

HON RON MARK, MINISTER OF DEFENCE

Proposal to Renew the Multinational Force and Observers Deployment Mandate

December 2018

This publication provides the documents supporting Cabinet's decision in September 2018 to continue the New Zealand Defence Force's contribution of up to 28 personnel to the Multinational Force and Observers mission until 30 September 2020.

The pack comprises the following documents:

- September 2018 Cabinet minute entitled *Proposal to Renew the Multinational Force and Observers Deployment Mandate* [ERS-18-MIN-0016]
- Cabinet paper entitled *Proposal to Renew the Multinational Force and Observers Deployment Mandate* [ERS-18-SUB-0016]

This pack has been released on the Ministry of Defence website, available at: www.defence.govt.nz/publications.

It has been necessary to withhold certain information in accordance with the following provisions of the Official Information Act 1982. Where information is withheld, the relevant sections of the Act are indicated in the body of the document. Information is withheld where making it available would be likely to prejudice:

- the security or defence of New Zealand or the international relations of the Government of New Zealand [section 6(a)]
- the entrusting of information to the Government of New Zealand on the basis of confidence by the Government of any international organisation [section 6(b)(ii)].



Cabinet External Relations and Security Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Proposal to Renew the Multinational Force and Observers Deployment Mandate

Portfolio Foreign Affairs / Defence

On 11 September 2018, the Cabinet External Relations and Security Committee:

- 1 **noted** that the deployment to the Multinational Force and Observers (MFO) meets the following strategic objectives to:
 - 1.1 advance and protect New Zealand’s foreign policy and strategic interests through contributing to peace and stability between Egypt and Israel and the broader Middle East – a region of strategic importance to New Zealand;
 - 1.2 support the maintenance of the international rules-based order, institutions and arrangements which enable conflict prevention and peace resolution; and
 - 1.3 enable NZDF operational experience in a peace monitoring mission, and also support the development of partner forces to contribute at the highest levels to peace support missions in line with the values New Zealand seeks to promote internationally;
- 2 **agreed** to continue the New Zealand Defence Force’s contribution of up to 28 personnel to the Multinational Force and Observers mission until 30 September 2020;
- 3 **noted** that the overall unmitigated operational threat level for New Zealand Defence Force personnel deployed to the Multinational Force and Observers s6(a)
- 4 **noted** that the risk to personnel is being managed by the MFO through the ongoing “reconfiguration process”, and the NZDF through a range of personnel-based, procedural and physical security measures;
- 5 **noted** that further ad-hoc requests may be received from the mission to fill surge capability, and that these requests would be submitted for Cabinet consideration;
- 6 **agreed** that the New Zealand Defence Force may temporarily exceed the Cabinet-mandated personnel numbers for this deployment for the purposes of command reconnaissance, rotation, and extraction of forces from theatre;
- 7 **noted** that the Chief of Defence Force will inform the Prime Minister, the Minister of Defence and the Minister of Foreign Affairs in advance whenever Cabinet-mandated personnel numbers are exceeded for the reasons set out in paragraph 6;

- 8 **noted** that, in the event that Cabinet decides not to extend the mandate, New Zealand is required to provide a minimum of six months' notice under the terms of our agreement with the Multinational Force and Observers;
- 9 **noted** that the total estimated cost of the approved deployment for two years to 30 September 2020 is assessed as \$5.911 million;
- 10 **noted** that there is a shortfall of \$1.994 million in 2018/19 that is not able to be met within existing baselines;
- 11 **noted** the funding of \$2.947 million for 2019/20 and \$0.970 million for 2020/21 can be met from current appropriations;
- 12 **approved** the following changes to appropriations to give effect to the policy decision in paragraph 2 above with a corresponding impact on the operating balance;

Vote Defence Force Minister of Defence	NZ \$m – increase / (decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & out-years
Multi-Category Expenses and Capital Expenditure					
<i>Operations Contributing to New Zealand's Security, Stability and Interests MCA</i>	1.994	-	-	-	-
Departmental Output Expense:					
<i>Military Operations in Support of a Rules-Based International Order (funded by revenue Crown)</i>					

- 13 **agreed** that the additional expenses required in 2018/19 under paragraph 12 above be a charge against the tagged Operating contingency established as part of Budget 17 for Military Operations in Support of a Rules-based International Order;
- 14 **agreed** that the change to appropriations for 2018/19 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

Vivien Meek
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Rt Hon Winston Peters
Hon Grant Robertson
Hon Andrew Little
Hon Stuart Nash
Hon Ron Mark

Officials present from:

Officials Committee for ERS
Office of the Prime Minister
Department of the Prime Minister and Cabinet
Office of the Chair

Hard-copy distribution:

Minister of Foreign Affairs
Minister of Defence

Chair, Cabinet External Relations and Security Committee

PROPOSAL TO RENEW THE MULTINATIONAL FORCE AND OBSERVERS DEPLOYMENT MANDATE

Proposal

1. This paper seeks Cabinet's agreement to a two-year extension of the New Zealand Defence Force (NZDF) deployment of up to 28 personnel to the Multinational Force and Observers (MFO) in Egypt's Sinai Peninsula, when the current mandate expires on 30 September 2018.

