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source:Embassy Wellington  
origin:97WELLINGTON1656  
destination:R 220136Z DEC 97 FM AMEMBASSY WELLINGTON TO SECSTATE  
WASHDC 5893 INFO AMEMBASSY CANBERRA USCINCPAC HONOLULU HI//FPA/J-51//  
AMEMBASSY PORT MORESBY AMEMBASSY SUVA  
classification:CONFIDENTIAL  
reference:97WELLINGTON1492|97WELLINGTON1498  
☐ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 001656

E.O. 12958: DECL: 12/20/07  
TAGS: PGOV, ECON, PINR, NZ  
SUBJECT: BIO REPORT: ...  
▼ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 001656

E.O. 12958: DECL: 12/20/07  
TAGS: PGOV, ECON, PINR, NZ  
SUBJECT: BIO REPORT: NEW ZEALAND PRIME MINISTER JENNY SHIPLEY

REF: (A) WELLINGTON 1498; (B) WELLINGTON 1492

1. (U) CLASSIFIED BY: JOSIAH H. BEEMAN, AMBASSADOR.  
REASONS: 1.5(B) AND (D).

2. (C) SUMMARY: NZ'S NEW (AND FIRST WOMAN) PRIME MINISTER JENNY SHIPLEY IS AN ASTUTE POLITICIAN WHO BELIEVES IN LESS GOVERNMENT, INDIVIDUAL EMPOWERMENT, AND A "SOFT HEART AND A HARD HEAD." SHE TAKES A MEASURED AND CONSULTATIVE APPROACH TO NEW ISSUES, BUT IS NOT AFRAID TO TAKE RISKS WHEN SHE FEELS CONDITIONS MERIT ACTION. A COMPLICATED PREGNANCY SPURRED SHIPLEY TO LEAVE THE FARM AND BEGIN A CAREER IN POLITICS IN 1978. ENTERING PARLIAMENT IN 1987, SHE BEGAN A FAST RISE -- APPOINTED TO HER FIRST SHADOW CABINET POSITION ONLY SEVENTEEN MONTHS LATER. ONCE IN GOVERNMENT IN 1990, SHIPLEY INTRODUCED SWEEPING REFORMS IN SOCIAL WELFARE AND HEALTH WHILE MASTERING THESE TWO DIFFICULT MINISTERIAL PORTFOLIOS. THE REFORMS EARNED HER THE PUBLIC'S WRATH, BUT ALSO THE RESPECT OF HER PARLIAMENTARY COLLEAGUES. HER SUCCESSFUL CHALLENGE TO BOLGER'S LEADERSHIP OF THE NATIONAL PARTY -- WELL-PLANNED, WELL-RESEARCHED, AND WELL-EXECUTED -- REFLECTS HER POLITICAL CAREER TO DATE. A HARD-WORKING POLITICIAN, RUTHLESS OR PRAGMATIC AS NEEDED, SHIPLEY IS WELL-DISPOSED TOWARD THE U.S. END SUMMARY.

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PARSON'S DAUGHTER  
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3. (C) JENNIFER MARY ROBSON WAS BORN FEBRUARY 4, 1952, IN GORE, ON NEW ZEALAND'S SOUTH ISLAND. SHE WAS THE SECOND OF FOUR DAUGHTERS BORN TO A PRESBYTERIAN MINISTER AND HIS WIFE. THE FAMILY LIVED IN GORE AND THEN IN WELLINGTON FOR FIVE YEARS AFTER SHIPLEY'S BIRTH UNTIL THEY SETTLED IN BLENHEIM (NEAR THE NORTH COAST OF THE SOUTH ISLAND), WHERE SHE SPENT THE BALANCE OF HER CHILDHOOD. THE FAMILY WAS NOT WEALTHY AND HAD SOME DIFFICULTY MAKING ENDS MEET.

4. (C) SHIPLEY STATES THAT HER CORE POLITICAL PHILOSOPHY ("A SOFT HEART AND A HARD HEAD") WAS FORMULATED WHEN SHE WAS A CHILD,

WATCHING HER FATHER TEND TO HIS CONGREGATION. HIS APPROACH, SHE SAYS, WAS TO LEND A SYMPATHETIC EAR WHILE SHOWING PEOPLE HOW TO EMPOWER THEMSELVES; AND TO FOCUS ON THE CAUSE OF PROBLEMS, NOT THEIR SYMPTOMS.

5. (C) SHIPLEY GREW INTO A TOMBOY AND A CHAMPIONSHIP SWIMMER (SHE TOOK UP SWIMMING TO HELP COMBAT CHILDHOOD ASTHMA). AN UNDISTINGUISHED STUDENT (SHE BLAMES HER BAD GRADES ON HER LOVE FOR SWIMMING), SHE BARELY PASSED HER HIGH SCHOOL EXIT EXAM AND FAILED HER UNIVERSITY ENTRANCE EXAM. (COMMENT: SHIPLEY'S POOR ACADEMIC PERFORMANCE AND FAILURE TO PASS HER UNIVERSITY ENTRANCE EXAM PROBABLY INDICATED A LACK OF AMBITION RATHER THAN ABILITY AND A REALIZATION THAT, AT THE TIME, A UNIVERSITY EDUCATION WAS NOT A PREREQUISITE FOR SUCCESS. END COMMENT) AT 17, SHE MET BURTON SHIPLEY AND, TAKING THE INITIATIVE, ASKED HIM TO A BALL. (THE COUPLE DATED FOR FOUR YEARS BEFORE GETTING MARRIED.) AT 18, SHIPLEY'S FATHER DIED UNEXPECTEDLY, AND HER MOTHER BEGAN TO LIVE ON A WIDOW'S PENSION. (AS SOCIAL WELFARE MINISTER MANY YEARS LATER, SHIPLEY WOULD OVERSEE LEGISLATION THAT REDUCED THIS BENEFIT.)

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TRAUMATIC PREGNANCY SPURS CHANGE  
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6. (C) AFTER GRADUATING FROM CHRISTCHURCH TEACHERS COLLEGE IN 1971, SHIPLEY BEGAN TO SETTLE INTO A FAIRLY CONVENTIONAL LIFE FOR A 19 YEAR OLD NEW ZEALAND WOMAN. IN 1972, SHE BEGAN HER CAREER AS A PRIMARY SCHOOL TEACHER IN A CHRISTCHURCH SUBURB. SHE JOINED THE NATIONAL PARTY AND BECAME POLITICALLY ACTIVE, BUT IN CONTRAST TO HER PEERS, WHO BECAME ACTIVISTS BECAUSE OF VIETNAM, SHE FOCUSED HER ENERGIES ON COMMUNITY ISSUES (SPECIFICALLY, CHILD CARE ISSUES: MANDATORY FENCES AROUND POOLS AND CHILD SEAT RESTRAINTS). AFTER MARRIAGE IN 1973, SHIPLEY SPENT THE NEXT THREE YEARS JUGGLING HER TEACHING CAREER, FAMILY FARM DUTIES, MARRIAGE AND INTEREST IN LOCAL POLITICS. IN 1976, SHE DECIDED TO QUIT TEACHING TO RAISE A FAMILY. THE COUPLE HAD A GIRL, ANNA, IN 1977, AND A BOY, BEN, IN 1978.

7. (C) SHIPLEY HAD SEVERE DIFFICULTIES DURING BEN'S BIRTH, BEGAN TO HEMORRHAGE SHORTLY AFTER DELIVERY, AND WAS REPORTEDLY NEAR DEATH. ALONG WITH THE PHYSICAL TRAUMA, SHE WENT THROUGH A PERIOD OF SEVERE POST-PARTUM DEPRESSION. DURING HER CONVALESCENCE, SHIPLEY CAME TO THE REALIZATION THAT SHE WOULD NOT BE CONTENT WITH HER LIFE AS IT WAS AND WOULD BE DOING A DISSERVICE TO HERSELF AND HER FAMILY IF SHE DID NOT MAKE A CHANGE. MARRIAGE AND MOTHERHOOD, ACCORDING TO ONE REPORT, BECAME A THREAT TO HER IDENTITY. WITH BURTON'S BLESSING, SHIPLEY BECAME MORE ACTIVE IN POLITICS AND MORE SERIOUS ABOUT A POLITICAL CAREER.

8. (C) IN 1980, SHIPLEY MET HER PARLIAMENTARY REPRESENTATIVE, RUTH RICHARDSON, A NATIONAL PARTY FAST-RISING RIGHT-WING ECONOMIC RATIONALIST. RICHARDSON, WHO ALSO HAD A FARMING BACKGROUND (ALBEIT A WEALTHY ONE), TOOK A SHINE TO SHIPLEY AND BECAME HER MENTOR AND GODFATHER. RICHARDSON HELPED PAVE THE WAY FOR SHIPLEY'S ELEVATION FROM A CAMPAIGN EXTRA TO ELECTED POSITIONS (THE MALVERN COUNTY COUNCIL AND THE NATIONAL PARTY'S CANTERBURY-WESTLAND POLICY COMMITTEE). IN 1984, SHIPLEY RETURNED THE FAVOR BY CAMPAIGNING HEAVILY FOR RICHARDSON'S (SUCCESSFUL) RE-ELECTION. (ALTHOUGH SHIPLEY SHARES RICHARDSON'S DISLIKE FOR THE WELFARE STATE AND PREFERENCE FOR MARKET-ORIENTED SOLUTIONS TO ECONOMIC

PROBLEMS, SHIPLEY'S APPROACH IS LESS DOGMATIC AND SHE HAS BEEN CAREFUL TO CHART HER OWN COURSE. AFTER SHIPLEY ENTERED PARLIAMENT, AND AS RICHARDSON'S POLICIES AS AN OUTSPOKEN RADICAL REFORMIST FINANCE MINISTER BECAME INCREASINGLY CONTROVERSIAL, SHIPLEY BEGAN TO PUBLICLY DISTANCE HERSELF FROM HER MENTOR. SHE IS NOW QUICK TO POINT OUT THAT SHE IS "NOT A RICHARDSON CLONE.")

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QUICK RISER IN OPPOSITION...  
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9. (C) IN 1987, AT 35 YEARS OF AGE, SHIPLEY ANNOUNCED FOR AND WON THE MARGINAL RURAL SEAT OF ASHBURTON (LATER RENAMED RAKAIA). ALTHOUGH THE RETIRING NATIONAL INCUMBENT HAD HELD THE SEAT WITH A 500 VOTE MAJORITY, SHIPLEY INCREASED THAT MARGIN TO 5,000 VOTES (THE BIGGEST PERCENTAGE INCREASE IN THE 1987 ELECTION FOR EITHER PARTY AND AN IMPRESSIVE DEBUT). UPON HER ELECTION, BURTON SOLD THE FAMILY FARM AND BECAME A HOUSE-HUSBAND, WHILE SHIPLEY COMMUTED TO PARLIAMENT.

10. (C) SHIPLEY BEGAN HER PARLIAMENTARY CAREER RANKED 38TH OUT OF 40 NATIONAL MPS, SERVING ON THE EDUCATION AND SCIENCE COMMITTEE. SEVENTEEN MONTHS LATER, AFTER EXHIBITING THE HARD WORK AND THOROUGH RESEARCH THAT HAVE BECOME HER TRADEMARK, SHIPLEY WAS APPOINTED OPPOSITION ASSOCIATE SPOKESPERSON ON EDUCATION BY NATIONAL LEADER JIM BOLGER (LEAP-FROGGING NATIONAL'S ENTIRE INTAKE OF MPS IN THE CLASS OF 1984). A YEAR LATER, AT 39 YEARS OF AGE, BOLGER APPOINTED SHIPLEY OPPOSITION SPOKESPERSON ON SOCIAL WELFARE, A JUMP TO 11TH PLACE IN NATIONAL PARTY RANKINGS. HER QUICK RISE BEGAN TO ATTRACT ATTENTION IN THE MEDIA, WHICH DUBBED HER "MOST LIKELY TO SUCCEED."

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. . .THANKLESS GNZ PORTFOLIOS: SOCIAL WELFARE AND HEALTH  
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11. (C) UPON NATIONAL'S ELECTION VICTORY IN 1990, SHIPLEY BECAME MINISTER FOR SOCIAL WELFARE (THE GOVERNMENT'S LARGEST SPENDING PORTFOLIO) AND MINISTER FOR WOMEN'S AFFAIRS. IT WOULD BE THE FIRST OF TWO POLITICALLY THANKLESS PORTFOLIOS PM BOLGER WOULD HAND SHIPLEY (IN AN ATTEMPT BY BOLGER TO TEMPER HER METEORIC RISE, ACCORDING TO SOME OBSERVERS). AS MINISTER FOR SOCIAL WELFARE, SHIPLEY PRESIDED OVER "THE MOST EXTENSIVE REVAMP OF THE WELFARE STATE" TO DATE. SHE FIRST CAPPED THEN CUT WELFARE BENEFITS TO THE UNEMPLOYED, RETIREES AND WIDOWS BY AS MUCH AS 25 PER CENT. DURING THIS TIME, SHIPLEY DEVELOPED A REPUTATION FOR RUTHLESS EFFICIENCY AND, IN SOME EYES, BECAME THE HARD FACE OF AN UNCARING GOVERNMENT. IN INSTITUTING DIFFICULT POLICY DECISIONS, SHE EARNED THE PUBLIC'S IRE (SHE WAS BURNED IN EFFIGY SEVERAL TIMES), BUT ALSO ITS GRUDGING RESPECT AS WELL AS THE ADMIRATION OF HER PARLIAMENTARY COLLEAGUES. SHE ALSO DEVELOPED FINE DEBATING SKILLS, IN CONFRONTING LABOUR'S THEN SOCIAL WELFARE SPOKESPERSON (AND CURRENT DEPUTY LEADER) MICHAEL CULLEN -- ONE OF LABOUR'S SHARPEST PARLIAMENTARY DEBATERS.

12. (C) AFTER NATIONAL'S SUCCESSFUL RE-ELECTION IN 1993, SHIPLEY WAS REWARDED FOR HER DEFT HANDLING OF THE DIFFICULT SOCIAL WELFARE PORTFOLIO WITH A JUMP IN CABINET (FROM 11TH TO 5TH PLACE--THE BIGGEST PROMOTION IN THAT CABINET SHUFFLE), BUT WITH ANOTHER DIFFICULT JOB. AS MINISTER OF HEALTH, SHIPLEY WAS ASKED AGAIN TO CAP AND THEN CUT PUBLIC SPENDING. SHIPLEY MANAGED HER PORTFOLIO WELL, AND INTRODUCED MANY OF THE CUTS IN UNIVERSAL HEALTH BENEFITS THAT ARE ONLY NOW COMING INTO BEING -- TO THE

CONCERN OF MANY NEW ZEALANDERS. (HEALTH CUTS REMAIN AN ACHILLES HEEL FOR NATIONAL, AND WILL PROBABLY REMAIN A SIGNIFICANT ISSUE IN THE RUN-UP TO THE NEXT ELECTION, REQUIRED NO LATER THAN OCTOBER 1999.)

13. (C) WITH THE INTRODUCTION OF MIXED-MEMBER PROPORTIONAL (MMP) PARLIAMENTARY REPRESENTATION IN THE 1996 ELECTION AND THE FORMATION OF A NATIONAL-NEW ZEALAND FIRST (NZF) COALITION IN DECEMBER 1996, SHIPLEY HAD REPORTEDLY HOPED FOR A RESPITE AND A REWARD WITH A JUNIOR FOREIGN AFFAIRS PORTFOLIO. INSTEAD, SHE BECAME MINISTER FOR TRANSPORT, STATE-OWNED ENTERPRISES AND STATE SERVICES (SHE WOULD LATER REGAIN THE WOMEN'S AFFAIRS PORTFOLIO AND RELINQUISH THE STATE SERVICES PORTFOLIO). ONCE AGAIN, HOWEVER, SHE THREW HERSELF INTO HER WORK, ACHIEVING OPEN SKIES AGREEMENTS WITH THE U.S., SINGAPORE, MALAYSIA AND NEW AVIATION LIBERALIZATION ACCORDS WITH THE UK AND SOUTH AFRICA.

14. (C) UPON THE FORMATION OF THE COALITION, SUPPORT FOR PM BOLGER BEGAN TO SLIDE WITHIN HIS PARTY AND IN PUBLIC OPINION POLLS. AT THE SAME TIME, SHIPLEY'S STATURE BEGAN TO GROW WITHIN THE PARTY AND ON THE STREET. THE MEDIA PICKED UP THE DRUMBEAT AND, FOR SOME TIME, PALACE COUP RUMORS AROUND PARLIAMENT BECAME COMMONPLACE.

15. (C) SHIPLEY'S STATURE WAS FURTHER ENHANCED AS SHE BEGAN TO DISTANCE HERSELF PUBLICLY FROM NATIONAL'S COALITION PARTNER AND NZF'S CONTROVERSIAL LEADER, DEPUTY PRIME MINISTER AND TREASURER WINSTON PETERS. AMIDST PETERS'S DEMANDS DURING THE NEGOTIATIONS TO FORM THE COALITION, SHIPLEY ASKED, "HOW MANY RATS DO WE HAVE TO SWALLOW?" LATER, SHE PUBLICLY OPPOSED A REFERENDUM ON COMPULSORY RETIREMENT SAVINGS CHAMPIONED BY PETERS THAT LOST BY MORE THAN 90 PER CENT OF THE VOTE.

16. (C) AMIDST BOLGER'S LANGUISHING POLLS AND DURING HIS VISIT TO THE COMMONWEALTH HEADS OF GOVERNMENT MEETING IN SCOTLAND AND TO PARIS IN EARLY NOVEMBER, SHIPLEY LAUNCHED A SECRETIVE, WELL-PLANNED AND SUCCESSFUL LEADERSHIP CHALLENGE IN THE NATIONAL CAUCUS. AFTER INTENSE BEHIND-THE-SCENES NEGOTIATIONS, BOLGER RESIGNED IN FAVOR OF SHIPLEY AS PARTY LEADER ON NOVEMBER 3. (SOME OBSERVERS SPECULATED AT THE TIME THAT THE BAD BLOOD BETWEEN PETERS AND SHIPLEY WOULD PROVE INSURMOUNTABLE AND THAT PETERS WOULD PULL OUT OF THE COALITION UPON SHIPLEY'S ACCESSION. INDEED, PETERS EXPLORED FORMING A GOVERNMENT WITH LABOUR AFTER SHIPLEY BECAME NATIONAL'S LEADER, BUT RETURNED TO THE COALITION AFTER LABOUR TURNED HIM DOWN (REF A). AFFIRMING THEIR PRAGMATISM, SHIPLEY AND PETERS HAVE REPORTEDLY SINCE PATCHED OVER THEIR DIFFERENCES.) SHOWING A DEGREE OF SENSITIVITY, SHE GAVE BOLGER A DECENT FINAL INTERVAL AS PM, ALLOWING HIM TO TRAVEL TO THE VANCOUVER APEC SUMMIT AND TO VISIT CHINA AS SCHEDULED. ON DECEMBER 8, AFTER ONLY TEN YEARS IN PARLIAMENT, SHIPLEY WAS SWORN IN AS NEW ZEALAND'S FIRST WOMAN PRIME MINISTER.

