

Aide Memoire – The ongoing Russia/Ukraine crisis

Key points

- Tensions on the Russia-Ukraine border remain high with Russia continuing to assemble large troop formations and military hardware. Late last week several thousand Russian troops started joint military exercises in Belarus, a Russian ally and northern neighbour of Ukraine - raising fears that Russian troops could also launch a military invasion from Belarus.
- Armed conflict will adversely impact Aotearoa New Zealand's interests in Europe and beyond, with spill over effects in our part of the world. Instability in Europe could, for example, ^{s6(a)}
- Countries ^{s6(a)} will be following developments closely, and assessing the international response in the context of regional disputes in the Indo-Pacific.
- Moscow continues to deny an intention to invade Ukraine, and it is not clear whether President Putin has made a final decision on military action. However, Russia has the capability in place to launch a military invasion at any time, potentially with little notice. The risk of serious miscalculation also remains.
- NATO has bolstered its forces in an attempt to further strengthen NATO's eastern flank. The US has sent an additional 3,000 troops to Central and Eastern Europe, while the UK has committed a further 350 troops. Further deployments are planned in coming days. NATO members have been careful to emphasise that no combat troops are likely to be deployed to Ukraine itself.
- Increasing tensions in Eastern Europe over a potential armed conflict between Russia and Ukraine and proposed severe economic sanctions from the US and EU are raising the prospect of disruption to global financial and commodity markets.

Diplomatic efforts to de-escalate

- In January Russia made demands that included a ban on Ukraine entering NATO; and a limit to the deployment of troops and weapons to NATO's eastern members. NATO and the US have rejected these (unreasonable) demands, but suggested they would be willing to discuss other security issues. Russia has signalled the NATO/US response does not address its fundamental security concerns.
- Intense diplomatic effort is under way between Russia, the EU, US, NATO, Ukraine and European partners in an effort to find a diplomatic pathway to de-escalation. Over the weekend, Presidents Biden and Putin and Presidents Macron and Putin spoke again by phone but so far without a significant breakthrough.
- It is possible that Putin has no interest in a diplomatic settlement. Nevertheless a significant number of countries, including Aotearoa New Zealand, have signalled strong support for ongoing international efforts under way to de-escalate the current crisis. You and the Prime Minister have done this publicly; it has also been mirrored through diplomatic representations in Wellington and Moscow.
- The Minsk II Agreement (2015) forms a central pillar of negotiations and outlines steps to achieve peace in the contested Donbass region in the east of Ukraine. Any notable progress on Minsk II will likely depend on political breakthroughs at the Normandy Four

format (Russia, Ukraine, Germany and France) leader level as this is the only format in which Russia and Ukraine are negotiating directly with each other.

Implications for Aotearoa New Zealand

- An armed conflict in Ukraine would have significant implications for our interests. A Russian invasion would represent a direct challenge to our values, including democracy, human rights and the rule of law, and undermine the international rules-based system.
- MFAT has provided advice outlining potential economic impacts should Russia invade Ukraine. The most significant impacts of any armed conflict on Aotearoa New Zealand would be indirect, primarily through higher fuel and commodity prices, financial market volatility and the potential drag on global economic activity. Flow on effects could place additional pressure on domestic inflation and the cost of living.
- Russia is not a large export market for Aotearoa New Zealand ranking 27th with \$293 million in exports in the year to June 2021 (half of which was butter). Imports from Russia, mostly crude oil, have dropped to close to zero in recent months with the signalled closure of Marsden Point.
- Officials are continuing to engage with Aotearoa New Zealand businesses with interests in Russia and/or Ukraine to understand the potential economic impact. ^{s9(2)(b)(ii)}
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- Depending on the extent and duration of a potential armed conflict, ^{s6(e)(vi)}
- Military conflict could precipitate a humanitarian crisis which, in a worst-case-scenario, would lead to high civilian casualties and an estimated 3-5 million refugees (Ukrainian's total population is around 44 million). Officials are working on advice on a potential Aotearoa New Zealand response should this occur.

Aotearoa New Zealand's response options

- As a Russian military incursion could occur at short notice, it will be important that we are in a position to respond quickly. The Prime Minister has said publicly that New Zealand may look to implement measures should Russia breach Ukraine's sovereignty.
- You have received advice on the range of measures that Aotearoa New Zealand can deploy in response to a further escalation in Russian aggression against Ukraine. Part of the reason you're briefing Cabinet is because the response will need to be implemented and announced swiftly. This is an opportunity to ensure your colleagues are sighted on our likely response, which could include:
 - targeted travel bans;
 - export controls on certain goods that could be used for military purposes;
 - limiting government-to-government and diplomatic ties; and

- condemning Russian aggression, supporting Ukraine's territorial integrity and further calls for efforts to de-escalate the crisis through diplomatic means.

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Consular considerations

- Consular contingency planning is under way. There are 38 New Zealanders presently registered with SafeTravel in Ukraine (actual numbers are likely to be closer to 80-90).
- Our current consular advice (updated on 11 February) is that *New Zealanders do not travel to Ukraine due to the risk of armed conflict and that New Zealanders currently in Ukraine should leave immediately by commercial means if it is safe to do so.* We are regularly engaging with our close partners on these issues, who have also made similar travel advisory updates to their citizens.
- Aotearoa New Zealand's Ambassador to Warsaw is accredited to Ukraine, but we do not have diplomatic representation there and our ability to provide consular assistance to New Zealanders in Ukraine is therefore very limited.^{s6(a), s6(b)(i)}
- MFAT is in regular contact with New Zealanders in Ukraine via the SafeTravel registration system and our Embassy in Warsaw is reaching out to all those registered on Safe Travel via phone, email and social media.
- New Zealand citizens or residents who are in a location or situation where there is a serious risk to their safety and their only option is to return to New Zealand, can apply for emergency allocation of MIQ space. In considering whether a "serious risk to safety" exists, MIQ takes into account advice from MFAT including travel advisories. MFAT has advised MIQ of its view that the situation in Ukraine amounts to a serious risk to safety.

Out of scope