Executive summary

2. The MFO is a peace-keeping mission which acts as a neutral arbiter in monitoring adherence to the security provisions of the 1979 *Egypt-Israel Peace Treaty* (the '1979 Peace Treaty'). Both parties to the Treaty recognise the importance of international supervision in ensuring that peace is maintained. s6(a)



3. New Zealand has contributed to the MFO continuously since 1982 and as such, the mission has been an important and enduring signal of New Zealand's commitment to advancing peace and stability in the Middle East and Africa. New Zealand's deployment to the MFO also underpins our bilateral relationships with Egypt and Israel with the contribution valued highly by both Treaty partners. Our current commitment of 28 NZDF personnel operates effectively alongside 12 other international partners, sustaining the MFO as a successful, practical example of a multinational peacekeeping operation in a volatile region.

4. The deployment to MFO meets the following strategic objectives to:

- advance and protect New Zealand's foreign policy and strategic interests through contributing to peace and stability between Egypt and Israel and the broader Middle East – a region of strategic importance to New Zealand;
- support the maintenance of the international rules-based order, institutions and arrangements which enable conflict prevention and peace resolution; and
- enable NZDF operational experience in a peace monitoring mission, and also support the development of partner forces to contribute at the highest levels to peace support missions in line with the values New Zealand seeks to promote internationally.

5. The 1979 Peace Treaty between Egypt and Israel provides the legal basis for the MFO mission. New Zealand's participation in the mission is governed by an Exchange of Letters (most recently updated in 1999) with the MFO Director-General.

6. New Zealand has also worked with our partners to implement the "reconfiguration process" which has seen the MFO reshape the mission since 2016 in response to increased tensions on the ground, making significant changes to improve personnel safety.

Background

7. The MFO was established in 1982 following the United States-sponsored Camp David Accords. In the twenty-five years preceding the Accords, Egypt and Israel had waged war three times. The role of the MFO is to supervise implementation of the security provisions within the 1979 Egypt-Israeli Peace Treaty and employ best efforts to prevent any violations of its terms. The Treaty provisions outline zones within the Sinai Peninsula and along the Israeli border with limits for Egyptian and Israeli military personnel and platforms. In undertaking its supervision and verification role, MFO operates checkpoints and observation posts along the international border between the two countries, and conducts patrols throughout Egypt's Sinai Peninsula.

8. The MFO is comprised of 12 troop-contributing nations. Primarily staffed by the United States, the 1150-strong mission is also made up of troops from Australia, Canada, the UK, Colombia, Czech Republic, Fiji, France, Italy, Norway and Uruguay.

9. Since the Arab Spring (2010-11), the Sinai Peninsula has seen a rise in the presence of extremist elements [redacted] s6(a). In February 2018, Egyptian Armed Forces launched "Comprehensive Operation Sinai" deploying 60,000 troops to the Peninsula. [redacted] s6(a)

New Zealand's contribution to the MFO deployment

10. Around 2,000 NZDF personnel have served in the MFO since its inception in 1982. New Zealand's current commitment comprises [see **Annex A** for a breakdown of current roles]:

- a Driving Section providing support for personnel movements and logistics convoys;
- a Training and Advisory Team, maintaining MFO training courses and driver training;
- MFO Headquarters staff;
- an Engineering Team;
- a New Zealand contingent Support Team; and

- s6(a) electricians, which have been deployed on a twelve-month MFO mandate [CBC-16-MIN-0016 refers]¹.

11. The NZDF regularly re-evaluates the contribution to ensure the composition of roles and tasks are of greatest mutual benefit, and reflect the changing requirements of the mission. New Zealand has twice held the role of MFO Force Commander – from 1989-1991 (Major General Don McIvor), and 2010-2014 (Major General Warren Whiting).