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SHIPLEY TODAY  
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17. (C) JENNY SHIPLEY DESCRIBES HERSELF AS "CONSERVATIVE CENTER-RIGHT." HER POLICY INTERESTS ARE MICROECONOMIC REFORM, WOMEN'S ISSUES, EDUCATION AND SOCIAL ISSUES. WITHIN THE NATIONAL PARTY, HER CREDENTIALS ON ECONOMIC REFORM ARE SOLID. HOWEVER, HER LIBERAL LEANINGS ON SOCIAL ISSUES (BIRTH CONTROL, SEX EDUCATION, WOMEN'S ISSUES, GAY RIGHTS) HAVE ALLOWED HER TO CLAIM

NEW TERRITORY FOR NATIONAL (WHICH MAY PROVE VALUABLE IN ATTRACTING THE FEMALE UNDECIDED VOTE IN FUTURE ELECTIONS), BUT HAVE ALSO OCCASIONALLY ANGERED SOME OF HER PARTY COLLEAGUES AND AMUSED OTHERS. (IN ONE UNUSUAL CAUCUS MEETING, SHIPLEY OFFERED TO EDUCATE NATIONAL MPS ON HOW TO EXAMINE THEMSELVES FOR SEXUALLY TRANSMITTED DISEASES. HER EMBARRASSED COLLEAGUES DECLINED.)

18. (C) SHIPLEY DESCRIBES HER APPROACH TO GOVERNANCE AS ONE OF SELF-RELIANCE -- STRESSING INDIVIDUAL RESPONSIBILITY AND DISCIPLINE. SHE DEEMS HER COMMUNICATION SKILLS TO BE HER BEST ASSET, ONCE BOASTING PUBLICLY THAT SHE COULD "SELL RICE TO A CHINAMAN." WHILE NOT AN ACADEMIC OR AN IDEAS PERSON, SHIPLEY HAS POLITICAL SMARTS, SEIZES HER PORTFOLIO, LEARNS IT INSIDE AND OUT, AND STAYS CURRENT. SHE IS ALSO A GOOD MANAGER AND HAS ASSEMBLED ONE OF THE BRIGHTEST, MOST LOYAL STAFFS IN PARLIAMENT. OBSERVERS HAVE CHARACTERIZED HER AS ICY, CORRECT, UNFLAPPABLE, AND ABLE TO WORDLESSLY CONVEY THE SCHOOL-TEACHER-LIKE MESSAGE OF "DON'T MESS WITH ME." SHIPLEY STATES THAT HER CHRISTIAN FAITH IS IMPORTANT TO HER, BUT RARELY TALKS ABOUT RELIGION IN PUBLIC. SHE IS INTERESTED IN WATER SPORTS AND LIKES TO SPEND HER FREE TIME WITH FAMILY, GARDENING, READING AND COOKING OUT ON THE BARBECUE.

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SHIPLEY'S FEELING TOWARDS THE U.S.  
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19. (C) THE PM HAS WARM FEELINGS TOWARDS THE U.S. WHEN SHIPLEY FIRST ENTERED PARLIAMENT, SHE OFTEN ATTENDED USG FUNCTIONS BUT NOW DOES SO LESS FREQUENTLY DUE TO HER BUSY SCHEDULE. IN APRIL 1989, SHIPLEY WENT TO THE U.S. ON A USIS IV GRANT TO LOOK AT ORGANIC FOOD AND GREENHOUSE GAS ISSUES. ALTHOUGH SHIPLEY IS WELL-DISPOSED TO THE U.S., SHE IS HER OWN PERSON AND TAKES POSITIONS THAT ARE IN HER OWN PERCEIVED INTEREST. LIKE MANY OF HER NATIONAL PARTY COLLEAGUES IN THE RUN-UP TO THE 1990 ELECTION, SHE DID NOT OPPOSE NATIONAL'S ADOPTION OF LABOUR'S ANTI-NUCLEAR POLICY (BELIEVING THAT TO DO SO WOULD HARM NATIONAL'S ELECTION PROSPECTS). IN THE WAKE OF HER FIRST FOREIGN INTERVIEW AFTER BECOMING PARTY LEADER, SHIPLEY TOOK TO THE FLOOR OF PARLIAMENT TO REFUTE A SYDNEY MORNING HERALD ARTICLE THAT STATED SHE WOULD RECONSIDER NZ'S ANTI-NUCLEAR POLICY UNDER CERTAIN CIRCUMSTANCES (REF B). SHIPLEY'S CLARIFICATION EFFECTIVELY ELIMINATED (FOR THE TIME BEING) ANY CHANCE THAT SHE MIGHT PUSH FOR A CHANGE IN NZ'S NUCLEAR POLICY.

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HUSBAND, BURTON SHIPLEY  
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20. (C) MARRIED TO SHIPLEY FOR 24 YEARS, BURTON SHIPLEY IS A 45 YEAR OLD, MID-LEVEL FINANCIAL ADVISOR WITH WESTPAC BANK. A FARMER BY TRADE, HE BECAME A FULL-TIME HOUSEHUSBAND FOR TWO YEARS (RAISING TWO CHILDREN), WHILE HIS WIFE COMMUTED TO PARLIAMENT. ONCE THEIR CHILDREN ENTERED BOARDING SCHOOL, BURTON LEFT THE FARM AND WORKED AS A LOBBYIST FOR THE DEER FARMERS' ASSOCIATION, AND THEN AS A FINANCIAL ADVISOR FOR MONEY MANAGERS BEFORE JOINING WESTPAC. AT 6'4", BURTON IS OFTEN MISTAKEN FOR HIS WIFE'S BODYGUARD. HE IS A FORMER BASKETBALL PLAYER (JUST MISSING OUT ON NEW ZEALAND'S NATIONAL TEAM), AND CURRENTLY ENJOYS SAILING. NOT SHY ABOUT VOICING HIS OPINIONS (TO HIS WIFE AND, AT LEAST BEFORE HER ACCESSION TO PM, TO OTHERS), BURTON SAYS HE IS FURTHER RIGHT THAN HIS WIFE AND GOOD AT IDENTIFYING PROBLEMS, BUT NOT THEIR SOLUTIONS. BOTH THEIR CHILDREN ATTEND CANTERBURY UNIVERSITY.

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WHAT OTHERS HAVE SAID ABOUT SHIPLEY  
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21. (C) HOW OTHERS SEE SHIPLEY IS ILLUMINATING:

-- NATIONAL PARTY PM ROBERT MULDOON DESCRIBED SHIPLEY AS: "...A FRONT ROW RUGBY PROP...BASICALLY A NICE PERSON, BUT IF YOU THINK A MIDDLE-AGED, OVER-WEIGHT FARMER'S WIFE CAN REMAKE THE WELFARE SYSTEM THEN YOU'RE OUT OF YOUR MIND."

-- LABOR DEPUTY LEADER AND FINANCIAL SPOKESPERSON MICHAEL CULLEN CALLED SHIPLEY (AS SOCIAL WELFARE MINISTER): "THE MOST HATED MINISTER IN THE HISTORY OF THIS COUNTRY."

-- FORMER NEW ZEALAND FIRST MP AND CURRENT NATIONAL COMMENTATOR MICHAEL LAWS RECENTLY CALLED SHIPLEY: "THE HUMAN FACE OF THE SPANISH INQUISITION...THE SILENT MENACE OF NEW ZEALAND POLITICS...SHE CAN TELL YOU IN WONDERFUL WARM TONES HOW SHE IS GOING TO GARROTTE YOU AND THEN THROW YOUR INTESTINES OVER HER LEFT SHOULDER."

-- FORMER LABOR PM DAVID LANGE RECENTLY DESCRIBED HER AS: "...TOUGHER THAN ANY MAN IN CABINET...THE ONLY WORTHY NATIONAL OPPONENT SINCE MULDOON...BEATING HER IS LIKE BEATING SOUTH AFRICA (IN RUGBY)."

22. (C) COMMENT: IT WOULD BE A MISTAKE TO REDUCE SHIPLEY TO A RICHARDSON-CLONE, A THATCHER-CLONE OR "BOLGER IN A FROCK." SHE IS A SMART, HARD-WORKING POLITICIAN, ALTERNATELY RUTHLESS AND PRAGMATIC AS NEEDED. SHE WILL TRY TO AVOID BOLGER'S MISTAKE OF BEING SEEN AS TOO CHUMMY WITH NZF AND PETERS AND ISOLATED FROM NATIONAL'S BACKBENCH. NONETHELESS, THE NEW PM REALIZES THAT UNDER MMP, NATIONAL'S RE-ELECTION HOPES RIDE ON A WELL-RUN COALITION THAT ADDRESSES IMPORTANT DOMESTIC ISSUES.

BEEMAN

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SIPDIS

DEPT FOR WHA/CCA, EAP/ANP

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SUBJEC...  
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SIPDIS

DEPT FOR WHA/CCA, EAP/ANP

E.O. 12958: DECL: 06/24/2014  
TAGS: ETTC, PREL, NZ

SUBJECT: NEW ZEALAND POLICIES AND ACTIONS TAKEN WITH REGARD TO CUBA

REF: STATE 135512

Classified By: ACTING DEPUTY CHIEF OF MISSION, TIMOTHY P. ZUNIGA-BROWN, FOR REASONS 1.5(B,D)

1. (C) The Government of New Zealand formalized diplomatic relations with Cuba in 2001, with their Ambassador resident in Mexico City accredited to Havana. According to Mike Shaw, Americas Division, New Zealand Ministry of Foreign Affairs and Trade, the GoNZ uses meetings with Cuban officials to "express its concern over the human rights situation in Cuba, and encourage moves towards democratization and the promotion of human rights. These include the proper treatment of those who hold political views in opposition to the Cuban government." This is consistent with the GoNZ's policy of engagement with states that have poor human rights records. Post is unaware of any NZ entity or nationals who would be subject to Title III of the LIBERTAD Act. The GoNZ would strenuously object to any effort to apply Title III to a NZ national or entity on extraterritoriality grounds. The GoNZ is strongly supportive of U.S. positions re Cuba's human rights record, and use of Title III would jeopardize continued good-faith cooperation.

2. (SBU) Economically, Cuba was New Zealand's 40th largest trading partner in calendar year 2003, with exports to Cuba at NZ\$68 million (USD42.1 million,) and imports at NZ\$934,000 (USD579,000.) 97 percent of these exports were in the dairy sector, specifically milk powder.  
Swindells

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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000591

SIPDIS

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NSC FOR GREEN, JONES

E.O. 12958: DECL: 07/11/2014...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000591

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 07/11/2014  
TAGS: PGOV, PREL, NZ  
SUBJECT: NZ OPPOSITION NATIONAL PARTY CONFERENCE - WHAT A DIFFERENCE A YEAR MAKES

REF: A. WELLINGTON 539 (NATS BACK AWAY FROM PRE-ELECTION CHANGE)  
B. WELLINGTON 89 (OPPOSITION BLASTS RACIAL POLICIES)  
C. 03 WELLINGTON 713 (STILL STRUGGLING OVER LEADERSHIP)

Classified By: POLITICAL AND ECONOMIC COUNSELOR,  
TIMOTHY P. ZUNIGA-BROWN FOR REASONS 1.5(B, D)

1. (C) Summary: New Zealand's largest opposition party, National, held an up-beat, almost giddy, Annual Conference July 9-11. Polling slightly ahead of the ruling Labour government, conference delegates expressed confidence in winning the 2005 election. In contrast to the festive atmosphere, Nat Party leader Brash - a former Reserve Bank chief - cautioned conference delegates to avoid complacency. The National Conference studiously avoided any public discussion of NZ's anti-nuclear legislation; foreign policy and defense issues did not appear on the formal agenda. While National's standing in the polls (around 42 percent) has resulted in increased membership and a growing belief in the possibility of a 2005 win, National's leadership remains nervous. End summary.

Cohesion, Stability, Policy  
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2. (C) New Zealand's largest opposition parliamentary party, National, held its Annual Conference in Auckland July 9-11. In sharp contrast to the 2003 conference (ref C), when National was polling at half of this year's level, the conference was attended by almost 600 enthusiastic delegates, who expressed confidence in winning the 2005 election. A rock'n'roll version of the National Anthem, a rousing speech by controversial Auckland Mayor John Banks (a former National Party Minister), and a taped video appearance by Australian Prime Minister John Howard reflected this optimism. Pragmatically, the true focus of the agenda was on explaining the candidate selection process, policy development and campaign planning. The agenda was carefully designed to display the Party cohesion -- which had been missing in the aftermath of the Nat's disastrous 2002 election. The conference highlighted National's core policies and served as a showcase for up-and-coming talent from the pool of current MPs. Associate Finance Minister John Key and Welfare Spokeswoman Katherine Rich were standouts, delivering strong speeches despite their relative newness to politics. Opposition leader Don Brash was in high demand, managing to appear not only at the speeches, but at coffees and breakfasts, eagerly searching out recommendations for ways to broaden the Party's appeal.

Caution ) Danger Ahead  
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3. (C) In contrast to the festive atmosphere, the personally somber Brash - a former Reserve Bank head - delivered a "very sobering message," asking delegates to work doubly hard to avoid looking back on a scrap-book of temporary polling successes.8 A Conference theme admonished Nat leaders to



resist the urge to gloat and to focus on the rough campaign ahead. National is polling in the mid-40 percent range - roughly parallel to the Labour Government. Internal party polls show that policy issues yet to be raised by Don Brash in the lead up to 2005 elections (welfare, education, and economic development) were unlikely to give the Nats the kind of broad popular boost in the polls that followed Brash's recent speech on race on race relations (ref b). In a shift from the policies pursued in the 2002 election, where National tried to appeal to center-left voters, the Conference hammered home the catchphrases of the center-right ) all major policy speeches emphasized the importance of personal responsibility, the paramount importance of the nuclear family and the necessity of tax cuts and support for employers.

Don't Rock the (Nuclear) Boat  
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4. (C) The National Conference studiously avoided any public discussion of NZ's anti-nuclear legislation; foreign policy and defense issues did not appear on the formal agenda. In a closed session on Party polling, Nat Party leaders pointed to a serious dip in public support for National's defense policy following the release of an internal party report (Creech Commission report) that recommended changing NZ's anti-nuclear legislation. The polls rose following Brash's announcement (ref A) that any changes to the legislation would be taken to a referendum after the 2005 election. A breakfast meeting billed as a discussion of the Creech Commission report was instead a broad discussion of reforms needed to improve the New Zealand Defence Force. Nat Party staffers noted that the speaker had been asked to pull back from the nuke issue in fear that it could overshadow media coverage of the Conference.

Comment  
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5. (C) National's rise in the polls from the 20s to the 40s has resulted in increased membership and a growing belief within the party that they just might win in 2005. However, National's leadership remains nervous, wary that a single misstep or misread of public support could plunge the party back into the doldrums. National's surge in the polls is largely due to Don Brash and his reputation as a political outsider. Equally, National's caucus is largely inexperienced and its candidate talent pool is not very deep. Still, National under Don Brash has transformed itself - at least for now - into a viable contender.  
Swindells

date:2004-07-13T04:34:00  
source:Embassy Wellington  
origin:04WELLINGTON596  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:01WELLINGTON798|03WELLINGTON1191|03WELLINGTON1273|04AUCKLAND118  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000596

SIPDIS

STATE PASS USTR FOR BWEISEL  
STATE PASS FDA FOR OFFICE OF INTERNATIONAL...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000596

SIPDIS

STATE PASS USTR FOR BWEISEL  
STATE PASS FDA FOR OFFICE OF INTERNATIONAL PROGRAMS/WALTER  
BATTS AND JULIA HO  
STATE FOR EAP/ANP AND EB/TPP/BTA/ANA  
COMMERCE FOR 4530/ITA/MAC/AP/OSAO/GPAINE

E.O. 12958: DECL: 07/12/2014  
TAGS: ETRD, NZ  
SUBJECT: NEW ZEALAND-AUSTRALIA REGULATORY AGENCY TO RAISE  
INDUSTRY'S COSTS

REF: A. AUCKLAND 118  
B. 03 WELLINGTON 1273  
C. 03 WELLINGTON 1191  
D. 01 WELLINGTON 798

(U) Classified by DCM David R. Burnett. Reasons: 1.5 (b) and (d).

1. (C) Summary: U.S. makers of medical devices and dietary and nutritional supplements face the prospect of additional regulatory costs to enter the New Zealand market -- but perhaps not as high as the industry had feared. An Australian-New Zealand authority to regulate therapeutic products in both countries probably will accept U.S. certification of products, and not just European certification, as the industry had expected. On the other hand, the agency will aim to recover all regulatory costs from the industry. Representatives of U.S. manufacturers fear such costs could drive many of their products out of the New Zealand market.

2. (U) Meanwhile, the pharmaceutical industry has endorsed the joint authority, while worrying that the agency will ban direct-to-consumer advertising. Such advertising has helped a number of pharmaceutical companies to boost sales of unsubsidized medicines in New Zealand. It has provided one of the few means available in a highly restricted market for pharmaceutical manufacturers to build sales for products that consumers pay for entirely out of pocket. End summary.

New regulation  
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3. (U) The Australian and New Zealand health ministers signed a treaty December 10 to set up a trans-Tasman agency to regulate therapeutic products, including medical devices, prescription and over-the-counter medicines, dietary and nutritional supplements, and cosmetics and toiletries (ref B). When the agency opens its doors in July 2005, it will replace the Australian Therapeutic Goods Administration (TGA) and the New Zealand Medicines and Medical Devices Safety Authority (Medsafe). Both governments are jointly working to establish a framework for the agency and instructions for any

necessary legislation.

4. (U) For New Zealand, the agency offered a solution to a long-acknowledged deficiency. Medical devices and health-care products have been virtually unregulated in the country. Medsafe does evaluate pharmaceuticals before allowing them on the market. An adviser to the health ministers suggested the cost to New Zealand of participating in the joint agency would be less than if it had tried on its own to extend its regulatory authority to devices and other non-drug medical products.

Higher costs

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5. (C) Nonetheless, the adviser, Selwyn Katene, acknowledged that New Zealand's regulatory costs would increase significantly under the joint agency. For example, the number of New Zealand-based staff members needed by the new agency would be at least double the 35 people who now staff Medsafe. Moreover, Katene noted that all the agency's costs would be passed on to the industry. Fees for registering products would be set to recover the costs of regulation, although Katene said his government recognizes it may need to phase in such fees to alleviate the pain to industry. But with regulation over non-drug products, Katene said, "the industry's halcyon days are over." Many distributors of medical devices and complementary goods expect the higher fees to harm their sales in New Zealand (ref C). They advocate setting fees according to the size of the product's market, with Australia's population being five times that of New Zealand.

