Defence sector to allow marine crew and foreign workers to enter New Zealand to perform the following essential tasks:
  - a. Deliver AOTEAROA to New Zealand in accordance with the Hyundai Heavy Industries prime contract, following the ship's construction in South Korea, thereby avoiding unnecessary costs; and
  - b. Prepare and train the Royal New Zealand Navy (RNZN) crew of AOTEAROA for the safe transfer of its custody to the New Zealand Defence Force (NZDF) in anticipation of commencing activities to prepare for service including Humanitarian Aid and Disaster Relief operations.  
*Noted*
- c **Note** that 18 of the crew will return to South Korea on the first available flights after delivery, 19 will remain for up to 14 days and 1 will remain for up to 12 months.  
*Noted*
- d **Note** that these requests are supported by the Ministry of Business, Innovation and Employment, as the workers are critical to ensure both delivery and the continued safety of the ship until the RNZN crew are properly prepared to assume custody.  
*Noted*
- e **Note** that the minimum 14 days of quarantine or managed isolation for the marine crew is deemed to have been met by the 16-day direct transit delivery voyage.  
*Noted*
- f **Note** that all costs associated with the workers' international travel, accommodation and support will be met by either the Prime Contractor (Hyundai Heavy Industries) or the Defence Integrated Project Team.  
*Noted*

- g **Agree** to make an exemption to the COVID-19 border restrictions for the essential workers as detailed in Annex One to enter New Zealand.

Agree / ~~Disagree~~

- h **Forward** this briefing to the Minister of Immigration for his information.

Agree / ~~Disagree~~



Rebecca Heerdegen  
Policy Director, Business and Essential Services  
MBIE  
25 May 2020



Mike Yardley  
Deputy Secretary Capability Delivery  
Ministry of Defence  
20/May/2020



Hon Phil Twyford  
**Minister for Economic Development**

28.5.20  
..... / ..... / .....

Hon Ron Mark  
**Minister of Defence**

..... / ..... / .....

## Background

---

2. 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 COVID-19 border restrictions [CAB-20-MIN-0122 refers].
3. 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.

## A request has been made for exemptions to the travel restrictions for essential workers in the maritime sector

---

4. Officials have received a request to enable essential workers in the Defence (maritime) sector to enter New Zealand to provide critical capability for the safe delivery and handover of New Zealand's Maritime Sustainment Capability (MSC) ship, AOTEAROA. Details of these workers are provided in Annex One. The essential nature of the work is discussed below.
5. We have used the following criteria in making this recommendation:
  - a. why the workers are needed;
  - b. why it is not possible to re-deploy workers already in New Zealand (including meeting contractual obligations and time constraints for the nature of the work being done);
  - c. the length of the visa required and the reason for that length of visa;
  - d. the requirement to undergo quarantine or managed isolation in an approved facility (in this case the ship itself for the duration of the delivery voyage) for a minimum of 14 days and whether appropriate onward travel arrangements are in place.

### Workers required to deliver AOTEAROA to New Zealand

6. Officials have received a request to enable essential workers in the Defence (maritime) sector to enter New Zealand to enable the safe delivery and handover of New Zealand's Maritime Sustainment Capability ship, AOTEAROA to New Zealand and its subsequent introduction into operational service in the RNZN.
7. Visas are required for a duration of up to 14 days to facilitate a team of thirty workers from s 9(2)(a) . A separate Business / Specific Work Purpose visa is also required for one of the workers to remain in New Zealand to undertake the function of Warranty Manager on behalf of the ship's prime contractor, Hyundai Heavy Industries (HHI).

### The work is essential to ensure continuity of the Crown's contractual obligations in the effecting the delivery of the MSC ship to New Zealand

8. New Zealand's new naval tanker AOTEAROA, which is at the centre of the \$500m Maritime Sustainment Capability Project, has been constructed in Ulsan, South Korea by Hyundai Heavy Industries (HHI). HHI is scheduled to complete the build of AOTEAROA in early Jun 2020 and delivered to New Zealand by an HHI crew in late June 2020.
9. Based on the current schedule, we expect to accept AOTEAROA off contract on behalf of the Government of New Zealand (GONZ) in early June 2020. While the GONZ will then own the ship, under the terms of the prime contract HHI will retain custody of AOTEAROA until it is delivered to Devonport Naval Base and has completed a 10-day handover, during which time the South Korean delivery crew familiarise and train the RNZN crew in preparation for transfer of care and custody responsibilities. Once AOTEAROA enters into service, it will become a strategic asset for New Zealand and, even before achieving full Operational Release, will be

used to make a significant contribution to maritime operations, including Humanitarian Assistance and Disaster Relief operations.