MFO Reconfiguration Process and ad hoc requests for New Zealand assistance

12. In 2016, the security situation in north-east Sinai (including in the vicinity of MFO North Camp where New Zealand's contingent was based) deteriorated significantly. s6(a)

In response, the MFO instituted a number of related security measures ("the reconfiguration process"). This process included rationalising the force size and composition, closing vulnerable outposts and moving the headquarters from the volatile North Camp to South Camp [See **Annex B** for map] amongst a number of other security measures.

13. New Zealand has contributed surge capacity to the mission to assist with the reconfiguration process. In 2016 a contingent of engineers was deployed for six months to assist with the construction of perimeter fencing to enhance the security of South Camp. We have also previously deployed electricians on a twelve month tour to provide technical support. Should Ministers decide to extend our deployment, there may be similar requests to deploy additional personnel to fill short-term capability needs related to the ongoing reconfiguration process. In such instances officials would seek direction from Cabinet.

Comment

Is there a clear, legitimate and compelling case for New Zealand involvement?

Supporting New Zealand's strategic and foreign policy interests in a more stable Middle East region

14. The MFO peacekeeping mission continues to provide stability in a volatile and historically-contested area of strategic importance. It supports the national security interests of both Egypt and Israel and, while successive Egyptian and Israeli governments have demonstrated the ability to manage bilateral and regional tensions without risking escalation into conflict, MFO's enduring presence continues to act as a reliable buffer zone. It is for this reason that both Egypt and Israel insist on the MFO's continued importance as a neutral arbiter in monitoring the two countries' adherence to the security provisions of the 1979 Peace Treaty.

15. s6(a)

¹ The mandate of 26 was temporarily extended to 28 in 2017 to account for the surge deployment

s6(a)

16. As a contributor to the MFO, New Zealand is demonstrating a tangible commitment to one of the more successful mechanisms for maintaining peace and stability in the wider region. The deployment also supports New Zealand's bilateral relationships. Our deployment is recognised as a valuable contribution to the mission by both Egypt and Israel. In high-level interactions, Egypt regularly acknowledges our MFO contribution. Likewise, Israeli officials continue to welcome the deployment as an important demonstration of New Zealand's commitment to regional security.

Support for the international rules based order

17. New Zealand supports coordinated multinational security efforts that reinforce the international rules-based order, through, for example, contributing to conflict prevention or maintaining peace processes, such as those contained in the 1979 Peace Treaty. Our MFO deployment is a clear and enduring demonstration of our commitment to and the maintenance of peace between Egypt and Israel and is a credible contribution to global collective security.

Deployment enables operational experience in a peace monitoring mission

18. The NZDF continues to derive significant benefit from the mission. Most of New Zealand's peace support deployments require personnel of officer rank to fill the available positions, which both reduces the pool of available personnel and imposes a higher opportunity cost. By contrast, the MFO mission provides the opportunity for personnel of various ranks (including junior personnel and non-commissioned officers) to gain experience offshore in an established, multinational deployment. For example, the MFO is also the only deployment in which the New Zealand Army's driver trade is deployed in an operational context. Previously, our senior roles (we have twice occupied the force commander role) in the MFO have also proven valuable – establishing our credentials to fill other leadership and command roles in peacekeeping operations abroad.

19. The MFO has also afforded NZDF the opportunity to help build the capacity of other troop-contributing nations.

s6(a)

The legal basis for the deployment and consistency with international law

20. The overarching legal framework for the MFO mission is provided by the 1979 Peace Treaty. This defines the terms and conditions under which MFO forces are deployed as well as the activities they are authorised to carry out. The Treaty is signed by Israel and Egypt, and is recognised internationally.

21. The formal mechanism for New Zealand participation is our 1982 Exchange of Letters with the MFO mission, most recently updated by the 1999 *Exchange of Letters constituting an Agreement on New Zealand Participation in the Multinational Force and Observers* (the '1999 Exchange of Letters')³. The 1999 Exchange of Letters confirms New Zealand's continued commitment unless the mission mandate is terminated by either Egypt or Israel or New Zealand otherwise decides to withdraw. Notification of an intention to withdraw must be provided to the MFO six months prior to that withdrawal. The 1999 Exchange of Letters also codifies the shape of New Zealand's contribution and associated administrative/logistical details. Any decisions to substantively amend the terms of New Zealand's commitment would require agreement to a new Exchange of Letters.

Risks to the safety and security of New Zealand personnel

22. The unmitigated operational threat level for NZDF personnel deployed to the MFO

s6(a) s6(a)
[Redacted]
[Redacted]
[Redacted] NZDF continually monitors the operational threat level, and should the security situation deteriorate significantly, the Chief of the Defence Force, in consultation with the Minister of Defence, would take what measures are appropriate to ensure the security of NZDF personnel, including the option of their withdrawal.