6. (C) The joint authority initially had intended to require additional documentation and possibly a quality-control audit for products that do not have European certification yet have U.S. Food and Drug Administration (FDA) approval. However, Katene -- who asked that his comments July 9 not be shared with industry -- said New Zealand Minister of Health King had decided that requiring two certification processes was unreasonable.

7. (C) That decision should greatly relieve representatives of U.S. medical-device manufacturers, who have argued that additional certification would increase the cost and time for marketing their products. A number of representatives met with King on June 25 and -- according to Katene -- influenced her thinking on the issue. Katene, a New Zealander, serves as secretary to the joint agency's ministerial council, which is composed of the two health ministers. They will appoint the agency's five governing board members.

Advertising's future

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8. (C) On June 17, the Researched Medicines Industry Association of New Zealand (RMI) -- the pharmaceutical industry association -- announced in a news release its support of the joint agency. Lesley Clarke, RMI's chief executive, said July 9 that the association had long backed the concept of a joint authority, since it would provide one point of entry for pharmaceutical companies to both Australia and New Zealand. RMI issued the news release to bolster

parliamentary support for the agency, after the media reported that the agency's compliance requirements could put medical-device and complementary-goods companies out of business.

9. (C) However, the pharmaceutical industry worries that the new agency could mean an end to its ability to advertise its unsubsidized prescription medicines directly to New Zealand consumers (ref A). Australia allows only disease-based, awareness-building advertising, with no mention of product names. Some pharmaceutical companies have built a significant private purchase market in New Zealand -- in one case, as much as one-third of its sales -- as a way to counter the limits of a system of government-subsidized sales.

10. (C) On that issue, Katene would say only that Minister King had been instructed by the cabinet to "harmonize" with Australia and that a decision for or against direct-to-consumer advertising had not been made. "Harmonization" generally has been thought to refer to New Zealand's adopting the Australian rules, with Australia seeing no need to change.

11. (C) Clarke said that, other than Minister King, members of Parliament are supportive of or ambivalent about direct-to-consumer advertising. Only Minister King appears to be adamantly against it, joining a small doctors' group -- and no consumer groups -- that advocates a ban. Clarke predicted that such advertising would continue to be allowed, with a ban requiring the repeal of existing law and with Minister King lacking her colleagues' support.

12. (C) Comment: Allowing FDA certification would remove one potentially discriminatory barrier to U.S. products. Post remains concerned, however, about the potential decline in sales of U.S. medical devices and other therapeutic products due to anticipated higher regulatory costs and about the possibility that pharmaceutical companies -- already constrained by New Zealand government policy -- would lose their ability to generate private sales through advertising. Post hopes these concerns could be conveyed in the Trade and Investment Framework Agreement talks with New Zealand scheduled for July 20.  
Swindells

date:2004-07-15T03:22:00  
source:Embassy Wellington  
origin:04WELLINGTON599  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04STATE152014  
 C O N F I D E N T I A L WELLINGTON 000599

SIPDIS

DEPT FOR EAP/ANP,

E.O. 12958: DECL: 07/13/2014

TAGS: PREL, NZ, UNGA  
SUBJECT: NEW Z...  
▼C O N F I D E N T I A L WELLINGTON 000599

SIPDIS

DEPT FOR EAP/ANP,

E.O. 12958: DECL: 07/13/2014  
TAGS: PREL, NZ, UNGA  
SUBJECT: NEW ZEALAND RESPONSE ON ICJ ADVISORY OPINION ON  
ISRAELI SECURITY BARRIER

REF: STATE 152014

Classified By: POLITICAL AND ECONOMIC COUNSELOR  
TIMOTHY ZUNIGA-BROWN, FOR REASONS 1.5(B,D)

1. (SBU/NF) Post delivered reftel demarche to Moira Turley, Middle East and Africa Division, New Zealand Ministry of Foreign Affairs and Trade (MFAT.) Despite strong support for the U.S. position, Turley stated that the GoNZ is deferring a final decision on its vote until it has seen the final text of the UNGA resolution. Turley noted that the GoNZ agreed that the issue should not have been referred to the ICJ, and had publicly called for Israel to cease construction of the wall and return to the negotiating table. Turley referred to a statement by New Zealand Foreign Affairs Minister Phil Goff, which noted that the wall is a barrier to the concept of a two-state solution, and impeded the right of the Palestinians to self-determination. In his statement, Goff took the opportunity to call for the implementation of the Roadmap promoted by the U.S., UN, EU and Russia-- which New Zealand fully supports.

2. (U) Begin Text of NZ FM Goff statement:

Hon. Phil Goff  
Minister of Foreign Affairs and Trade  
Media Statement  
10 July 2004

New Zealand has welcomed a strong ruling by the International Court of Justice that Israel's West bank barrier is illegal and that construction of it should be stopped immediately.

Foreign Minister Phil Goff said the International Court, by an overwhelming 14-1 majority, had found that the barrier's construction was tantamount to annexation<sup>8</sup> and impeded the Palestinians, right to self-determination.

<sup>8</sup>This decision comes on top of a recent Israeli High Court decision requiring the Israeli Defence Force to look again at the route of part of the wall,<sup>8</sup> Mr. Goff said.

<sup>8</sup>Israel needs to take serious note of the court's ruling, and of international opinion. While it has a valid right to protect its people from suicide bombings, the construction of any wall should be on its legal 1967 border.

<sup>8</sup>A combination of the wall built deep into occupied

territory and the continued building of Israeli settlements on land it does not have rights to under international law, makes Israel's action look like de facto annexation.

&I have personally seen the impact that the wall has had on Palestinian people; isolating towns, separating farmers from their land, and dividing families.

&Even the Israeli High Court has ruled that the hardships experienced by Palestinians because of the wall were disproportionate to any benefit Israeli received through protection of its citizens.

&The wall is a barrier to the concept of a two-state solution and to implementing the Roadmap promoted by the United States, United Nations, European Union and Russia, which New Zealand supports

&New Zealand reiterates its own call for Israel to cease construction of the wall, in line with the International Court's ruling. Both sides must come back to the negotiating table, which is the only path for achieving a sustainable peace,8 Mr. Goff said.

End text.

3. (C/NF) Comment: Although the GoNZ agrees that the focus should remain on the Roadmap as a means to a peaceful settlement, it is unlikely to convert from an abstention to a no vote. The GoNZ prides itself on its multi-lateral credentials and increasingly looks to the NAM for cover. On this as on other issues, the GoNZ will likely see converting to a no vote as undermining NZ's ability to work with a "broad range" of parties (read NAM) in the UN.  
Swindells

date:2004-07-19T23:29:00  
source:Embassy Wellington  
origin:04WELLINGTON613  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L WELLINGTON 000613

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 07/18/2014  
TAGS: PGOV, PRE...  
▼ C O N F I D E N T I A L WELLINGTON 000613

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 07/18/2014

TAGS: PGOV, PREL, PARM, NZ  
SUBJECT: NEW ZEALAND: WHAT NUCLEAR ISSUE? PM CLARK  
PUBLICLY CITES MEETINGS WITH PRESIDENT AND MIL-MIL  
INTERACTION AS SIGN NUKE ISSUE IS FADING

Classified By: DEPUTY CHIEF OF MISSION, DAVID R. BURNETT,  
FOR REASONS 1.5(B,D)

1. (SBU) In comments about the US-New Zealand relationship, NZ Prime Minister Helen Clark told Australia's ABC radio July 8 "I must say that I personally have met George Bush a number of times and consider the personal relationship between us to be very good." Making a direct link between those meetings and NZ's anti-nuclear stance, PM Clark added that she was "optimistic that over time what happened over 20 years ago will be of less and less relevance to these relationships." Clark went on to say that the world had moved on from the ANZUS agreement of 1951, and signaled her belief that NZ would not gain from reinstating the Alliance, which the US suspended in 1987 in response to the GoNZ's anti-nuclear legislation. Blaming the USG for having made NZ's anti-nuclear legislation "a problem" between the two nations and noting that NZ was "absolutely entitled" to make its nuclear-free stand, Clark went on to state that overall, NZ's nuclear stance did not impinge upon "practical" mil-mil interaction between the US and New Zealand, citing GoNZ participation in Operation Enduring Freedom as an example. She did concede, however, that her government's anti-nuclear legislation caused "a generic problem when it comes to (military) training."

2. (C) Comment: PM Clark's statements are about as close and as blunt as she's ever come to confessing something this post has long observed - that the GoNZ has convinced itself that naturally friendly but incidental meetings between POTUS and Clark, together with the inevitably increased mil-mil operations tempo due to NZ's OEF and Iraq contributions, is proof that GoNZ policies are wearing down USG resolve on the nuclear issue. We further note that PM Clark is apparently much more willing to highlight her excellent relations with President Bush when speaking to an Australian audience than to domestic Kiwi audiences.  
Swindells

date:2004-07-26T05:57:00  
source:Embassy Wellington  
origin:04WELLINGTON632  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
 CONFIDENTIAL SECTION 01 OF 02 WELLINGTON 000632

SIPDIS

DEPT FOR EAP/ANP, EAP/PD  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 07...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000632

SIPDIS

DEPT FOR EAP/ANP, EAP/PD  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 07/25/2014

TAGS: PGOV, PREL, PARM, MNUC, PINR, NZ

SUBJECT: NEW ZEALAND PRIME MINISTER REITERATES VIEW THAT  
NUCLEAR RIFT IS "FINISHED BUSINESS"

Classified By: Political and Economic Counselor,  
Timothy Zuniga-Brown, FOR REASONS 1.5(B,D)

1. (SBU/NF) Summary: New Zealand Prime Minister Helen Clark reiterated her position on NZ's anti-nuclear policy in comments to local media July 25: "I'm not looking for compromises. I'm perfectly satisfied with the policy. As far as I am concerned, (the US-NZ nuclear dispute) is finished business." The PM's comments were made in response to questions posed by a respected national reporter following backgrounders by Embassy Wellington. The resulting well-balanced articles belied the Prime Minister's claims that the issue is "finished business." The articles addressed a number of issues that Post has highlighted both publicly and privately in recent months ) the uncounted cost of NZ's policies and the increasing irrelevance of the legislation in a Post-Cold War security environment. The weekend press coverage continues a welcome internal nation-wide dialogue on the nuclear issue. End summary.

"It is finished business" - or is it?  
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2. (SBU) Following on series of backgrounders by Embassy Wellington, respected Sunday Star-Times reporter Jonathan Milne wrote a series of well-balanced articles July 25 that addressed a number of points on the nuclear issues that Post has highlighted both publicly and privately in recent months ) the uncounted cost of New Zealand's policies and the increasing irrelevance of the legislation in a Post-Cold War security environment. Milne pointed to the decision to base U.S. Coastguard icebreakers in Hobart, Australia, the loss of business opportunities for businesses that refit military equipment, the loss of US training opportunities for the NZ Defence Force and the subsequent higher price paid for military training and hardware as evidence that the legislation is not cost-free to NZ. He noted further that the reputed trade and tourism benefit of NZ's vaunted nuclear-free image has never been quantified. A second article focused on the financial benefits accrued by Townsville, Australia. The article noted that while Townsville previously designated itself a "nuclear-free zone" in the 1980s, it now welcomes American ship visits and has added millions of dollars to its local economy as a result.

3. (SBU/NF) Prime Minister Helen Clark is quoted by Milne as responding to his story by flatly stating "I'm not looking for compromises. I'm perfectly satisfied with the policy."



As far as I am concerned, (the US-NZ nuclear dispute) is finished business." Clark further stressed her view that the US-NZ nuclear problem is increasingly "irrelevant," and solely due to the USG's stubborn adherence to its "neither confirm nor deny" policy. She goes on to note that the nuclear-free legislation is an issue that "New Zealand and America have put to the side for 20 years." Milne's conclusion is that neither the GoNZ nor the USG are willing to compromise further to solve the impasse created by NZ's adoption of anti-nuclear legislation that resulted in a ban on visits by USG military vessels to New Zealand.

4. (SBU/NF) Milne's third article, appearing under the misleading title "US makes nukes blunder," revealed an incident in December 2003 when the US Army landing craft USS Great Bridge sought permission for a USD 1.4 million refit in a New Zealand dockyard. After being reminded of the USG ban on military ship visits, the vessel was redirected to Australia. Milne reports that the GoNZ apparently was not aware of any intended visit and claimed it had not been notified by the USG of the specific incident. Milne's article posited that the USG lost a chance to break the 20-year diplomatic stalemate, noting that PM Clark claimed it was highly likely that a request for such a refit would have been approved once it was determined that the ship fit NZ's anti-nuclear legislation.

COMMENT: (Un)Finished Business?

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5. (C) PM Clark's comments confirm that she is not only comfortable with her government's stance on the nuclear dispute with the USG, but that she also firmly wishes that it will just go away. That a leading Kiwi reporter can write a well-balanced series of stories in one of New Zealand's leading newspapers suggests the issue is not as "finished" as the PM would like it to be. The series of articles continues a surprising but welcome internal discussion among New Zealanders that has been going on for nearly two years. Still, the Prime Minister's statements reaffirm post's view on the need for all US agencies to reinforce USG policy with New Zealand government interlocutors - both civilian and military.  
Swindells

date:2004-07-28T22:16:00  
source:Embassy Wellington  
origin:04WELLINGTON641  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04STATE161899  
 C O N F I D E N T I A L WELLINGTON 000641

SIPDIS

DEPT FOR EAP/ANP AND PM/RSAT

E.O. 12958: DECL: 07/30/2014  
TAGS: PREL, OPDC, MOPS, M..

▼ C O N F I D E N T I A L WELLINGTON 000641

SIPDIS

DEPT FOR EAP/ANP AND PM/RSAT

E.O. 12958: DECL: 07/30/2014

TAGS: PREL, OPDC, MOPS, MARR, IZ, NZ

SUBJECT: NEW ZEALAND PRIME MINISTER AND FOREIGN MINISTER  
MAKE HELPFUL STATEMENTS RE HOSTAGE-TAKING IN IRAQ

REF: STATE 161899

Classified By: Pol/Econ Counselor, Timothy Zuniga-Brown, for reasons 1.  
5 (B/D)

1. (C) Post delivered reftel talking points and statement to the GNZ, but was careful to acknowledge the GNZ's clearly stated position that New Zealand is NOT/NOT a member of the Coalition. New Zealand has consistently indicated that the presence of 61 NZ military engineers in Basra is in fulfillment of its responsibilities as a UN member to UN Security Council resolutions (including 1483).

2. (U) New Zealand Prime Minister Helen Clark implicitly criticized the Philippine government July 27 for withdrawing its contingent from Iraq after one of its citizens was taken hostage. PM Clark told local media July 27 that "if you allow yourself to be pushed around like that, you simply invite hostage-taking." Clark noted that she had consistently told New Zealanders that if they went to Iraq and were kidnapped the GNZ would not help them.

3. (U) NZ Foreign Minister Phil Goff told local media that giving in to hostage-takers' demands only made kidnappings more likely. Goff said he could "understand the angst the Philippine government felt, but it's a matter of long practice and common sense that, when the demands of terrorists are acceded to, then their activities are encouraged, not diminished." He added that if a New Zealander were held hostage, the GNZ would do all it could to negotiate for the hostage's well being but would not bow to terrorist demands. Goff pointed out that "if the consequences are, in saving one life, that it results in the loss of dozens of other lives, then that clearly was not the right decision to take." Goff made similar remarks to the media at a recent joint press event with Australian Foreign Minister Downer.  
Swindells

date:2004-08-02T05:20:00

source:Embassy Wellington

origin:04WELLINGTON652

destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.

classification:SECRET

reference:04STATE165043|04WELLINGTON648

□ S E C R E T WELLINGTON 000652

SIPDIS

DEPT FOR EAP/ANP,

E.O. 12958: DECL: 08/01/2014  
TAGS: PREL, OPDC, MOPS, MARR, NZ  
SUBJECT: NEW Z...  
▼S E C R E T WELLINGTON 000652

SIPDIS

DEPT FOR EAP/ANP,

E.O. 12958: DECL: 08/01/2014  
TAGS: PREL, OPDC, MOPS, MARR, NZ  
SUBJECT: NEW ZEALAND POSITION ON RELEASING THE COALITION  
STATEMENT ON TERRORISM

REF: A. STATE 165043  
B. WELLINGTON 648

Classified By: POLITICAL AND ECONOMIC COUNSELOR TIMOTHY P. ZUNIGA-BROWN  
,  
FOR REASONS 1.5(B,D)

(C) The GoNZ does not object to the release of the Multinational Force (MNF) Statement on Terrorism as written ref A. Bronwyn Evans-Kent, Security Policy Division, New Zealand Ministry of Foreign Affairs and Trade (MFAT), noted that the document was still being circulated among MFAT divisions, but no objections were anticipated. Should there be any concerns over specific language, these would be provided to Washington by COB August 2. She referred to strong public statements by the NZ Prime Minister and Foreign Minister (ref B) regarding NZ's policy of not making concessions to terrorists. Evans-Kent also reiterated that the GoNZ is not engaged in Iraq as part of the Coalition, and preferred the Statement on Terrorism with the MNF moniker. Swindells

date:2004-08-04T23:18:00  
source:Embassy Wellington  
origin:04WELLINGTON662  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:04STATE138636  
□S E C R E T WELLINGTON 000662

SIPDIS

STATE FOR HR/RMA/CSEP (LOWENGART) AND EAP/EX (MITCHELL)  
CANBERRA FOR SUSLOC

E.O. 12958: DECL: 0...  
▼S E C R E T WELLINGTON 000662

SIPDIS

STATE FOR HR/RMA/CSEP (LOWENGART) AND EAP/EX (MITCHELL)

CANBERRA FOR SUSLOC

E.O. 12958: DECL: 08/04/2014

TAGS: APER, AMGT, NZ

SUBJECT: (U) NSDD-38 REQUEST FOR NEW POSITION IN WELLINGTON

REF: STATE 138636

Classified By: AMB. CHARLES J. SWINDELLS FOR REASON 1.5 (C).

1. (S) The National Security Agency (NSA) has requested a new, permanent position in Wellington attached to, but not residing at, the Embassy (reftel) - a Deputy Special U.S. Liaison Officer. Based on a thorough review of the policy and resource implications of this request, the Ambassador recommends that the State Department approve this request. He believes that the potential benefits of the new position -- in terms of closer signals intelligence cooperation with New Zealand -- far outweigh the additional administrative burden it will place on the Embassy.
2. (S) The Ambassador's recommendation reflects the following analysis. The new position will advance US interests in New Zealand by improving liaison and cooperation on vital signals intelligence matters. This is an area where the US and NZ already work together closely and profitably, and continuing to build and expand that relationship clearly stands to benefit both countries. This is especially true in the post-September 11 environment, where NZ sigint capabilities significantly enhance our common efforts to combat terrorism in the region and the world. The Embassy already has a close working relationship with the NZ Government Communications Security Bureau (GCSB) that will be enhanced by the establishment of this new position. Embassy also has an understanding with NSA that the new position will cover Congressionally mandated information security requirements that neither the Defense Attache Office nor our State officers have the technical expertise to undertake.
3. (S) On administrative matters, the GCSB will provide the new NSA officer with office space; office furniture; computer, telephone and other equipment and supplies. NSA will fully fund the position and will pay for housing and purchase all residential furnishings directly. NSA will contract with the Embassy for the following ICASS services: Basic Package; Community Liaison Office services; Financial Management Services (medium level support); General Services (low level support); and Short-Term Residential Lease Building Operations. As a result of these arrangements, the resource impact of the new position on this Special Embassy Program post will be minimized, and can be fully absorbed within post's current ICASS system.
4. (S) Based on the scenario above, there should be no start-up costs associated with this new position. Using Embassy's FY 2004 service costs as a base, the total annual estimated cost of providing ICASS services is USD 23,649.
5. (S) Embassy recommends that Washington agencies determine the appropriate level and type of accreditation for this new position.