10. Should HHI be unable to deliver the AOTEAROA to New Zealand due to New Zealand border restrictions applicable to the crew, it would be considered force majeure and costs would lie where they fall: both HHI and the Crown would be responsible for their own costs during the delay period. With the ship potentially being laid up in South Korea until border restrictions are relaxed, these costs are expected to be significant. The Crown's costs are estimated at s 9(2)(b)( per day and include project management costs for a small residual team in South Korea and the contracted build superintendent costs to supervise maintenance. There will be an additional cost for the maintenance itself to prevent deterioration of AOTEAROA while berthed alongside.

**There are no people in New Zealand with the required skills to do this work and no other viable alternative arrangements can be made**

11. There are currently no people within New Zealand with the necessary system and equipment familiarity specific to AOTEAROA to undertake its safe delivery to New Zealand within the proposed time-frame.
12. The current proposal is for a direct delivery voyage of 16 days from Ulsan, Korea to Devonport Naval Base, Auckland. HHI intends that the voyage will be undertaken by a crew of 32, comprising:
  - a. s 9(2)(a)
  - b.
  - c.
  - d.
13. An alternative method of achieving the timely delivery of AOTEAROA has been considered. To avoid bringing a South Korean delivery crew to New Zealand, a RNZN crew could be sent to South Korea to return the vessel. This would introduce risks of infection for the crew en-route and during an extended training period in South Korea. There would be considerable cost associated with accommodating the crew in South Korea whilst undergoing training in South Korea on the specific ship's systems. Once the crew attained an appropriate level of competence, a separate RNZN operational evaluation team would need to be sent to South Korea to certify the crew's competence before the Chief of Navy in the position as the Seaworthiness Authority would declare the crew safe to operate. For the delivery voyage, HHI is registering the vessel with Maritime New Zealand however if the alternative option to use RNZN crew was adopted the vessel registration would have to be changed to the NZDF flag administration in Korea before commencing the delivery voyage.
14. This request is supported by the Ministry of Business, Innovation and Employment as the identified workers are deemed to be critical to the proposed service of safely delivering the ship to New Zealand and effecting an appropriate handover of the custody of the ship to the RNZN.

**The workers will be quarantined in accordance with established procedures**

15. The delivery voyage of no less than 14 days has been approved as an appropriate quarantine facility by MBIE and INZ. It is intended that all HHI, HHI sub-contractor and Defence personnel

s 9(2)(a)

undertaking the delivery voyage will be tested for COVID-19 two to three days prior to the planned departure in order to mitigate the chance for symptom development or virus transmission during the voyage. A test certificate will be provided for each person by the testing authority confirming that they have not tested positive for COVID-19. In the event that someone does develop symptoms consistent with COVID-19 during the voyage, there are a number of alternative accommodation options onboard to effect isolation, including a small medical ward, manned by a RNZN medic, with an independent ventilation system.

16. The ship will be subject to Medical Pratique processes on entering New Zealand. This includes the submission to NZ Customs Advance Notice of Arrival 48 hours beforehand and then a "No Change of Health Status" message 12-24 hours before arrival.
17. In New Zealand, AOTEAROA will be berthed at a secure location with restricted access within the Devonport Naval Base (DNB) following Quarantine, Health and Customs clearance<sup>2</sup>. It is proposed that the ship management company delivery crew will live onboard until their international travel back to Korea, expected to be the first available flight. This travel is the responsibility of HHI and they will not undertake the delivery voyage without confirmed return arrangements. It is expected that those HHI specialist engineers undertaking the handover activities with the RNZN Ship's Company will be accommodated either onboard, or in appropriate accommodation in close proximity to the ship to facilitate contact tracing control.
18. All costs associated with the worker's international travel, including quarantine costs, will be met by either HHI or the MSC Integrated Project, in accordance with the terms of the contract.

## Next steps

---

19. If the requests are approved, in accordance with Immigration Instructions, *H5: COVID-19 Support Restricted Temporary Entry Instructions*, the workers will be invited to apply for supported temporary visas or variations of conditions as essential workers.
20. Defence will continue to work closely with appropriate Ministries and Government departments to ensure that the arrangements negotiated with HHI for the delivery of AOTEAROA to New Zealand meet current regulations in place to prevent the spread of COVID-19.

## Annexes

---

Annex One: List of essential workers

---

<sup>2</sup> Either from a designated anchorage in the inner Hauraki Gulf or from alongside a berth in the Devonport Naval Base.