23. [Redacted] s6(a)
[Redacted]
[Redacted]
[Redacted]

24. In order to mitigate this threat and ensure the ongoing sustainability of the mission, the MFO's reconfiguration process in 2016 relocated most of its personnel to the South Camp. [Redacted] s6(a)
[Redacted]
[Redacted]

25. Threats to personnel safety in the current climate [Redacted] s6(a)
[Redacted] are being managed by the broader [Redacted]

3 Exchanges of Letters were signed in 1982, 1983, 1984, 1986, 1988, 1989, 1990, 1992, 1994, 1996, 1998, and 1999.

4 [Redacted] s6(a), s6(b)(ii)

reconfiguration process, including the construction of a second perimeter fence (thereby creating a buffer zone), [REDACTED] s6(b)(ii)

Implications for New Zealand's ability to still deploy to our immediate region should an emergency arise

26. The NZDF contribution to the MFO does not impact on New Zealand's ability to deploy to our immediate region in the event of an emergency. This deployment primarily requires heavy-vehicle driving capabilities, [REDACTED] s6(b)(ii). Many of the other roles which New Zealand fills do not require specialist skills [see **Annex A**] and these can be sourced from across the NZDF, without creating a capability gap.

The Strategic Defence Policy Statement supports the MFO deployment

27. The *Strategic Defence Policy Statement 2018* articulates many of the principles underlying peace support deployments. It also highlights New Zealand's MFO deployment contributes to the maintenance of the international rules-based order, and demonstrates New Zealand's position as a trusted and credible partner.

Rotations

28. In 2012, Cabinet agreed to the inclusion in all NZDF deployment papers of a provision that allows NZDF to temporarily exceed Cabinet-mandated personnel numbers for the purposes of command reconnaissance, rotation, and extraction of forces from theatre [CAB Min (12) 10/2 refers]. In July 2018, Cabinet noted the 2012 decision and agreed that this convention will continue [CAB 18-MIN-0346 refers]. The Chief of Defence Force will inform the Minister of Defence, Minister of Foreign Affairs and Prime Minister in advance whenever a rotation, extraction or command reconnaissance is planned above mandated numbers.

Consultation

29. This paper has been prepared by the Ministry of Defence, the New Zealand Defence Force and the Ministry of Foreign Affairs and Trade. The Department of the Prime Minister and Cabinet (NAB, NSG, PAG) and the Treasury were consulted.

Financial Implications

30. The estimated cost of the proposed deployment extension for two years to 30 September 2020 is \$5.911M.

31. There is a shortfall in funding available from current appropriations of \$1.994M because funding for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests is fully committed for 2018/19 as a result of existing mandated missions. The additional funding required of \$1.994M is proposed to be charged against the tagged Operating Contingency established as part of Budget 17 for Military Operations in Support of a Rules-based International Order.

32. The following table sets out the expenditure and funding arrangements for this deployment.

Vote Defence Force	NZ \$million				Total
	2018/19	2019/20	2020/21	2021/22	
Estimated cost of proposed deployment	1.994	2.947	0.970	-	5.911
Total funded from existing appropriation: Operations Contributing to New Zealand's Security, Stability and Interests	-	2.947	0.970	-	3.917
Additional Funding Required	1.994	-	-	-	1.994

33. The following table sets out the impact for this deployment and other pending deployment decisions for Cabinet consideration on the balance of tagged Operating Contingency established as part of Budget 17 for Military Operations in Support of a Rules-based International Order:

Vote Defence Force	NZ \$million				Total
	2017/18	2018/19	2019/20	2020/21	
Balance of tagged Operating contingency	2.420	20.000	20.000	-	42.420
Previously approved deployments	(3.410)	(8.332)	-	-	(11.742)
Afghanistan Deployment - pending	-	(1.763)	-	-	(1.763)
UNTSO Deployment - pending	-	(0.748)	-	-	(0.748)
MFO Deployment - pending	-	(1.994)	-	-	(1.994)
BPC Deployment - pending	-	(18.913)	-	-	(18.913)
Funding for this deployment	-	(0.525)	-	-	(0.525)
Remaining tagged operating contingency balance	(0.990)	(12.275)	20.000	-	6.735

Deployment reimbursements

34. In 2016, New Zealand agreed, consistent with other partners in the MFO, to cease reimbursement requests for the service and transport costs associated with personnel deployed to the mission. This was requested in order to assist with funding the increased force protection measures and the reconfiguration process. The understanding from the mission was that this arrangement would continue, and New Zealand would fully fund our deployment, including ad hoc requests for technical support. These costs are now absorbed within the overall deployment.