Swindells

date:2004-08-05T05:06:00  
source:Embassy Wellington  
origin:04WELLINGTON669  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04WELLINGTON599  
☐ C O N F I D E N T I A L WELLINGTON 000669

SIPDIS

STATE FOR EAP/ANP  
NSC FOR CHUCK JONES

E.O. 12958: DECL: 08/05/2014  
TAGS: PREL, NZ ...  
▼ C O N F I D E N T I A L WELLINGTON 000669

SIPDIS

STATE FOR EAP/ANP  
NSC FOR CHUCK JONES

E.O. 12958: DECL: 08/05/2014  
TAGS: PREL, NZ  
SUBJECT: AMBASSADOR PRESSES PM CLARK ON IRAN NUCLEAR ISSUE

REF: WELLINGTON 599

Classified By: Ambassador Charles J. Swindells, Reasons 1.5 (B and D)

1. (SBU) Ambassador Swindells met with New Zealand Prime Minister Helen Clark on August 3 to touch base on a number of issues. DCM accompanied as notetaker. The PM was backed by acting Senior Policy Advisor Brook Barrington and Americas Division Director (A/S equivalent) Roy Ferguson.

2. (C) The Ambassador noted the number of questions he had been taking from university and civic group audiences on Iran's nuclear program and pointed to recent press articles highlighting growing concern in New Zealand on the subject. He explained to the PM that the United States remains very concerned as well, and has been looking to the international community to step up and provide leadership. He applauded New Zealand's recently announced commitments to the Proliferation Security Initiative and the G-8 Global Partnership, and wondered what role the GONZ saw for itself on Iran. PM Clark replied that New Zealand shared USG concern over developments in the Iran nuclear program, and was looking at how best to bring effective pressure to bear on the Iranians. She said New Zealand had hoped the European effort would bear fruit, but the Europeans had been disappointed by Iran's subterfuge and hard-line response. Clark said the Iranian Foreign Minister would be in New Zealand August 23-24, adding that she would use the occasion to deliver "a very strong message." (Comment: The PM did

not reveal what other steps New Zealand might take to show leadership on this crucial non-proliferation issue (see reftel). End Comment.)

3. (U) The Ambassador updated the PM on his fund-raising efforts for the Platinum Triangle Scholarship Program under the auspices of Fulbright New Zealand, and thanked her for the GONZ's funding contribution. Clark said she was pleased to see the private sector response to the new scholarship, was delighted with the Embassy's initiative in getting the program going and was happy to have made a contribution. She suggested that the program be announced before the end of August, and offered to participate in the roll-out. The Ambassador said that timing would be perfect, and suggested that it be followed up in January-February, 2005 by a photo opportunity and meeting with as many of the private sector participants as possible. The PM said she would be in New Zealand during that timeframe and agreed it would be good to highlight the public-private nature of the scholarship program. The Ambassador informed the PM that he expected the first scholarship recipient to be named in April, 2005.

4. (C) The Ambassador and PM discussed the upcoming Pacific Islands Forum meeting in Apia. Ambassador Swindells congratulated PM Clark for the hard, but effective, work New Zealand had done in setting up the PIF secretariat and giving governance issues top priority. The PM said New Zealand had done its best to contribute to progress in the South Pacific, adding that it would now be up to the secretariat to keep momentum. She expressed concern that secretariat head Greg Urwin had "seemed pretty quiet lately." Clark said she looked forward to meeting with Assistant Secretary Kelly in Apia.

5. (C) On the margins of the meeting, We passed a copy of the MNF Counterterrorism language to policy advisor Barrington, since he was preparing a briefing paper on the issue for the NZ Cabinet. We noted that in light of New Zealand's previously strong public reaction to the Philippines' pull-out from Iraq, our expectation was that New Zealand would strongly support our message. Barrington agreed that it would look like a climb-down if the GONZ did not publicly support us on this. (Comment: Foreign Minister Goff issued a statement the following day supporting the MNF language (septel). End Comment.)

Swindells

date:2004-08-05T20:45:00  
source:Embassy Wellington  
origin:04WELLINGTON671  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04STATE167045|04WELLINGTON641|04WELLINGTON652  
☐ C O N F I D E N T I A L WELLINGTON 000671

SIPDIS

DEPT FOR EAP/ANP AND PM/RSAT

E.O. 12958: DECL: 08/04/2014  
TAGS: PREL, OPDC, MOPS, M...  
▼C O N F I D E N T I A L WELLINGTON 000671

SIPDIS

DEPT FOR EAP/ANP AND PM/RSAT

E.O. 12958: DECL: 08/04/2014  
TAGS: PREL, OPDC, MOPS, MARR, IZ, NZ  
SUBJECT: NEW ZEALAND CONDEMNS TERRORISM, HOSTAGE TAKING IN  
IRAQ -- BUT KEEPS ITS DISTANCE FROM USG ON IRAQ

REF: A. STATE 167045  
B. WELLINGTON 641 (NOTAL)  
C. WELLINGTON 652 (NOTAL)

Classified By: Pol/Economic Counselor,  
Timothy Zuniga-Brown, for reasons 1.5(B,D)

1. (U) The GoNZ issued a press statement August 5 in support of the Multinational Force Iraq Statement on Terrorism (ref a). Foreign Minister Phil Goff reiterated statements condemning hostage takers (ref b) and affirming the GoNZ's pledge not to negotiate with terrorists.

2. (U) Begin Text:

Press Release by New Zealand Government at 05 Aug 2004

Foreign Minister Phil Goff today reiterated New Zealand's condemnation of on-going terrorist attacks in Iraq as brutal and pointless.

Mr. Goff's comments support a statement by the Multinational Force condemning terrorist activities in Iraq and calling on countries not to bow to terrorists, demands.

"New Zealand did not support the military invasion of Iraq. However it strongly backs the United Nations-mandated political process now under way as restoring to Iraqis the power to determine their own future," Mr. Goff said.

"Terrorist attacks by dissident and foreign elements are mainly victimizing Iraqi people and standing in the way of self-determination and improved social and economic conditions.

"New Zealand also utterly condemns the taking and killing of hostages. We sympathize with the appalling situation faced by government whose citizens are taken hostage and threatened with execution unless terrorist demands are met.

"However we have stated firmly that giving in to such demands increases the probability of others being taken hostage and killed.

"I can only repeat the warnings we have issued to New Zealanders traveling to or in Iraq. The situation there is so dangerous that it does not justify the risk.

"If New Zealanders get into trouble in Iraq there is little the government can do to assist. We could not meet the conditions likely to be demanded to secure the release of any New Zealander held hostage there.

"Our message is clear ) New Zealanders should not go to Iraq, and those who are there should leave," Mr. Goff said.

End text.

3. (C) Comment: While on record as supporting the general principles expressed in the MNF Statement (ref b), the GoNZ struggled over whether it should publicly support the USG's announcement. Both the Prime Minister's office and the Ministry of Foreign Affairs and Trade (MFAT) expressed concern (ref c) over the logistics on the MNF Statement, specifically whether or not a list of supporting countries would be attached to the Statement. MFAT representatives repeatedly referred to the GoNZ's clearly stated position that New Zealand is NOT/NOT a member of the Coalition, stating that the presence of 61 NZ military engineers in Basra is in fulfillment of its responsibilities as a UN member to UN Security Council resolutions (including 1483). While we should privately note the GoNZ ultimately did issue a concurrent statement supportive of our MNF stance, we should also fully note FM Goff's pointed reference to New Zealand's opposition to the invasion of Iraq and that the GoNZ has no desire to be associated with USG actions in Iraq.

4. (U) Minimize considered.  
Swindells

date:2004-08-29T22:15:00  
source:Embassy Wellington  
origin:04WELLINGTON737  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L WELLINGTON 000737

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 08/30/2014  
TAGS: NZ  
SUBJECT: NEW ZEALAND TAKES ...  
▼ C O N F I D E N T I A L WELLINGTON 000737

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 08/30/2014  
TAGS: NZ  
SUBJECT: NEW ZEALAND TAKES FIRM LINE WITH IRAN FOREIGN  
MINISTER OVER IAEA AND IRAN NUCLEAR PROGRAM



Classified By: Pol/Econ Counselor Tim Zuniga-Brown for reasons 1.5 (B/D ).

Iran's Foreign Minister Seeks "A Fair Hearing"  
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1. (U) Iranian Foreign Minister Kamal Kharrazi visited New Zealand August 23-24 to explain Iran's position in the IAEA. Kharrazi met with Prime Minister Helen Clark, Foreign Minister Phil Goff, Disarmament Minister Marian Hobbs, Communications Minister Paul Swain and Agriculture and Trade Minister Jim Sutton. FM Kharrazi said he decided to visit New Zealand because Iran knew it could count on receiving a "fair hearing" from the Kiwis the lead up to the upcoming Board of Governors (BOG) meeting later in September. NZ Ministry of Foreign Affairs and Trade (MFAT) Deputy Secretary (Under Secretary-equivalent) Rosemary Banks provided select embassy reps a debrief on the Kharrazi visit. Banks noted that in addition to discussions on the IAEA (below), the two sides also held talks on human rights and increased political and economic cooperation through a revamped Joint Ministerial Consultative process.

Kharrazi: "Don't Isolate Us"  
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2. (C) Banks prefaced her comments by noting that New Zealand believed it had influence with Iran as it was "not identified with any particular side," adding that the GNZ would be guided by IAEA reports on Iran and "consensus" views within the IAEA. Banks said Kharrazi repeatedly urged that Iran not be isolated if the international community wanted to achieve its goals with Tehran. At the same time, Kharrazi was also insistent that Iran had a right to develop a nuclear power program that included a fully developed nuclear fuel cycle. Development of a nuclear program was now a matter of "national pride" for Iran, according to Kharrazi, especially within the new Majlis. He further stated that the Majlis was pushing the Iranian government to move more quickly on establishing a full nuclear program. Kharazzi insisted that the suspension of the enrichment program had always been meant to be temporary.

3. (C) An "upbeat" Iranian delegation told the GNZ that it felt Iran had provided "satisfactory" answers to all outstanding questions and no longer expected to be "automatically" placed on future IAEA BOG agendas. The delegation said the current "file" on Iran should be "permanently closed" after the September IAEA meeting. During its meetings with Hobbs and elsewhere, the Iranian delegation had ticked off its list of answers to outstanding questions. For instance, on shielding, the Iranians said this was simply due to an "old French design." On fuel supplies, Iran said Russia had agreed to supply and take back expended fuel, but there had been no agreement on price as yet. On polonium, contamination had occurred before Iran acquired the technology. On laser enrichment, the delegation admitted that Iran had tried various technologies during the period it was under sanctions.

GNZ: Iran Must Abandon Enrichment and Refining Activities  
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4. (C) A senior official of Prime Minister Helen Clark's office informed DCM that the PM had firmly told Kharrazi in their private session that NZ expected Iran to abandon its enrichment and refining activities. PM Clark publicly stated that it was "absolutely critical" that Iran comply with IAEA requests and expressed concern at the length of time it was taking to find out what Iran was "actually doing." Minister Hobbs bluntly told the Iranians in private that the IAEA reports painted a picture of a possible nuclear weapons program. The GNZ told the Iranian delegation that Iran's "IAEA file" would only be closed if Iran's outstanding questions were fully resolved to the satisfaction of the IAEA BOG.  
Swindells

date:2004-09-27T02:39:00  
source:Embassy Wellington  
origin:04WELLINGTON824  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
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☐ C O N F I D E N T I A L WELLINGTON 000824

SIPDIS

DEPT FOR EAP/ANP, NEA/I

E.O. 12958: DECL: 09/26/2014  
TAGS: PREL, PGOV, MOPS, NZ  
SU...  
▼ C O N F I D E N T I A L WELLINGTON 000824

SIPDIS

DEPT FOR EAP/ANP, NEA/I

E.O. 12958: DECL: 09/26/2014  
TAGS: PREL, PGOV, MOPS, NZ  
SUBJECT: NEW ZEALAND TROOPS RETURN FROM IRAQ; NO FUTURE DEPLOYMENTS SCHEDULED

Classified By: POL/ECON COUNSELOR KATHERINE B. HADDA,  
REASON 1.5 (B, D)

1. (C) Summary: New Zealand's 12-month military deployment to Iraq ended September 25, with the homecoming of over 60 engineers and support staff. Prime Minister Helen Clark welcomed the troops, and issued a public statement confirming that no further deployments to Iraq are being considered. While ruling out military assistance, Clark did, however, indicate a willingness to provide additional aid funds, and to look favorably on a request from the UN for one or two military officers to serve in UN headquarters in Baghdad. Post continues to encourage the GoNZ to remain engaged in Iraq, but political and resource constraints virtually ensure

Clark will not go beyond what she has already indicated. End Summary.

NZ Troops Return Home  
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2. (U) New Zealand's 61-person Light Engineer Group was welcomed home September 25 by New Zealand Prime Minister Helen Clark and Defense Minister Mark Burton, ending NZ's military presence in Iraq. The engineers, second 6-month deployment in Basra, Iraq had been hampered in recent weeks by deteriorating security conditions, but Clark stressed that the engineers had not simply waited out their time, but had remained in the hopes of completing more of their planned work.

No Troops, But Financial Aid Possible  
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3. (C) In media interviews Clark has made clear that the GoNZ is not considering sending either military or civilian aid personnel to Iraq, noting that the situation is "too difficult and too dangerous." While ruling out military assistance, Clark has, however, stated publicly a willingness to provide additional aid funds, and to look favorably on a request from the UN for one or two military officers to serve in UN headquarters in Baghdad. (Comment: A senior MOD source told DCM that the New Zealand UN Mission had been instructed to work with the UN to ensure that an "appropriate" invitation would be issued once the UN was ready to return to Iraq. End Comment.) In an interview with NZ media September 26, Iraqi Prime Minister Iyad Allawi emphasized that a secure Iraq would serve as a defense for New Zealand. He listed a number of areas where the GoNZ could assist, including the provision of troops to protect UN agencies, technical assistance or participation in the multinational force.

4. (C) Comment: Clark's insistence that further GoNZ assistance would be either solely financial, or at the behest of the UN is in keeping in tone with earlier comments. She has always studiously refrained from linking NZ's presence in Iraq to the US and the Coalition, and consistently argued that her government's decision to deploy to Iraq was taken in order to support NZ's commitments to the UN and the multilateral system. Despite this, Post continues to emphasize that, under UN auspices or not, the GoNZ needs to remain engaged in Iraq in some capacity. While Clark was adamant that the troops were returning based on a pre-determined schedule (and indeed, they are in need of a rest after a their grueling six-month deployment), domestic pressures have likely played a role. Much of the North Island was damaged by severe storms and flooding in the first half of 2004. Infrastructure repairs have been hampered by a shortage of civil engineers, and the returning troops will fill this critical gap.  
Burnett

source:Embassy Wellington  
origin:04WELLINGTON833  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04STATE195377

□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000833

SIPDIS

DEPT FOR EAP/ANP, OES/OMC  
BANGKOK FOR ESTH

E.O. 12958: DECL: 09/29...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000833

SIPDIS

DEPT FOR EAP/ANP, OES/OMC  
BANGKOK FOR ESTH

E.O. 12958: DECL: 09/29/2014

TAGS: SENV, EFIS, TBIO, ETRD, NZ

SUBJECT: NEW ZEALAND: LUKEWARM RESPONSE TO CITES  
"INTRODUCTION FROM THE SEA" PROPOSAL FOR COP13

REF: STATE 195377

Classified By: POLITICAL AND ECONOMIC COUNSELOR KATHERINE B. HADDA,  
FOR REASONS 1.5 (B,D)

1. (C) Summary: The GoNZ is unlikely to support the U.S. draft resolution that aims to clarify the term "Introduction from the Sea." New Zealand Ministry of Foreign Affairs and Trade (MFAT) interlocutors expressed skepticism that the draft submission as written will address illegal, unregulated and unreported (IUU) fishing. They are also not sure that CITES is an appropriate forum for a discussion of flag state responsibilities. Despite these reservations, the GoNZ would likely support the U.S. proposal if it appeared that a majority of other member states agreed. End summary.

2. (U) Post delivered reftel demarche to the Environment Division of the New Zealand Ministry of Foreign Affairs and Trade (MFAT.) MFAT discussed the U.S. proposal at a September 27 roundtable that included representatives from the Ministry of Environment and Ministry of Fish. On September 28, Poloff discussed the roundtable's views with Emma Kerslake, an Australian Department of Foreign Affairs and Trade official seconded to MFAT's Environment Division, (NB: Kerslake did not attend the roundtable, but was given a read-out to convey to us.)

3. (C) Kerslake noted that the roundtable participants were unclear on the motivation behind the U.S. proposed draft resolution, and asked what specifically the U.S. hopes to achieve by its passage. Kerslake noted that if the desired result was truly a desire to achieve better scientific data collection, there were more effective mechanisms. Poloff responded that the resolution would assist in addressing IUU. While agreeing that IUU is a serious concern for NZ,

Kerslake was skeptical that this proposal would enhance the accuracy of CITES trade data and specimen tracking, believing that a broader catch documentation scheme would be more effective. Kerslake then noted that the proposed resolution would have no impact on the NZ fishing industry, as they do not have any need for IFS certificates ) neither harvesting endangered species nor allowing foreign flagged vessels to use NZ as a port of first landing for Article II species.

Specific Questions

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4. (C) Kerslake highlighted the following specific areas of concern and questions which she said were raised by GoNZ officials at the roundtable:

-- Kerslake said the officials expressed concern over the proposal to allow agreements between the Management Authority of a State of first landing and a flag State, questioning why a flag state would be in a better position to regulate than a landing authority. She acknowledged, however, that it might be valuable for a landing authority to be able to request information from a landing vessel's government.

-- Para. 13: Is CITES the best forum for a discussion of the responsibilities of flag states?

-- Para. 19: Would the landing authority be empowered under the proposal to get this information from the flag state? If so, GONZ agrees this would be an advantage in combating IUU.

-- Para. 21: While applauding the intent, Kerslake noted GONZ reservations at the ability of this resolution to impose on non-party states a determination by a regional or international management organization that a particular landing is detrimental.