## **Annex One - List of essential workers**

---

**Hyundai Heavy Industries and their sub-contracted workers.**


**This list is still being finalised with Hyundai Heavy Industries. The final list will be forwarded to MBIE as soon as possible, along with the duration of visa required.**

s 9(2)(a)



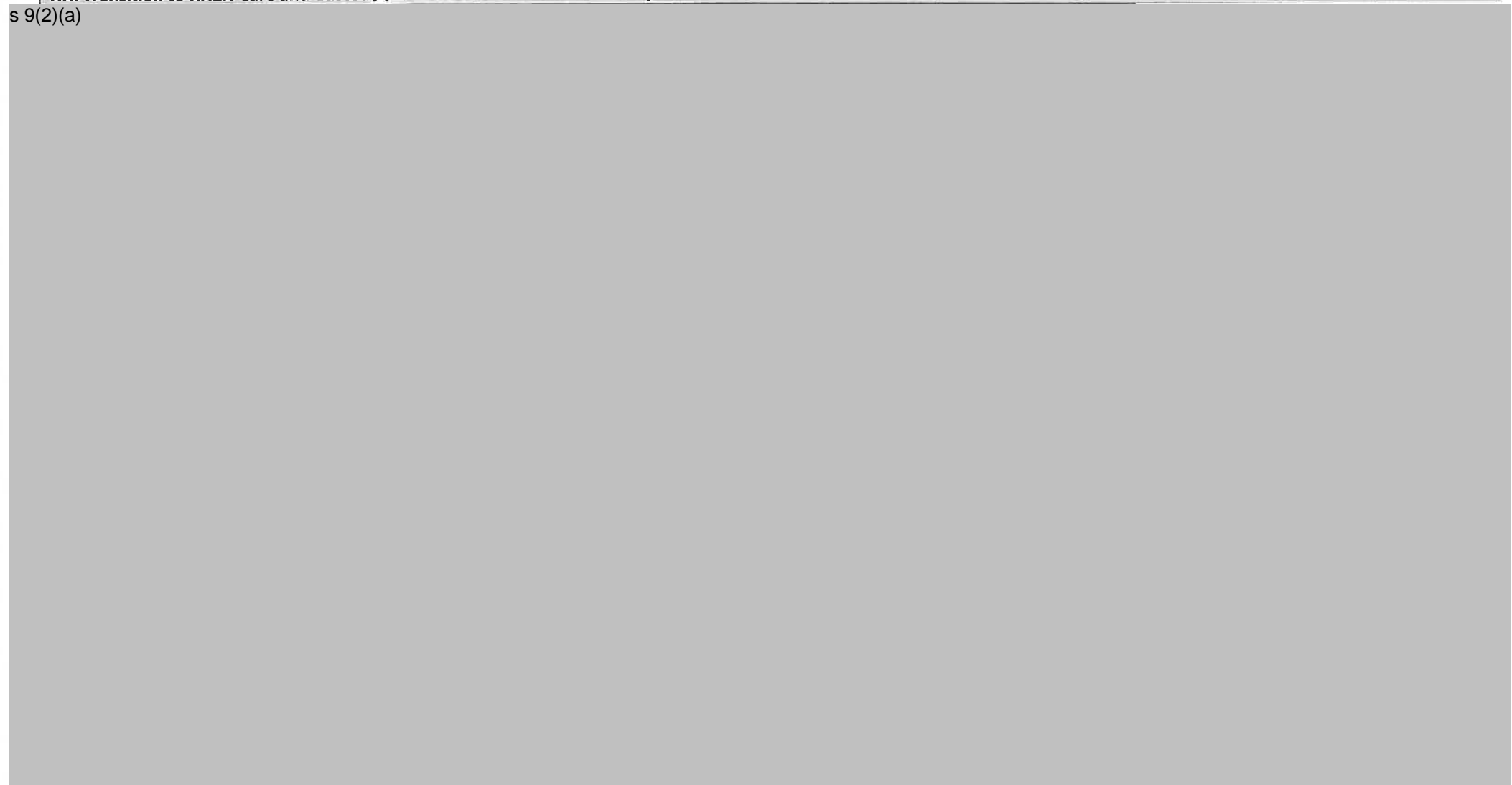


s 9(2)(a)

A large rectangular area of the document is redacted with a solid grey fill.

**HHI Transition to RNZN Care and Custody (20 to be confirmed from this list)**

s 9(2)(a)

A large rectangular area of the document is redacted with a solid grey fill.

s 9(2)(a)