Publicity

35. The outcome of this paper will be announced with the concurrent Cabinet deployment decisions by the Prime Minister. A redacted version of this Cabinet paper will then be proactively released.

Recommendations

36. The Ministers of Foreign Affairs and Defence recommend that Ministers:

1. **note** that the deployment to MFO meets the following strategic objectives to:
 - i. advance and protect New Zealand's foreign policy and strategic interests through contributing to peace and stability between Egypt and Israel and the broader Middle East – a region of strategic importance to New Zealand;
 - ii. support the maintenance of the international rules-based order, institutions and arrangements which enable conflict prevention and peace resolution; and
 - iii. enable NZDF operational experience in a peace monitoring mission, and also support the development of partner forces to contribute at the highest levels to peace support missions in line with the values New Zealand seeks to promote internationally.
2. **agree** to continue the New Zealand Defence Force's contribution of up to 28 personnel to the Multinational Force and Observers mission until 30 September 2020;
3. **note** that the overall unmitigated operational threat level for New Zealand Defence Force personnel deployed to the Multinational Force and Observers s6(a)
4. **note** that the risk to personnel is being managed by the MFO through the ongoing "reconfiguration process", and the NZDF through a range of personnel-based, procedural and physical security measures;
5. **note** that further ad-hoc requests may be received from the mission to fill surge capability, and that these requests would be submitted for Cabinet consideration;
6. **agree** that the New Zealand Defence Force may temporarily exceed the Cabinet-mandated personnel numbers for this deployment for the purposes of command reconnaissance, rotation, and extraction of forces from theatre;
7. **note** that the Chief of Defence Force will inform the Prime Minister, the Minister of Defence and the Minister of Foreign Affairs in advance whenever Cabinet-mandated personnel numbers are exceeded for the reasons set out in recommendation (6);
8. **note** that in the event that Cabinet decides not to extend the mandate, New Zealand is required to provide a minimum of six months' notice under the terms of our agreement with the Multinational Force and Observers;
9. **note** that the total estimated cost of the approved deployment for two years to 30 September 2020 is assessed as \$5.911M;

10. **note** that there is a shortfall of \$1.994M in 2018/19 that is not able to be met within existing baselines;
11. **note** the funding of \$2.947M for 2019/20 and \$0.970M for 2020/21 can be met from current appropriations.
12. **approve** the following changes to appropriations to give effect to the policy decision in recommendation (2) above with a corresponding impact on the operating balance;

Vote Defence Force Minister of Defence	NZ \$m – increase / (decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & out-years
Multi-Category Expenses and Capital Expenditure					
<i>Operations Contributing to New Zealand's Security, Stability and Interests MCA</i>					
Departmental Output Expense:					
<i>Military Operations in Support of a Rules-Based International Order</i> <i>(funded by revenue Crown)</i>	1.994	-	-	-	-

13. **agree** that the additional expenses required in 2018/19 under recommendation (12) above be a charge against the tagged Operating contingency established as part of Budget 17 for Military Operations in Support of a Rules-based International Order;

14. **agree** that the proposed change to appropriations for 2018/19 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

Authorised for lodgement

Rt Hon Winston Peters
MINISTER OF FOREIGN AFFAIRS

Hon Ron Mark
MINISTER OF DEFENCE

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Annex A:

Current Roles filled by New Zealand Defence Force

Sector	Roles	Qty	Indicative Rank
Force Protection	s6(a)		
HQ Roles	Assistant Staff Officer Plans	s6(a)	CAPT
	Passport Clerk		
	Aide de Camp		CAPT
	Joint Operations Plans SO2		MAJ
	Company Quartermaster		SGT
	Personnel Staff Officer		SSGT – CAPT
	Joint Plans Officer		LT COL
Drivers	Driver	s6(a)	PTE – LCPL
	Driving Instructors		SGT
	Drivers in Charge		
Training Facility	Trainer/Instructor	s6(a)	SSGT
	Chief Instructor		
	Training Warrant Officer		
	Physical Training Instructor		PTE-CPL
Engineering and Infrastructure	Electrician	s6(a)	PTE-CPL
	Engineering Officer		MAJ
	Engineering Warrant Officer		WO2
		28	

Annex B: Map of the Multinational Force and Observers