We can be convinced

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5. (C) Kerslake noted that the GoNZ would likely support the U.S. proposal if it appeared that a majority of member states agreed. However, should the resolution appear unlikely to be passed, she suggested the U.S. consider proposing as a separate resolution a definition of "in the marine environment not under the jurisdiction of any State." Kerslake said the GoNZ would support this.

Comment

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6. (C) As noted, Kerslake is an employee of the Australian DFAT, and has previously worked on fisheries issues for Australia, although she is not familiar with CITES in particular. She was very forthright during the meeting, and admitted that her interpretation might be more direct than that intended by New Zealand interlocutors. It is likely that the GoNZ delegation in Bangkok will appear to be more conciliatory, and may not couch their concerns in the same language. However, it appears that the GoNZ's skepticism about the need for and the language in the U.S. resolution is

genuine.  
Burnett

date:2004-10-06T19:57:00  
source:Embassy Wellington  
origin:04WELLINGTON844  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000844

SIPDIS

DEPT FOR EAP  
INL FOR ERINDLER  
NSC FOR JONES, GREEN

E.O. 12958: DE..  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000844

SIPDIS

DEPT FOR EAP  
INL FOR ERINDLER  
NSC FOR JONES, GREEN

E.O. 12958: DECL: 10/06/2014  
TAGS: PGOV, PREL, ECON, EFIS, SENV, NZ  
SUBJECT: ASSISTANT SECRETARY JAMES A. KELLY'S AUGUST 8  
MEETING WITH NEW ZEALAND FOREIGN MINISTER PHIL GOFF AT  
PACIFIC ISLANDS FORUM IN APIA, SAMOA

Classified By: POLITICAL AND ECONOMIC COUNSELOR  
KATHERINE B. HADDA, FOR REASONS 1.5(B,D)

1. (U) Summary: Assistant Secretary Kelly, accompanied by Ambassador Swindells, Ed Rindler (INL) and notetaker, met August 8, 2004 with New Zealand Foreign Minister Phil Goff at the Pacific Islands Forum in Apia, Samoa. A/S Kelly and Goff discussed the deteriorating relationship between East Timor and Indonesia, and the possibility of establishing either a UN Commission of Experts or a Truth Commission in East Timor. Kelly thanked Goff for the GoNZ's contributions in Iraq and Afghanistan, urging NZ to consider alternative means of assistance following the withdrawal of NZ military engineers from Iraq in September. Goff noted that the GoNZ had recently committed to an additional 12-month participation in Afghanistan. Goff remarked that he was happy with the progress being made on the U.S.-Australia Free Trade Agreement (FTA,) and that the GoNZ was subduing its lobbying efforts for an FTA until after the U.S. election in November. End Summary.

East Timor  
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2. (C) Talking on human rights, Goff reiterated the GoNZ's

concern over the deteriorating relationship between East Timor and Indonesia. Kelly noted that the USG also had concerns about accountability, pointing to the failure of the Ad Hoc Tribunal For East Timor Indonesian military, as evidenced by the July decision to acquit four Indonesian security guards charged with violence in East Timor in 1999. Goff emphasized that the international community must set a strong precedent for justice, and hold those who committed crimes to account. He favored the establishment of an International Crimes Tribunal for East Timor under UN jurisdiction, but recognized that this was an unlikely outcome, given limited international support for such Tribunals in general. Barring a Tribunal, Goff outlined the Kiwi fallback position - the creation of an East Timor Truth Commission, which would "name and shame" transgressors. He also discussed the possible creation of a UN Commission of Experts (UNCOE.) Kelly agreed that the UN was far more likely to support a Truth Commission than a Tribunal. He added that a UNCOE was a necessary precursor to a Truth Commission, and that both the scope and term of the UNCOE should be limited. He offered to work with the GoNZ on any of these suggestions, especially following the Indonesian election in September. Goff lamented that the inexperience of Yudhoyono's political base made decisive action on justice in East Timor and autonomy in West Papua and Aceh unlikely.

Iraq and Afghanistan

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3. (C) Kelly thanked Goff for the GoNZ's contributions to OIF. He noted that security in the build-up to the UN-led election would remain a substantial problem but that there was now a clear distinction between imported and home-grown fighters, and a growing feeling that Iraq is a sovereign nation. Goff remarked that the 61 New Zealand military engineers serving in Iraq would finish their rotation as scheduled in late September but the GoNZ was willing to leave future options open. He emphasized that although the GoNZ would not leave Iraq in the middle of this critical period, for operational reasons there are no immediate replacements planned for the engineering contingent. Kelly urged Goff to consider additional means of assistance following the withdrawal of NZ military personnel. Kelly also thanked Goff for the NZ-led Provincial Reconstruction Team (PRT) in Bamiyan. Goff pointed out that the GoNZ had reaffirmed their commitment to Afghanistan for a further 12 months. He then noted that voter registration in Afghanistan was going well, with almost 8 million people on the electoral rolls. He expressed concern, however, over President Karzai's ability to control warlords and the drug trade, pointing to the increasing trouble in Bamiyan with poppy production.

PNG

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4. (SBU) Goff, in response to Kelly's query, noted that the Government of Papua New Guinea would need continued pressure to conform to the December 31 deadline for the UN Observer Mission in Bougainville. Goff stated that there is no suggestion of civil war erupting in the country, but the infrastructure there remains inadequate.

Free Trade Agreement  
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5. (C) Goff remarked that he was happy with the progress being made on the U.S.-Australia Free Trade Agreement (FTA.) He noted that NZ Ambassador to the U.S. John Wood was confident of wide support in Congress for a U.S.-NZ FTA, but that the GoNZ was reducing its lobbying efforts until after the U.S. elections. He welcomed any USG assistance in helping with the "psychological impact of investment diversion" from NZ as a result of the U.S.-Australia FTA. Kelly explained to Goff that the loss of fast-track authority in the coming year would have a serious impact on all FTAs, and that a new Trade Promotion Authority would be needed. Goff noted that the GoNZ was pursuing a number of free trade channels, including an ASEAN ) Australia/New Zealand FTA beginning in November.

Attendees  
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6. U.S.:  
A/S Kelly  
Ambassador Swindells  
Ed Rindler  
Dorothy Rogers

New Zealand:  
Foreign Minister Phil Goff  
Amy Steffens, FM's Office  
Rene Wilson, Director, Pacific Division, Ministry of Foreign Affairs and Trade  
Burnett

date:2004-10-14T23:26:00  
source:Embassy Wellington  
origin:04WELLINGTON870  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:04STATE194466  
S E C R E T WELLINGTON 000870

SIPDIS

FOR EB AND EAP/ANP

E.O. 12958: DECL: 10/15/2014  
TAGS: PREL, PTER, KTFN, IZ, NZ  
SUBJECT: NEW ZE...  
▼S E C R E T WELLINGTON 000870

SIPDIS

FOR EB AND EAP/ANP

E.O. 12958: DECL: 10/15/2014  
TAGS: PREL, PTER, KTFN, IZ, NZ  
SUBJECT: NEW ZEALAND'S REACTION TO PROPOSED EXECUTIVE ORDER



ON IRAQ INSURGENCY FINANCE

REF: STATE 194466

Classified by Charge d'affaires David R. Burnett. Reason:  
1.4(b) and (d).

1. (S-rel New Zealand) Post on September 14 delivered reftel talking points and text of the proposed executive order regarding insurgency finance in Iraq to New Zealand's Ministry of Foreign Affairs and Trade.

2. (S-rel New Zealand) On October 14, Taha Mcpherson of the Ministry's Security Policy Division delivered his government's response. He apologized for the delayed reply, explaining that it had to be vetted by a number of ministries and offices, including the Prime Minister's office.

3. (S-rel New Zealand) Following is New Zealand's response:

Begin text:

New Zealand deplores the continuing violence in Iraq, including attacks on civilians. New Zealand has the utmost sympathy for the victims of the violence and their families -- both Iraqi, and those from other countries that are helping to stabilize Iraq and provide humanitarian and reconstruction support under UN Security Council Resolutions 1483 and 1546.

We welcome the US intention to share information on individuals and entities that it believes pose a significant risk of committing acts of violence against either the Multinational Force in Iraq, or civilians supporting it. This information will be of benefit to the New Zealand authorities charged with monitoring international terrorist groups.

New Zealand would not envisage taking "parallel action" to that in the proposed US Executive Order because it sees the United Nations Security Council process as providing an effective multilateral mechanism for freezing the assets of individuals and entities associated with Al Qaida, the Taliban or Usama bin Laden.

While New Zealand's legislative basis -- the Terrorism Suppression Act 2002 (as amended) -- is sufficient to ensure full compliance with United Nations Security Council Resolutions 1267, 1373 and 1390 it would not enable our going further, given that it is not clear that those targeted by the proposed new US Executive Order would necessarily fall within the definition of those who have committed "terrorist acts" as defined in our legislation.

End text.

4. (C) Comment: The New Zealand government's response is not surprising and is consistent with the position it has taken since opposing the invasion of Iraq, through its freezing of terrorist funds under the UN resolutions, and through its participation in Iraq's reconstruction: New Zealand has

insisted that such actions be linked to decisions by the United Nations.  
Burnett

date:2004-10-22T02:27:00  
source:Embassy Wellington  
origin:04WELLINGTON889  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000889

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 10/21/2014  
TAGS: PGOV, PREL, PH..  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000889

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 10/21/2014  
TAGS: PGOV, PREL, PHUM, NZ  
SUBJECT: NEW ZEALAND POLITICAL SCANDAL MAY LOSE THE GOVERNMENT ITS PARLIAMENTARY MAJORITY

Classified By: POLITICAL COUNSELOR KATHERINE B. HADDA, FOR REASONS 1.5 (B,D)

1. (C) Summary: Recent allegations concerning New Zealand Labour Government Minister John Tamihere's relationship to his former place of employment could result in a by-election, whose loss would end Labour's single-vote Parliamentary majority. This would force the Government to revise its political agenda in a pre-election year, in order to attract another coalition partner. Tamihere took leave from his Ministerial portfolios October 15 amidst allegations related to illegal payments he received from the Waipareira Trust, where he was CEO until entering Parliament in 1999. Opposition politicians are demanding Tamihere's dismissal. The Government has instead appointed a Queen's Counsel to investigate the allegations, a six-week process no doubt born of a wish to avoid having a non-Labour candidate take his seat. This may well be postponing the inevitable, however. Labour's relatively slow response to the allegations, probably due to the absence of Prime Minister Clark, has compounded the Government's woes. End summary.

2. (U) ACT party leader Rodney Hide, well-known for his "perk-busting" persona, unveiled allegations October 14 that Tamihere accepted a NZ\$195,000 "golden handshake" from his former employer, the Te Whanau o Waipareira Trust in 2000, despite a public statement a year earlier that he would not accept the payment. Further allegations claim Tamihere did not pay tax on his "handshake" funds and also received

questionable auto insurance and other personal payments by the Trust while he was in Parliament. No one in Government has denied that Mr. Tamihere took the initial payment after stating that he would not. However, Tamihere has denied any wrong-doing, pointing to investigations into the payment in 2000 by the Serious Fraud Office, NZ Police, Audit Office, Prime Minister's Department and a Maori Affairs select committee over trust affairs, none of which found evidence of wrong-doing. Both he and the Trust maintain that the payments were delayed compensation for work done prior to his entry into Parliament, not for his services while in Parliament. Tamihere also maintains that he believed the Trust had already paid tax on the sum.

The Players: Waipareira Trust  
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3. (U) Tamihere was CEO of the Waipareira Trust for ten years, prior to entering Parliament in 1999. The Trust was established to provide economic, social and employment support to the high number of Maori who relocated to West Auckland in the 1950s. Ironically, the audit of the Trust's finances that uncovered the payment originated with a letter from Tamihere to auditing firm Deloitte, accusing the Trust of mismanagement and corruption, and demanding accountability. As a result of the letter, Deloitte extended the initial audit to cover seven years, which included a portion of Tamihere's tenure as CEO.

The Players: John Tamihere  
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4. (SBU) Tamihere enjoys a reputation as a live-wire, and is seen as a "bloke" in a largely female, intellectual, and politically-correct Government. Prior to entering Parliament, he received four DUIs, and has had three speeding tickets while in Parliament. Tamihere is widely regarded as being the voice of urban and modern Maori, and his political views, which focus on the need for Maori to improve their economic status through hard work and not handouts, resonate with more right-wing audiences. He has often been touted as a possible first Maori Prime Minister for that reason.

Direct Political Consequence  
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5. (SBU) Tamihere's potential resignation would not just be a blow to the Labour Government's standing: it could have a direct effect on its ability to govern. Tamihere's Tamaki Makarau seat is one of seven in Parliament designated specifically for Maori. Public polling puts the newly-formed Maori Party, whose candidate is likely to be Party co-leader Pita Sharples, within 4 points of Tamihere if a by-election were held. The Labour coalition currently governs with a one-vote majority: Labour (51 seats), Progressive Coalition (2) and United Future (8). Without Tamihere, Labour would need either the Greens (9 votes) or NZ First (13 votes) to maintain a majority. Neither Party's quid pro quo for confidence votes fits comfortably with Labour's agenda.

Opposition Reaction

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6. (C) The Opposition National Party, after a long silence and disjointed statements, has focused on attacking Labour in Parliament - repeatedly questioning the absent Prime Minister's (Clark is on a trip to India) confidence in Tamihere. Revisiting the race relations issue that shot his Party up in the polls, Opposition leader Don Brash has also accused Labour of a "double-standard" in its treatment of allegations against Maori versus non-Maori MPs. Labour MPs and staffers, including acting PM Cullen, have responded with a nasty offensive - offering theories that Maori Party sympathizers in the Trust have worked to undo Tamihere, and trying to focus attention on similar National Party scandals of past years. NZ First Party leader Winston Peters, quick to attack Tamihere over the scandal, has also been quick to assure his constituency that should Labour lose the by-election, the Party should still serve the remainder of their three-year term. (Note: Peters has been open in his dislike of National, and is likely hoping to resume his king-maker persona and throw his party's 13 votes behind Labour.)

7. (C) Comment: Prime Minister Helen Clark's absence may have slowed Labour's reaction to the scandal, compounding the beating the Government has taken in Parliament and the media. Clark has demoted Ministers for lesser offenses, and is respected for her ability to achieve Party discipline. Tamihere's reputation as a rebellious MP makes it likely that Clark will at a minimum bump him to the backbenches, rather than sustain continued Opposition attacks. Should Tamihere be cleared of the charges, his widespread popularity as a Maori leader could see him rehabilitated at the 2005 election. Given the mounting allegations against him, however, we regard that as unlikely.  
Swindells

date:2004-10-28T23:57:00  
source:Embassy Wellington  
origin:04WELLINGTON902  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
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☐ C O N F I D E N T I A L WELLINGTON 000902

SIPDIS

DEPT FOR EAP/ANP, IO/UNP

E.O. 12958: DECL: 10/28/2014

TAGS: PGOV, PREL, NZ

SUBJECT...

▼ C O N F I D E N T I A L WELLINGTON 000902

SIPDIS

DEPT FOR EAP/ANP, IO/UNP

E.O. 12958: DECL: 10/28/2014  
TAGS: PGOV, PREL, NZ  
SUBJECT: NEW ZEALAND URGES UN SECURITY COUNCIL REFORM, BUT  
SAFEGUARDS ITS OWN CANDIDACY

Classified By: POLITICAL COUNSELOR KATHERINE B. HADDA, FOR REASONS 1.5(B,D)

1. (SBU) The Government of New Zealand is strongly in favor of UN Security Council reform, but is averse to discussing its, proposed changes. The GoNZ has submitted a discussion paper on the topic to the SG's High Level Panel on Threats, Challenges and Change.
2. (SBU) In his opening speech to the UNGA on September 21, Foreign Minister Phil Goff advocated UNSC reform, noting that an expanded Security Council and "reform of outmoded electoral groupings is necessary for the Council to be representative of the international community as it is today." He also alluded to a need to expand the representation of Asia, Latin America and Africa, and to note the contributions of specific nations (i.e. Japan) to the UN. Poloff followed up with Wen Powles, Deputy Director, United Nations and Commonwealth Division, New Zealand Ministry of Foreign Affairs and Trade (MFAT), who noted that the GoNZ has proposed expanded elected membership and changes to permanent membership. Powles was hesitant to provide further details until the High Level Panel responds to the GoNZ recommendations.
3. (C) In his UNGA speech, Goff specifically mentioned support for Japan's inclusion as a permanent member on the UNSC. Powles noted that the original draft of the speech had included more specific recommendations, but in the interest of maintaining New Zealand's neutrality, Goff had walked back from including these. Powles explained that NZ was hesitant to publicly support specific candidates, fearing backlash from other countries. Powles referenced possible candidate countries India, Brazil and Germany, but reiterated that New Zealand was not prepared to support candidates, due to a fear of being seen as partisan.
4. (C) Comment: NZ may be advocating an expanded membership as a mechanism to constrict the perceived dominance of the UNSC by the 5 veto powers. This is likely not specifically aimed at limiting US influence, but is in keeping with NZ's view of the UN as an egalitarian organization and a desire to see more representation of Asia-Pacific countries on the Council. Overall, New Zealand's cautious approach to announcing proposed reforms may be related to their announcement October 1 to WEOG members that they will seek a two-year term on the UNSC in 2015-2016. An early indication of support for specific candidate countries could negatively impact both NZ's candidacy and their overall policy of working with as wide a range of UN member countries as possible.  
Swindells

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□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000909

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 10/31/2014  
TAGS: PGOV, PHUM, NZ...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000909

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 10/31/2014  
TAGS: PGOV, PHUM, NZ  
SUBJECT: NEW ZEALAND'S NEW MAORI PARTY GAINS TRACTION

REF: A. WELLINGTON 889

B. WELLINGTON 601  
C. WELLINGTON 382

Classified By: Principal Officer, Siria Lopez, Reason 1.5 (b) and (d)

(U) This cable originated from AmConGen Auckland.

1. (U) Summary: Approximately four months after its creation, the Maori Party has achieved more success than some observers may have initially expected, due largely to anger in Maori communities over the GoNZ's handling of proposed foreshore and seabed legislation. For now, Labour seems to have an unexpected rival for the important Maori vote, which controls the outcome of seven Maori-designated Parliamentary seats. Nonetheless, the Maori Party faces many serious longer-term challenges, including voter apathy, institutional support, funding and a strong Maori tradition of voting for Labour. These challenges must overcome if it is to avoid becoming just one more failed Maori party experiment in New Zealand. End Summary.

2. (U) Approximately four months after its creation, signs are that the Maori Party may not be the insignificant blip some observers may have initially expected. (Most prominently, Labour MP John Tamihere, a high-profile Maori, vented against the Party, accusing it of being nothing more than a brand name-- barbs that greatly aggravated Maori Party leaders.) But it is not surprising that the Maori Party's birth has been greeted with caution or outright skepticism. Notwithstanding Maori disaffection, previous attempts at establishing Maori-based political parties in New Zealand have not been very successful. The three other Maori-based political parties currently officially registered are electorally insignificant or barely perceptible. Maori voters, traditionally, prefer to give their support to the

Labour Party.

MMP ) WHY MAORI VOTES MATTER

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3. (SBU) Under New Zealand's system of mixed-member proportional voting, each voter has two votes ) one for an electorate candidate, and one for a party. In addition, Maori can choose to vote either on the general roll, or on the Maori electoral roll, which votes on the seven constituencies specially designated for Maori. The Maori Party will focus on these Maori electorate seats first. However, provided the Party retains Maori Party Co-Chairman Tariana Turia,s seat, it will receive additional list (i.e. Party) member seats in Parliament in relation to the proportion of the vote ) i.e. at current polling of two percent, the Maori Party could gain one or two additional seats. Current polling for the 2005 election leaves neither major party with a clear majority, meaning that the presence of sympathetic coalition partners will be the deciding factor for any government. The Maori Party is likely to vote closely with Labour on supply and confidence issues, and should the Maori Party win additional Maori seats and gain list seats, it will amplify their influence as a possible coalition partner.

CURRENT PARTY STANDING

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4. (U) What could make this latest attempt at establishing a Maori-based party different from past attempts is Maori anger over the seabed and foreshore issue (ref C). At the end of April, Labour MP Tariana Turia bolted the party to protest the Labour Government's perceived reversal on the foreshore and seabed legislation. (Proposed legislation grants Maori customary title versus full ownership, and has been called by some a modern-day land grab.) In July Turia stood in a by-election as a Maori Party candidate and won, giving the new party parliamentary representation (ref A). Party membership now reportedly stands at 6000. Recent polls have it enjoying 2 per cent national support (translating into 2 non-Maori seats if an election were held this month) and five percent support in Auckland where many of New Zealand's Maori live. The Party may also have a decent shot at another Parliamentary slot if Tamihere, currently enmeshed in a financial scandal, is forced into a by-election to retain his Parliamentary seat (ref A.) If so, it is expected that his Maori Party opponent, Dr. Pita Sharples, would give him a good run for his money.

5. (C) If Maori disaffection over the foreshore and seabed can be sustained and if Maori are prepared to channel these negative feelings into positive support for their own political vehicle, then the Party is likely to increase its Parliamentary representation in the next general election. If the party can find good candidates, many already believe it is capable of taking all seven Parliamentary seats currently reserved for Maori. Dr. Sharples, Maori Party co-leader, confirmed to Consul General that candidate selection is the Party's number one priority. The Party is seeking out prominent persons, such as Maori Land Court Judge

Caron Wickliffe, to offer them the opportunity to run as Party candidates (Note: Judge Wickliffe declined Sharples' offer, however.)

LONG-TERM PROSPECTS?

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6. (C) Despite the initial traction the Maori Party has gained, there are some very daunting challenges to its longer-term viability. Two obvious problems are funding and institutional support. Maori are a minority population and their income levels are lower than those of non-Maori. Already an early Maori Party fund-raiser planned for the South Island had to be canceled due to lack of response. Asked about the South Island, Dr Sharples sighed and told Consul General it was "a mess." The South Island Maori electorate, he noted, comprises Wellington with its Maori urban middle-class and the entire South Island with its non-urban, non-middle-class Maori. The Party has found it difficult to establish branches there because of disparate constituencies, spread-out population and the lack of organizational discipline among Maori Party members. (NB: The Maori seat boundaries are split to cover the entire country. The South Island is home to only 10 percent of the Maori population.)

7. (U) Maori political apathy is another significant challenge. Maori feel less stake in the political process and have lower levels of political participation than other groups. At a political meeting on local elections in Manukau City, the city with the largest Maori population in New Zealand, Maori Party speakers noted that Manukau has the lowest vote turnout for local government elections in the country. Voter turnout among Maori and Pacific Islanders, they said, was even lower.

8. (U) Ultimately, however, the Maori Party's biggest challenge may be the Labour Party. When Maori do vote they have traditionally voted for Labour. Maori have long identified Labour as the party most sympathetic to their concerns. Notwithstanding Maori feelings of betrayal over Labour's position on the foreshore and seabed legislation, they believe Labour still better represents their overall interests than does, for example, the National Party. Those more practical and realistic Maori question the value of giving the Maori Party their vote when, as one Maori academic put it, "the Governor General won't be asking them to form the next government."

9. (C) Dr. Sharples told Consul General that in order to address this problem, a Maori Party priority is to register those Maori who have never registered to vote before. He explained that most of these are young persons who do not have a long history of supporting Labour. Thus, they should be more easily persuaded to vote for the Maori Party. Sharples seemed acutely aware of the difficulty in coming up against the powerful Labour Party election machine. He said he hopes Tamihere runs without Labour party backing if a by-election should come to pass in Tamihere's electorate. Under these circumstances, Sharples is confident he could wrest the seat from Tamihere. Otherwise, "John may eat me up and spit me out." "But," he added, "at least he'll get a



battle."

10. (C) Asked if the Maori Party plans to run candidates in non-reserved seats in the 2005 general elections, Sharples said yes but these are simply "ideas at this stage." He indicated that the Party wants to focus on registering voters for Maori electorates, where it has its best electoral prospects. But the Party would consider running in those general constituencies with large Maori populations.

COMMENT  
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11. (C) Comment: In addition to the challenges to Maori Party viability that are noted above, other potential pitfalls include pressure from Maori extremist elements (held at bay for now according to Sharples) and divisions along tribal lines (a greater worry). Nonetheless, notwithstanding some well-justified doubts, the Maori Party has done respectably in a very short time. It has also put Labour on notice that it may now have a rival for the Maori vote, a vote that is fundamentally important to Labour and one that has been long taken for granted. So the Maori Party appears to have gotten off to a good start. Now it must establish its significance and staying power as a rival to Labour for the Maori vote.  
Swindells

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☐ C O N F I D E N T I A L WELLINGTON 000911

SIPDIS

DEPT FOR EAP/ANP, DS/IP/EAP, DS/ICI/CR, DS/CR/PF, DS/IP/ITA  
AUCKLAND

E.O. 12958: DE...  
▼ C O N F I D E N T I A L WELLINGTON 000911

SIPDIS

DEPT FOR EAP/ANP, DS/IP/EAP, DS/ICI/CR, DS/CR/PF, DS/IP/ITA  
AUCKLAND

E.O. 12958: DECL: 10/31/2014  
TAGS: ASEC, SENV, TSPL, NZ  
SUBJECT: CONVICTIONS IN NEW ZEALAND'S LARGEST PASSPORT  
FRAUD CASE

REF: WELLINGTON 605

Classified By: POLITICAL AND ECONOMIC COUNSELOR KATHERINE B. HADDA,  
FOR REASONS 1.5 (B,D)

1. (U) In what media reports have called the largest passport forgery case of its kind in New Zealand, two refugees to New Zealand, Iraqi Fahad Jaber AJEIL (age 29) and Kuwaiti Riyad Hamied SULTAN (age 29), were found guilty October 21 of conspiring to commit forgery. The prosecution accused the men of producing hundreds of fraudulent passports and other falsified travel documents from 17 countries, including the United States, Liberia, Australia, Bolivia, Colombia, El Salvador and Yemen. During the case, investigators claimed that 50 passports or travel documents had already been delivered. In addition to conspiracy, Ajeil was also found guilty on 13 other counts, including possession of items capable of forging documents. Ajeil and Sultan will be sentenced in December.

2. (U) A third individual, Kuwaiti Dr. Salam ABU-SHAABAN was identified as the ring-leader of the forgery plot, and was named in the conspiracy charge in absentia. Although the NZ Police have not spoken with Abu-Shaaban, he contacted NZ National Radio by telephone from Kuwait. In the interview, Abu-Shaaban not only denied any involvement in a forgery ring, but also denied being Kuwaiti, claiming to be from Lebanon. Evidence of his involvement was found by the NZ Police's Metro Special Investigation unit, after they were able to translate Arabic documents found on the computers of Ajeil and Sultan. Evidence was given in the trial that Abu-Shaaban claimed to be the consul for six or seven nations, and issued passports for a number of countries, all claims that he denies.

3. (SBU) During the case the defense counsel drew parallels between the Prime Minister's handling of this case and of a recent case involving two Israeli citizens deported for attempting to falsely procure a New Zealand passport (reftel). The lawyer claimed that Prime Minister Helen Clark refused to pressure the Kuwaiti Government for information related to Abu-Shaaban due to the multi-million dollar trade in sheep with Kuwait, noting that by contrast NZ and Israel have minimal trade linkages. Defense counsel also tried to paint the men as altruistic individuals trying to provide passports for stateless Bedouins living between Iraq and Kuwait, but the prosecution dismissed this claim of charity, citing the money taken for production of the passports.

4. (C) NZ law enforcement indicated to Post that they were unable to find any ties to terrorist organizations or activities by Ajeil, Sultan and Abu-Shaaban. It is likely that the men were involved in these activities solely for personal monetary gain.  
Swindells

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destination:This record is a partial extract of the original cable.

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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000915

SIPDIS

STATE FOR EAP/ANP, EAP/BCLTV AND EB/TPP/BTA/ANA  
STATE PASS TO USTR - ...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000915

SIPDIS

STATE FOR EAP/ANP, EAP/BCLTV AND EB/TPP/BTA/ANA  
STATE PASS TO USTR - BWEISEL  
COMMERCE FOR 4530/ITA/MAC/AP/OSAO/GPAINE

E.O. 12958: DECL: 11/03/2014  
TAGS: ETRD, ECON, PREL, TH, NZ  
SUBJECT: NEW ZEALAND AND THAILAND AIM TO CONCLUDE  
FREE-TRADE AGREEMENT

Classified by DCM David R. Burnett. Reasons: 1.4 (b) and (d).

1. (C) Begin summary: New Zealand and Thailand have begun the fourth and possibly final round in negotiations for a free-trade agreement, which New Zealand hopes to conclude by November 19, before the next APEC summit. The New Zealand government acknowledged that its effort has been hampered by the fact that the Thais stand to gain little from an agreement. New Zealand also has had difficulty surpassing the achievements of Australian negotiators in their free-trade deal with Thailand, which provided for limited liberalization for agriculture. New Zealand's experience may hold some lessons for Washington as U.S. negotiators work toward a free-trade agreement with Bangkok. End summary.

2. (U) In October 2003 during the Asia-Pacific Economic Cooperation (APEC) Leaders meeting in Bangkok, the prime ministers of New Zealand and Thailand made a commitment to begin free-trade negotiations. After holding informal discussions in March and May, the two governments began an ambitious schedule of formal negotiations in June, meeting every six weeks in each other's capitals. The fourth round, which started November 1, is being held in Bangkok. New Zealand hopes this will be the final round of negotiations, with an agreement signed before the November 20-21 APEC summit in Santiago.

3. (C) Shortly before leaving for Bangkok, Rachel Fry, New Zealand's chief negotiator in the talks, told post October 28 that access to the Thai market for goods -- particularly agricultural commodities -- was the principal New Zealand issue remaining to be resolved. In turn, Thailand was seeking to gain access to the New Zealand market for specialist Thai chefs and traditional Thai masseurs. While the Thais presented that goal as a services issue, Fry said New Zealand views it as an immigration matter it proposes to be addressed through a side letter.

Obstacles to New Zealand

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4. (C) Fry said that New Zealand encountered a number of challenges in the negotiations. Among the most important, Thailand's across-the-board high tariffs made a free-trade

agreement (FTA) very attractive to New Zealand, while Thailand had far less to gain from a deal. Sixty-five percent of Thailand's products already can enter the New Zealand market duty-free. Nonetheless, Fry said that the Thai government considers FTAs as a way to promote competitiveness among its industries. The Thai prime minister also sees himself as a regional leader on trade issues and views bilateral trade agreements as a means to bolster Thailand's stature in such forums as the Association of Southeast Asian Nations (ASEAN). New Zealand expected that, under the agreement, a large number of Thai tariffs on New Zealand products would be removed on implementation, with others phased out over five years.

5. (C) Fry noted that Thailand's free-trade pact with Australia -- concluded in October 2003 and signed July 5, 2004 -- had provided a useful template for the Thai-New Zealand agreement and had helped enable the two sides to keep to the ambitious negotiating schedule set by leaders. But using this template also has set the bar low on what New Zealand negotiators can achieve. Thailand essentially expected that an agreement with New Zealand would replicate the one it signed with Australia. New Zealand negotiators considered the Australian-Thai agreement as a general model but weak on market-access issues, specifically on agriculture. For example, the Australia-Thailand agreement provided lengthy timeframes for the phaseout of tariffs on beef and dairy products, which are to end in 2020 and 2025, respectively. There also will be delays in Thai tariff reductions for other "sensitive" products, including honey and potatoes. Fry said that while 10 percent of Australia's exports to Thailand are composed of such sensitive items, 30 percent of New Zealand's exports fall into that category. New Zealand is trying to shorten the tariff phaseout times for beef and dairy products in particular, but Fry recognized that as a difficult challenge.

6. (C) Thailand's desire to shelter its dairy farms poses a particular problem for New Zealand, whose largest export earner is dairy. Fry said that, because the Thai government had been accused of ramming through the Australian agreement without public consultations, it has made a concerted effort to consult stakeholders on the New Zealand negotiations. The result was that the relatively small but well-organized Thai dairy industry had significant impact on Thailand's position on dairy access. Fry posited that U.S. negotiators would face similar problems.

7. (C) In the agreements with Australia and New Zealand, Thailand rebuffed any provision that would require a change in legislation. Fry expected that Thailand would need to change its stance on this issue in its negotiations with the United States. Fry added that Thailand's lack of trade statistics and deficiencies in its tariff schedule also hindered the talks. New Zealand may have been disadvantaged by agreeing with Thailand to use each other's import statistics, she said. For example, Thai statistics appear to understate imports of New Zealand goods compared to reports by New Zealand exporters. That disparity could harm New Zealand, since proposed agricultural safeguards would be triggered by the growth in import volumes.

8. (C) Fry said the agreement will include chapters on technical barriers to trade and sanitary and phytosanitary measures. New Zealand hopes these provisions will create mechanisms through which such issues could be addressed through the FTA. The Thais have asked New Zealand to develop certain import health standards for tropical fruit, which do not now exist. A chapter on intellectual property will reiterate both countries' obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights and include a commitment to cooperate on enforcement.

9. (C) New Zealand had hoped to gain access to Thailand's hugely restrictive services market, but now expects to pursue further negotiation on the issue in three years, according to Fry. New Zealand also hoped to include chapters on environmental and labor protections, but the Thais objected. Instead, the agreement will include nonbinding, political commitments, which Fry said Thai negotiators classify as "hortatory," stating that each party will not depart from labor and environmental standards to gain a trade advantage.

#### Negotiating tips

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10. (C) Fry characterized the Thais' negotiating style as "cautious," although some of the members of the Thai team are very energetic. Many of the team members were prior participants in the negotiations with Australia, and Fry expected they also would play roles in talks with the United States. She identified Ms. Chutima, who took the lead on policy issues, as a particularly tough negotiator.

11. (C) Fry also noted that the Thai Agriculture and Commerce Ministries do not appear to coordinate their messages well. The Ministry of Agriculture in particular has tried to keep a tight rein on its issues, leading to mistakes and confusions in the Thai government's presentations at negotiating sessions, especially at the working level. At times, the Agriculture Ministry presented positions that the Commerce Ministry appeared to not have closely reviewed. The Thai negotiators then changed their negotiating positions.

12. (U) Two-way goods trade between New Zealand and Thailand totaled about NZ \$900 million (US \$617 million) in 2003, with New Zealand's exports to Thailand pegged at NZ \$329.72 million (US \$222 million) and imports at NZ \$572.73 million (US \$393 million). Thailand is New Zealand's 15th-largest trading partner.

13. (U) New Zealand -- which has free-trade partnerships with Australia and Singapore -- is currently holding three-way talks with Chile and Singapore. It also is preparing for negotiations with China and is considering such talks with Egypt, Malaysia and Mexico. In addition, ASEAN has proposed free-trade negotiations with New Zealand and Australia.  
Swindells

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☐ C O N F I D E N T I A L WELLINGTON 000924

SIPDIS

STATE FOR EAP/FO AMBASSADOR MORIARTY, EAP/ANP, EAP/CM AND  
EAP/EP

E.O. 12958: DECL: ...  
▼ C O N F I D E N T I A L WELLINGTON 000924

SIPDIS

STATE FOR EAP/FO AMBASSADOR MORIARTY, EAP/ANP, EAP/CM AND  
EAP/EP

E.O. 12958: DECL: 11/03/2014  
TAGS: KNNP, KSTC, PARM, ECIN, PTER, ETTC, EAID, NZ  
SUBJECT: APEC: NEW ZEALAND PM SAYS NZ WILL DEMARCHE CHINA  
ON REMAINING SECURITY DELIVERABLES

REF: A. SECSTATE 228381  
B. YAMAMOTO-GABOR 10/22/04 E-MAIL (NOTAL)  
C. SECSTATE 225115

Classified By: Ambassador Charles J. Swindells, for reasons  
1.4 (b), (d), and (g).

1. (C) Ambassador Swindells met with Prime Minister Clark on November 2. He asked that New Zealand urge China to support inclusion of the remaining APEC security deliverables at the upcoming summit. He stressed that despite China's statements to the contrary, the deliverables belong in APEC. Without security in the region, there can be no economic growth. The Ambassador stressed that New Zealand's intervention could carry weight with China, given the two countries' relations.

2. (C) Prime Minister Clark, after demurring that New Zealand has "no muscle and little voice," acknowledged that "in a funny way, China does heed New Zealand because they know our opinions are from the heart." Reviewing the Reftel A and C points that the Embassy had earlier provided, Clark assured the Ambassador that New Zealand agreed with our views on the importance of the three deliverables. She said she would ask New Zealand's embassy in Beijing to make a general call on APEC issues that would emphasize New Zealand's belief that the three deliverables belong in the APEC summit. She indicated that the presentation would make it clear that the message was coming from the top of New Zealand's government.

3. (C) Clark said that even before becoming Prime Minister five years ago, she had held the view that APEC had to include political/security as well as economic initiatives because there can be no economic health in the region without security. She said that APEC has formally emphasized economic issues because that is the only way to include Taiwan and Hong Kong. In reality, however, the organization

has always covered more than economic initiatives, for example its emphasis on East Timor in 1999.

4. (C) The Ambassador said that the United States had parallel views. If an APEC member cannot control its sensitive exports, its entire customs enforcement mechanism will be called into question. Absolutely, Clark agreed. Confidence in the trading system is key, especially after 9/11. She said New Zealand was therefore "thrilled" with the recent container security agreement recently announced by NZ and U.S. customs authorities.

5. (C) The Prime Minister said that on her recent trip to Singapore, she found that government reeling from Chinese criticism over Singapore's granting of a visa to Taiwan's Deputy Prime Minister just before his becoming Prime Minister. She said she believed that the United States is the greatest force for reason with Taiwan, and wondered if the cross-strait tensions would be an undercurrent at the APEC summit. She also said that China's public lashings at Taiwan's leadership were undoubtedly counterproductive to its goal of moving Taiwan away from independence. She likened it to Bin Laden's recent video designed to influence the American elections, calling his attempt "grotesque."

6. (C) The Prime Minister said that she had just learned that she is to take the stage with Malaysia's Prime Minister Badawi at an APEC Counter-terrorism discussion. She remarked that she hoped it would be a more calm discussion than the panel she had co-chaired with then-PM Mathahir on globalisation. She told the Ambassador that she had publicly told Mathahir off during that heated exchange.

6. (C) Comment: While we wish that the Prime Minister herself would make the approach to China, her desire not to do so is consistent with what New Zealand officials have told us in the past -- that they believe as a small country their role is to be a more neutral APEC player. They also do not want to annoy China on the eve of beginning FTA negotiations with that country in January. But we believe the NZ Embassy's approach will be useful in moving China to the right side. As the Ambassador told PM Clark, "If you say it, they will know it is a trend."

Swindells

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date:2004-11-15T04:33:00  
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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000949

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 11/14/2014..  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000949

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 11/14/2014  
TAGS: PGOV, PREL, MNUC, NZ  
SUBJECT: NEW ZEALAND LABOUR PARTY CAUTIOUSLY CONFIDENT ON  
2005 ELECTION CHANCES

REF: WELLINGTON 889

Classified By: POLITICAL COUNSELOR KATHERINE B. HADDA,  
FOR REASONS 1.4(B,D)

Summary

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1. (C) Summary: New Zealand's governing Labour Party held its annual conference, November 12 ) 14 in Auckland. Foreign affairs and trade featured prominently, and Clark noted that priorities over a Third term would include the following: new trade and economic links, especially FTAs or arrangements with ASEAN and India; a focus on sustainable development, within the framework of the Kyoto Protocol; and continued "peace and security work," with an emphasis on the Pacific. Labour left no doubts on its commitment to NZ's anti-nuclear legislation, while Senior Labour leaders reconfirmed the party's multi-lateralist and consensus-based foreign policy approach. The conference's headline initiative, which was leaked to the press a week earlier, was the creation of an all-party select committee to do a stocktake of New Zealand's constitutional arrangements. Overall, Helen Clark's Labour Party believes it is firmly in control of New Zealand and, barring economic downturn or scandal, is well-positioned for the 2005 election. End summary.

2. (U) New Zealand's governing Labour Party held its annual conference, November 12 ) 14 in Auckland. Clark's keynote address encouraged an air of celebration, claiming credit for New Zealand's economic growth, lower unemployment, rising education standards, better access to health care, and falling crime rates. Not surprisingly, these mirror exactly the five issue areas the Opposition National Party has chosen to attack. But in comparison with an overwhelmingly confident 2003 Conference, Labour tempered its highlight of achievements over the past year and increasingly positive poll ratings with a warning by Prime Minister Helen Clark that there is "no room for complacency." Clark pointedly referenced the disarray in the Labour Party Caucus of the 1980s, noting that New Zealanders are "looking for stability, predictability, and a commitment to the basics."

Labour Strongly Reaffirms Anti-Nuclear Stance



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3. (C) In contrast to the Conference of 2003, which focused primarily on domestic governance issues, foreign affairs and trade were central issues at this year's gathering. Clark noted that priorities over a Third term would include the following: new trade and economic links, especially FTAs or arrangements with ASEAN and India; a focus on sustainable development, within the framework of the Kyoto Protocol; and continued "peace and security work," with an emphasis on the Pacific. Clark also left no room for doubt of her anti-nuclear credentials, stating "let's be clear; under a Labour-led government, there will be no revisiting of our nuclear free status. It won't be gone by lunchtime or any other time." All Conference attendees received anti-nuclear bumper stickers in their packs, and in discussions with delegates, Poloff was repeatedly told that the issue was closely related to Kiwi national identity and the U.S. should cease pressure on NZ to affect a change.

4. (C) Senior Labour leaders including Foreign Minister Phil Goff and Trade Minister Jim Sutton reconfirmed the party's multi-lateralist and consensus-based foreign policy. An experimental session that featured a policy paper on New Zealand's foreign policy direction included a mention of the importance NZ's anti-nuclear policies have played in the past. (Note: A copy of the policy paper has been faxed to EAP/ANP.)

1 New Initiative ) Lots of Hints For 3rd Term  
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5. (U) The conference's headline initiative, which was leaked to the press a week earlier, was the creation of an all-party select committee, chaired by United Future leader Peter Dunne, to do a stocktake of New Zealand's constitutional arrangements. (NB: NZ's constitution is currently comprised of certain key pieces of legislation, and some include the Treaty of Waitangi of 1840, under which Maori agreed to British rule in exchange for British citizenship and other rights.) Opposition parties decried the proposal. The National Party called it a pre-election distraction from the issues of race relations, raised by National's leader Don Brash in January, to great public support. NZ First called the idea a "road to nowhere."

6. (U) In keeping with its mantra of stability and caution, no other new initiatives were advanced by Labour over the weekend, and Clark's speech focused on multi-year programs announced over the past 12 months. These include increasing levels of government support for working families (fully funded by 2007), an additional week of paid leave for workers (by 2007), and a broadening of the superannuation program for government employees.

7. (U) Hints for future programs reflected Labour's pre-election push to broaden their appeal to average, working-class voters. They hinted at policies such as building the asset base and savings capacity of average Kiwis, providing support for families with children in tertiary education, and crafting a non-compulsory superannuation program for private sector workers.

"Many A Slip Twixt the Cup And The Lip"

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8. (C) Reinforcing Clark's cautions on complacency, her keynote suffered an unscripted intervention by protesters calling for the release of imprisoned asylum-seeker Ahmed Zaoui. The protest highlights Labour's vulnerability on certain key issues, including human rights and Maori affairs. With a vote coming up this week on controversial legislation, which would vest ownership of the foreshore and seabed with the GoNZ, Party members repeated thanks to the Maori Caucus for its support was duly noted by Maori delegates and MPs alike.

Comment

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9. (C) Comment: Helen Clark's Labour Party believes it is firmly in control of New Zealand. Barring economic downturn or scandal, the Party is well-positioned for the 2005 election. But Labour knows it must remain squarely positioned over NZ's political center, or risk a more significant challenge from National. Clark's keynote speech therefore emphasized Labour's delivery of stability and economic prosperity, as well as directly addressing issues the Opposition had staked out as areas of weakness. With the opposition unable to gain traction from Labour's blunders, Labour has again proved its strength as a strongly unified party, a credit to Clark's leadership, especially as recent allegations surrounding Maori MP John Tamihere (Reftel) threatened to derail Labour's Conference. NZ's anti-nuclear legislation featured more prominently than in previous years, largely a reflection of National's release of a discussion paper on the issue. While the message from Labour was clear ) we will not change- the Party's need to mention this may indicated that discussion of the issue is gaining traction. End comment.

7. (U) The text of Helen Clark's speech and the Labour Party Draft Working Paper on Foreign Policy can be found at Embassy Wellington's Classified Website. Swindells

date:2004-11-15T17:23:00  
source:Embassy Wellington  
origin:04WELLINGTON950  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04SECSTATE243112|04STATE36869  
CONFIDENTIAL WELLINGTON 000950

SIPDIS

STATE FOR IO/UNP; DRL/PHD; EAP/ANP

E.O. 12958: DECL: 11/15/2014

TAGS: PHUM, NZ, UNG...

CONFIDENTIAL WELLINGTON 000950

SIPDIS

STATE FOR IO/UNP; DRL/PHD; EAP/ANP

E.O. 12958: DECL: 11/15/2014

TAGS: PHUM, NZ, UNGA

SUBJECT: UNGA THIRD COMMITTEE RESOLUTIONS: NEW ZEALAND  
RESPONSE

REF: A. SECSTATE 243112

B. STATE 36869

Classified By: POLITICAL/ECONOMIC COUNSELOR KATHERINE HADDA,  
FOR REASONS 1.4 (B) AND (D).

1. (C) On November 12, POL/ECON Couns discussed Reftel B resolutions with Val Meyer, Deputy Director of the Human Rights Division in the Ministry of Foreign Affairs and Trade (MFAT). Meyer was joined by Tamsin Royson, MFAT's policy officer for Africa.

2. (C) Meyer said that New Zealand would likely co-sponsor resolutions on Iran, Sudan, Burma, and Zimbabwe, as long as the wording of the resolutions were not weakened unacceptably. New Zealand would also probably vote in favor -- but not co-sponsor -- resolutions against the Democratic Republic of the Congo (DROC), Turkmenistan, and Belarus if the wording on these remained meaningful.

3. (C) Meyer said that New Zealand's small delegation in New York can only process so much information and therefore has to focus on what it or the GONZ knows. Pol/Econ Counselor asked whether it would be helpful for GONZ to receive earlier any supporting information on possible resolutions. Meyer said not really, as in general New Zealand will only co-sponsor resolutions when it has traditional ties with and/or diplomatic representation in the countries involved. Otherwise, New Zealand believes it is in no position to add anything in negotiations on the wording of such resolutions, she said. The only other times in which New Zealand might co-sponsor a resolution is if the problems in the country involved were known by -- and of concern to -- the general New Zealand public. This is why New Zealand did not co-sponsor the Belarus resolution, for example. Meyer said even if it does not co-sponsor, New Zealand will generally vote for Human Rights resolutions if the principle sponsors do not weaken the language "to blandness."

4. (C) Pol/Econ Counselor asked whether New Zealand has supported human rights resolutions against China. Meyer said she could not recall, but added that New Zealand talks regularly with the PRC about Human Rights and does raise specific cases with Chinese officials. GONZ officials make similar approaches to Iran, she said.

Swindells

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reference:

☐ C O N F I D E N T I A L WELLINGTON 000973

SIPDIS

STATE FOR EAP A/S KELLY; DAS SCHRIVER; AND EAP/ANP  
NSC FOR MIKE GREEN AND CHUCK JONES ...

▼ C O N F I D E N T I A L WELLINGTON 000973

SIPDIS

STATE FOR EAP A/S KELLY; DAS SCHRIVER; AND EAP/ANP  
NSC FOR MIKE GREEN AND CHUCK JONES  
SECDEF FOR OSD/ISA LIZ PHU

E.O. 12958: DECL: 11/19/2014

TAGS: PREL, NZ

SUBJECT: NEW ZEALAND: AMBASSADOR SWINDELLS TELLS IT LIKE IT  
IS TO PM CLARK

Classified By: AMBASSADOR CHARLES J. SWINDELLS,  
FOR REASONS 1.4 (B) AND (D).

1. (U) On November 17, Prime Minister Helen Clark delivered an address at the American Chamber of Commerce Business Awards. She described the importance to New Zealand of its economic relationship with the United States: The U.S. is New Zealand's second-largest trading partner, with two-way trade close to NZD 8 billion (USD 6 billion) annually. Exports to the United States are about 15 percent by value of New Zealand's global exports, and American companies account for over NZD 12 billion (USD 9 billion) in investment and "many thousands" of jobs. The Prime Minister also highlighted New Zealand's continued interest in a Free Trade Agreement (FTA) with the United States. She said that her country would continue "to deploy diplomatic and other resources to build on our already considerable support in the United States" for an FTA, and claimed she would also make the same point to President Bush when she had the opportunity to talk to him at the upcoming APEC summit in Chile.

2. (C) After the speech, Ambassador Swindells, who was sitting next to PM Clark, said that he understood from his most recent phone conversation with Ambassador Wood in Washington that New Zealand was planning a full lobbying effort with the new Congress in hopes of getting legislators' support for a U.S.-New Zealand FTA. She said yes -- New Zealand needs to have ties with the world's biggest economy. After noting that Congress (as does the Administration) remains appreciative of New Zealand's contributions to Afghanistan and Iraq, the Ambassador asked whether she was concerned that members of the Senate Armed Services Committee and others on the Hill might speak up against an FTA because of their strong feelings about New Zealand's anti-nuclear legislation. At this, the Prime Minister fell silent.

3. (C) The Ambassador continued by noting that Congress would want to know if New Zealand would show any flexibility

on the nuclear issue. PM Clark responded that she welcomed the idea of a Coast Guard ship visit. The Ambassador said that he had already suggested this, but that the Navy had said that a visit would send the wrong signal and he had to agree. He said that if he raised the idea again, the Navy (and others in Washington) would ask him what the United States could expect from New Zealand in return. Ambassador Swindells said that he thought Washington would want to know there would be movement on the NZ side, and welcomed PM Clark's thoughts on this.

4. (C) Earlier in the dinner, Ambassador Swindells asked whether PM Clark intended to invite the President to New Zealand. She said yes, in conjunction with the 50th anniversaries of the U.S. and New Zealand bases in Antarctica. She said that she believed the majority of New Zealanders would welcome such a visit.

5. (C) Comment: The Prime Minister has now heard directly the message that the Ambassador and the rest of the Embassy will convey in the months ahead: if New Zealand wants to further the bilateral relationship, it must reexamine the limits its nuclear policy has put on our ties.

Swindells

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classification:SECRET  
reference:  
 S E C R E T SECTION 01 OF 02 WELLINGTON 000997

SIPDIS

DEPT FOR EAP/ANP, INR/EAP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 11/30/2014  
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S E C R E T SECTION 01 OF 02 WELLINGTON 000997

SIPDIS

DEPT FOR EAP/ANP, INR/EAP  
NSC FOR GREEN, JONES

E.O. 12958: DECL: 11/30/2014  
TAGS: PGOV, PREL, PHUM, NZ  
SUBJECT: NEW ZEALAND SPY "SCANDAL" - SECURITY INTELLIGENCE  
SERVICE UNDER INVESTIGATION

Classified By: DEPUTY CHIEF OF MISSION DAVID R. BURNETT,  
FOR REASONS 1.4(B,D)

1. (S) Summary: Prime Minister Helen Clark has assented to a request by the Inspector-General of Security to conduct an

investigation into allegations reported by the New Zealand media that New Zealand's Security Intelligence Service (SIS) has been spying on members of the newly formed Maori Party. The reports were attributed to anonymous whistleblowers in the New Zealand Security Intelligence Service, at least one of whom has since been identified as unaffiliated with the SIS. The alleged spying ("Operation Leaf") supposedly gathered political intelligence on Maori through wiretaps and computer hacking. Embassy Wellington RMAS dismisses the allegations; SIS contacts insist such domestic monitoring was discontinued a decade ago. Some monitoring of Maori criminal groups may continue, but is conducted exclusively by the police service. PM Clark has vehemently denied the allegations and thus far avoided political fallout, but has allowed an investigation by an independent supervisory body to proceed. End summary.

#### Legitimacy Of Media Sources Questioned

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2. (U) Since November 21, New Zealand media have been reporting allegations that New Zealand's Security Intelligence Service (SIS) has been spying on members of the newly formed Maori Party. Three dissident "SIS operatives" have claimed to local media that they had been assigned to monitor domestic Maori groups in New Zealand in order to get intelligence on tribal divisions, finances, and treaty claims and in general to get "dirt" on those targeted. The PM called these claims a "work of fiction" and challenged the three spies to make their complaints through proper channels if they were to be considered credible. One of the "spies" has been identified - New Zealand citizen Jack Sanders (aka James Thomas Stubbs). Sanders has been described by a NZ Police spokesman as a subject of interest by the Police for "dubious activities" in Asia.

3. (U) While PM Clark, who is also Minister for the SIS, has vehemently denied the allegations, she has assented to a request by the Inspector-General of Security, Justice Paul Neazor, to conduct an investigation. This assent may be linked to a letter of complaint from political rival and Maori Party co-founder Tariana Turia to Neazor. Turia told the press that her phone was bugged while she was leaving the Labour Party, although she also admitted that a private security firm she hired at that time told her it was unlikely SIS was involved. Turia also spoke with SIS head Richard Woods and stated that she has accepted his assurances her Maori Party was not a target.

4. (S) Post's RMAS spoke with SIS contacts, who stated that the press claims are not credible. They further stated that the SIS had monitored Maori groups in the past when they were considered a possible national security risk, but stopped doing so at least 10 years ago. In fact, when the RMAS asked SIS last year if they were looking at Maori groups in the wake of press reports that some Maori were embracing radical Islam, SIS said no, as they thought the police were doing an adequate monitoring job.

#### SIS Background

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5. (S) The SIS is one of four key elements in the GoNZ's security structure, which also includes the Government Communications Security Bureau (GCSB), the NZ Police and the NZ Defence Force's special forces. These organs are coordinated by the Domestic and External Security Committee, based in the Department of PM and Cabinet. The SIS is akin to both our FBI and CIA and spends about 90 percent of its resources on domestic security issues. (It was authorized to conduct overseas operations in 1996.) Its focus is on internal issues involving counter-terrorism (CT), counter-proliferation, counterespionage and organized crime, and it is just completing a restructuring plan in preparation for requesting more CT funding. Neazor's investigation will be the first into NZ's counter-intelligence services since the 1996 reforms.

Comment

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6. (C) The initial newspaper article, written by strong anti-Western columnist Nicky Hager, exploited public stereotypes with its allegations of a security apparatus running roughshod over civil liberties and with its overtones of racial profiling ) targeting law-abiding Maori. However, Clark's decision to allow an inquiry should effectively stem any political fallout for her Labour Government, especially as further press reporting continues to undercut the media's initial claims.

Swindells

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reference:04STATE248337|04WELLINGTON555  
☐ C O N F I D E N T I A L WELLINGTON 001003

SIPDIS

DEPT FOR EAP/ANP, WHA/CCA

E.O. 12958: DECL: 12/02/2014  
TAGS: ETTC, PREL, NZ  
SUBJEC..  
▼ C O N F I D E N T I A L WELLINGTON 001003

SIPDIS

DEPT FOR EAP/ANP, WHA/CCA

E.O. 12958: DECL: 12/02/2014  
TAGS: ETTC, PREL, NZ  
SUBJECT: NEW ZEALAND POLICIES AND ACTIONS TAKEN WITH REGARD TO CUBA

REF: A. STATE 248337

B. WELLINGTON 555

Classified By: ECONOMIC OFFICER JOY YAMAMOTO,  
FOR REASONS 1.4(B,D)

1. (C) The Government of New Zealand formalized diplomatic relations with Cuba in 2001, with its Ambassador resident in Mexico City accredited to Havana. The GoNZ uses meetings with Cuban officials to express its concern over the human rights situation in Cuba (ref B), according to Mike Shaw, Americas Division, Ministry of Foreign Affairs and Trade. This is consistent with the GoNZ's policy of engagement with states that have poor human rights records. Post is unaware of any NZ entity or nationals who would be subject to Title III of the LIBERTAD Act. The GoNZ would strenuously object to any effort to apply Title III to a NZ national or entity on extraterritorial grounds. The GoNZ is strongly supportive of U.S. positions on Cuba's human rights record, and use of Title III would jeopardize continued good-faith cooperation.

2. (SBU) Economically, Cuba was New Zealand's 45th largest trading partner in the year ending June 2004, with exports to Cuba at NZ\$61.8 million (USD43.2 million) and imports at NZ\$919,000 (USD643,000). Of these exports, 97 percent were in the dairy sector, specifically milk powder. Culturally, ties continue to strengthen. In October, the Cuban Ambassador to New Zealand, who is resident in Canberra, hosted a film festival in New Zealand, in response to a New Zealand film festival held in Havana in February.  
Swindells

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origin:04WELLINGTON1037  
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reference:04WELLINGTON900  
□ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 001037

SIPDIS

DEPARTMENT FOR EAP/ANP-TRAMSEY AND EB/TPP/BTA/ANA-RARMSTRONG  
STATE PA...  
▼ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 001037

SIPDIS

DEPARTMENT FOR EAP/ANP-TRAMSEY AND EB/TPP/BTA/ANA-RARMSTRONG  
STATE PASS TO USTR FOR BWEISEL AND DKATZ  
COMMERCE FOR 4530/ITA/MAC/AP/OSAO/GPAINE

E.O. 12958: DECL: 12/14/2014  
TAGS: ETRD, ECON, KIPR, NZ  
SUBJECT: NEW ZEALAND'S PHARMACEUTICAL MARKET: NO QUICK FIX

REF: A. WELLINGTON 900

B. AUCKLAND 302



C. AUCKLAND 118

Classified by: DCM David R. Burnett. Reasons: 1.4 (b) and (d).

1. (SBU) Summary: After trying in vain for years to persuade the New Zealand government to change its restrictive pricing policies on pharmaceuticals, the drug industry is taking another tack: reaching out to patient groups with information designed to bolster their demands for cutting-edge drugs not already covered by government subsidy. Several U.S. drug companies also hold out hope that a New Zealand-U.S. free-trade agreement could be a lever for improving their access to New Zealand's pharmaceutical market.

2. (C) The government contends it already is increasing drug availability by boosting the budget for pharmaceutical purchases over the next three years. In actuality, its spending on drugs in real terms is declining. U.S. pharmaceutical companies continue to struggle in what they view as one of the most restricted free-world markets. They are cutting local staff, and they are slashing investment in New Zealand-based research and development. Attempting to make inroads against a government mindset that is hostile to the drug industry, post is working with the industry to identify speakers and engage in other public diplomacy efforts that could help educate New Zealanders on the benefits of gaining access to a wider range of effective pharmaceuticals. End summary.

Limited prices, limited access  
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3. (U) Spending in New Zealand on government-subsidized pharmaceuticals has risen by less than three percent per year on average during the last decade, compared to 14 percent per year in Australia. Only six new drugs a year were approved on average over the last three years for reimbursement in New Zealand, compared to about 30 drugs in Australia. The New Zealand government nevertheless asserts that it now is increasing the budget for pharmaceuticals sufficiently to subsidize more new medicines.

4. (U) In fact, the pharmaceutical budget rose this fiscal year (ending June 30) by 4.4 percent, to NZ \$541 million (US \$380 million), with planned increases in the following two years of .5 percent and 1.9 percent. The smaller increases in the 2006-2007 and 2007-2008 budget years were based on the expectation that a number of expensive drugs will go off patent, according to Stuart Bruce, manager of communications and external relations for the Pharmaceutical Management Agency (Pharmac), a stand-alone Crown entity.

5. (U) Exempt from New Zealand's competition law, Pharmac acts as a single buyer, or monopsony, that decides which medicines will be subsidized by the government and how much reimbursement will be paid for each pharmaceutical. In some cases, the supplier is not allowed to set a drug price higher than the subsidy as determined by Pharmac. The agency also puts a cap on the amount of a drug to be purchased at a certain price. Its decisions effectively allocate about 73 percent of New Zealand's spending on prescription drugs.

Pharmac does not directly handle funding for the government's drug subsidy. Those funds are dispersed by the national health care systems' 21 district health boards to the pharmaceutical suppliers after a prescribed drug is dispensed to the consumer.

6. (SBU) Bruce noted that Pharmac always under-spends its budget because government policy prohibits exceeding it. That means that actual public spending on pharmaceuticals is likely to remain relatively flat or even decline in real terms over the next three years. Further explaining why Pharmac spends less than planned, Bruce said that some patients do not pick up their prescriptions because of co-payment delays. Spending projections also are based on the assumption that patients will consume their entire prescription. Since pharmacists receive a fee each time they dispense a medication, they usually break a prescription into installments, and some patients do not purchase an entire prescription.

7. (C) Pharmac designated 15 new products for reimbursement the past fiscal year, up from three new drugs in 2002-2003. U.S. pharmaceutical firms we talked to, however, point out that only one of those new medicines is freely available. Access to the other medicines is available only after doctors make special application or when patients meet specific criteria. For example, only specialists can prescribe a new treatment for diabetes. The drug's manufacturer believes 2,000 to 3,000 of the more than 100,000 diabetics in New Zealand could benefit from the medicine. But with just 50 specialists nationwide, most patients are under the care of general practitioners, and obtaining the drug is difficult. Another company reported that six out of 10 applications by doctors for reimbursement for its schizophrenia drug are rejected.

8. (C) The industry also criticizes Pharmac for a lack of transparency in its funding decisions. One U.S. company spent more than three years negotiating with Pharmac to gain public funding for a schizophrenia treatment. Without explanation (none is required), Pharmac broke off those discussions this year.

9. (U) The New Zealand industry group Researched Medicines Industry (RMI) said in a statement that Pharmac is using "smoke and mirrors" to portray itself as widening New Zealanders' access to pharmaceuticals. Since leading-edge medicines generally are not subsidized, they are available only to those who can pay the full cost, RMI said.

10. (SBU) Publicly, Pharmac contends that it delivers the best health-care outcomes possible within the funding available, citing the fact that the volume of subsidized pharmaceuticals has increased while prices in general have declined. Pharmac highlights the savings it reaps -- NZ \$25 million (US \$17.5 million) the past fiscal year -- that would have been spent on the drug subsidy without its intervention to lower prices. Privately, Wayne McNee, Pharmac's chief executive officer, acknowledged that the principal obstacle to funding more medicines is the government's reluctance to increase the pharmaceutical budget. On that, both he and the industry agree.

IPR and advertising under threat

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11. (U) U.S. pharmaceutical companies consider New Zealand's patent protection to be inadequate. Pharmac controls pharmaceutical prices partly through "reference pricing" -- determining the level of subsidy based on the lowest-priced product in a therapeutic subgroup. The subgroup includes medicines that are similarly effective in treating the same or similar conditions. This policy often pits patented products against lower-priced generics and does not reward innovation. Pharmac's general practice is to designate for subsidy only one drug per therapeutic class.

12. (U) The New Zealand government also has refused to extend the effective patent life of drugs, which now stands at seven years on average (ref A). One U.S. company views the issue as irrelevant, since Pharmac's reference pricing undermines its patents' commercial value anyway. Most companies see the government's position on effective patent life as further evidence of its disregard for the pharmaceutical industry. Further eroding their patents' worth is the so-called springboarding provision in New Zealand's patent law, which allows generic competitors to start the process of seeking market approval while a proprietary drug is still under patent.

13. (C) In addition, U.S. pharmaceutical companies continue to worry that the government will ban direct-to-consumer advertising, one of the industry's few pathways around Pharmac's controls (ref C). Several companies, especially those marketing so-called lifestyle drugs for such conditions as hair loss and erectile dysfunction, have built sales through advertising. Unsubsidized drugs accounted for 30 percent of sales for Merck Sharp & Dohme, 25 percent for Pfizer, 20 to 25 percent for Pfizer, 20 percent for Johnson & Johnson, 15 percent for Eli Lilly and less than 6 percent for GlaxoSmithKline this year in New Zealand. Health Minister Annette King and Pharmac oppose direct-to-consumer advertising (DTCA) partly because they believe it tends to increase expenditures on pharmaceuticals. DTCA also pressures Pharmac to explain why it does not fund certain advertised drugs. Companies are wary of the New Zealand government using a joint regulatory agency it is establishing with Australia as a vehicle for banning DTCA, which is not allowed in Australia. However, the Australian High Commission told post that such a decision is for the New Zealand government alone to make.

A big hit on industry

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14. (U) From Pharmac's pricing policies to the government's positions on intellectual property and direct-to-consumer advertising, U.S. pharmaceutical companies consider New Zealand to be hostile ground. Unable to meet their sales and profit targets, they say it is becoming increasingly difficult to persuade their home offices to keep investments or even a presence in the country.

15. (C) As a result, almost all U.S. companies in New Zealand have scaled back their staffs and their

research-and-development investments since Pharmac was formed in 1993. During the past year, Eli Lilly cut 20 percent of its staff to 27 people, from a peak of 70 employees in the mid-1990s. GlaxoSmithKline has reduced its staff by 65 percent, down to about 50 people. Pfizer downsized its pharmaceutical division by 15 percent, to 60 people. Johnson & Johnson two years ago cut its staff by 10 percent, and Jan Trotman, its general manager in New Zealand, said that if conditions do not improve in 2005, the company could leave the country in three to five years. (Some staff cuts are due to the shifting of regulatory oversight from New Zealand to Australia with the scheduled launch of the trans-Tasman agency in July 2005.) The exception is Merck, where employment has remained stable and sales have increased, partly because of its higher sales of vaccines.

16. (C) Because of the difficult environment, all the companies have reduced -- and, in some cases, ceased -- investment in research and development in New Zealand (ref B). Eli Lilly is completing two clinical trials, but otherwise has transferred all its research and development. Ten years ago, every U.S. drug company in New Zealand employed a medical director. Now, only Merck has one. Ironically, New Zealand presents a small but optimal environment for clinical trials of pharmaceuticals because of its population's lack of exposure to newer medicines. Minister King had threatened to end clinical trials unless patients participating in a trial had free, lifetime access to the medicine once the trial ended. Other cabinet ministers told her to stop making that threat.

17. (SBU) Nearly every company said it was holding out some of its newer medicines from New Zealand because of the expectation that prices and sales volumes would be too low. For the New Zealand consumer, the result is less access to modern medicines.

Times they are a-changin'?  
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18. (SBU) Pharmaceutical companies see ideological opposition to their industry in comments by Prime Minister Clark, Health Minister King and other cabinet members. One pharmaceutical executive recalled how, upon simply introducing himself at a public forum, the Prime Minister said the drug industry needed to be "stopped" from making excessive profits. (The industry may be paying a price for its unsuccessful effort in 1990 to unseat Clark, who at the time was health minister.) Health Minister King has publicly equated the pharmaceutical industry with the tobacco industry. When several companies warned her that her government's policies would force the industry out of New Zealand, she responded that she was not concerned because New Zealand could always shop overseas for its drugs.

19. (SBU) Amid such perceived hostility, there have been subtle changes. In the past couple years, RMI and Pharmac have worked to maintain dialogue, although RMI in recent months under a new chairman -- a general practitioner -- has more aggressively promoted the industry's views in the media. While drug companies remain unhappy with Pharmac's practices, they see capped government funding, rather than

Pharmac itself, as their primary problem. Several companies noted an emerging public debate over access to medicines, a discussion that was nonexistent even a couple years ago. Public attitudes are changing slowly. As Alister Brown, Merck New Zealand's chief executive, noted, consumers five years ago assumed that if Pharmac did not fund a drug, it was not worth having. An increasing number of consumers are now willing to pay for non-subsidized drugs.

20. (C) Finding that its direct pressure failed to alter the government mindset, the industry is now firing up pressure from below. For the last six months, RMI has been working with patient groups to make them aware of cutting-edge pharmaceuticals that are not being subsidized in New Zealand. Lesley Clarke, RMI's chief executive officer, hopes this effort will result in increased pressure on the government to hike funding for drugs. Although Clarke said it would be too early to see results of RMI's efforts, New Zealand newspapers in recent months have reported complaints by patient groups over the lack of funding for drugs to treat breast cancer, Alzheimer's disease, and growth hormone problems.

21. (SBU) New Zealand's doctors would appear to be likely cheerleaders for greater access to pharmaceuticals. However, industry market research shows that fewer than 20 percent of New Zealand's doctors would tell their patients of non-funded alternatives to subsidized medications. The drug companies contend that doctors are reluctant to publicly call for change.

22. (C) A possible U.S.-New Zealand free-trade agreement (FTA) offers one last avenue for changing government policies that limit access to pharmaceuticals, several U.S. companies said. Meanwhile, Geoff Dangerfield, chief executive of the New Zealand Ministry of Economic Development, told a U.S. drug company that his government terminated its study of patent term extension for pharmaceuticals to keep the issue as a bargaining chip in the event of FTA negotiations. If FTA talks go forward, most of the drug companies will be looking to the U.S. government to win serious concessions from New Zealand on pharmaceutical issues. Pfizer, which withdrew from RMI early this year, will oppose free-trade negotiations until the New Zealand government alters some of its policies, especially its patent law and reference pricing.

Post's strategy  
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23. (SBU) The challenge is compounded by New Zealand's escalating health-care costs and an aging population. Overall health-care spending has risen faster than any government budget category since 1994 and now comprises about 20 percent of the government budget. In the meantime, the government's effort to reduce the cost of seeing a doctor has led to more patient visits, more prescriptions, and more purchased pharmaceuticals. As a result, Bruce of Pharmac said his agency would face more pressure to ration its budget or seek a larger portion of the already stressed health budget.

24. (C) To complement the industry's efforts, post will work with companies to identify U.S. speakers to be brought to New

Zealand and possible International Visitor Program participants, with the goal of educating New Zealand's health practitioners, policymakers and consumers on pharmaceuticals' role in health care. These programs will emphasize the advantages of expanded access to medicines and treatment options and the link between pharmaceutical research and development and the biotechnology industry, which the New Zealand government prominently supports as a means to economic growth. By keeping drug expenses artificially low, the New Zealand government is denying consumers access to many modern medicines and failing to bear an equitable portion of the cost of developing drugs. Over the long term, post hopes its efforts will help New Zealand strike a balance between providing affordable medicines and supporting an industry that creates cures for disease.

Swindells

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E.O. 12958: DECL: 12/14/2014  
TAGS: PGOV, NZ, PBIO...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 001040

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 12/14/2014  
TAGS: PGOV, NZ, PBIO  
SUBJECT: NEW ZEALAND CABINET RESHUFFLE: FIRST UP,  
CONTROVERSIAL CHOICE FOR SPEAKER

Classified By: POLITICAL AND ECONOMIC COUNSELOR KATHERINE HADDA,  
FOR REASONS 1.4(B,D)

1. (U) Summary: The Labour Government took its first steps in a long-heralded Cabinet reshuffle, with the December 14 nomination of current Attorney-General Margaret Wilson for the position of Speaker of the House. The Speaker is the third highest office in the country and, while the role is non-partisan, Speakers do maintain links to their nominating party. Wilson's selection came as a surprise as Defense Minister Mark Burton had long been tipped as the front-runner, and Opposition parties had informally approved of the choice. The switch to party-ideologue Wilson has inflamed opposition parties, who argue that she lacks the necessary experience for the job. However, her confirmation

is likely, and has now raised interest among Labour MPs as to who will take over her three portfolios: as Attorney General, Treaty of Waitangi Negotiations Minister and Commerce Minister. With very few Ministerial portfolios deemed secure, the full reshuffle (expected within the next week) has sparked intense lobbying and speculation. End summary.

Opposition Inflamed

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2. (U) The Labour Government took its first steps in a long-awaited Cabinet reshuffle, with the December 14 nomination of current Attorney-General Margaret Wilson for the position of Speaker of the House. Under Labour's system of nomination, the full caucus votes on who is allowed into Parliament, but decisions on the distribution of portfolios are made by PM Clark. Wilson's selection came as a surprise as Defense Minister Mark Burton had long been tipped as the front-runner, and Opposition parties had informally approved of the choice. Opposition National Deputy Leader Gerry Brownlee savaged Wilson's selection, noting that "respect is earned, but granted by appointment." ACT MP Richard Prebble categorized the nomination as part of "Helen Clark's gender-promoting strategy," and NZ First leader Winston Peters carped that his party had not been consulted. Despite these objections, Wilson is likely to be confirmed with a solid majority, as both the United Future and Green parties have agreed to support Labour and the Progressives.

Role of the Speaker

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3. (U) The Speaker of the House is the highest office in the House, and third in the country, after the Governor General and the PM. While the role is non-partisan, and the Speaker may not display favor for one party over another, Speakers do maintain links to their nominating party. In addition to these roles within Parliament, the Speaker presides over select committees including the Business Committee, the Officers of Parliament Committee and the Standing Orders Committee. The Speaker also has statutory responsibilities for the Controller and Auditor General, the Ombudsman and the Parliamentary Commissioner for the Environment. Current Speaker Jonathan Hunt will be departing the post in March to become High Commissioner to London. Under NZ's Mixed-Member Proportional system, he will be replaced in Parliament by the next on the Labour Party list, Lesley Soper, Labour Party Women's Vice President.

Wilson's Labour Credentials

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4. (U) Wilson was President of the Labour Party from 1984 - 1987, and is widely seen as one of the more uncompromising MPs over NZ's anti-nuclear legislation. Wilson was then chief advisor to Labour PM Sir Geoffrey Palmer, and following that dean and professor of law at Waikato University. She was elected to Parliament in 1999, and the Opposition has pointed out her lack of experience in Opposition in condemning her nomination. Wilson has dismissed this concern noting that she is efficient and organized, and will be able

to learn "on the job." Earlier in the year Wilson had publicly spoken of a desire to leave Parliament and return to academia, but was convinced by the caucus to stay.

Is there a lawyer in the house?  
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5. (U) Wilson's nomination has not only set the Opposition boiling, but has raised interest among Labour MPs as to who will take over her three portfolios, as Attorney General, Treaty of Waitangi Negotiations Minister and Commerce Minister. The Attorney General is the senior law officer of the Crown as well as having responsibility for the Crown Law Office, the Serious Fraud Office and the Parliamentary Counsel Office. This combination requires the incumbent to combine the obligation to act in a non-partisan matter on some issues with the political partisanship of being a Minister. Speculation on her replacement is rife, as a lawyer has traditionally held the role of Attorney General, but Labour has only 5 lawyers. These include two first-term MPs plus disgraced Ministers John Tamihere and Lianne Dalziel. Michael Cullen and Phil Goff (who is not a lawyer) are considered the most likely candidates for the post, but this would require either of the men to give up another portfolio.

Comment:  
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6. (C) Although unexpected, Wilson has publicly expressed dissatisfaction with her portfolios, and is not seen as widely supported by business. Clark's decision to move her from active portfolios to the Speaker's job is likely a plum offered as an enticement for Wilson to remain in Parliament through the next election. Wilson's nomination has throw Parliament and the media into a frenzy, as previously "safe" portfolios are now open to reexamination and possible redistribution. In terms of personal politics, Wilson is widely seen as one of the more uncompromising MPs over NZ's anti-nuclear legislation, as she was integral in its passage. Her confirmation as Speaker means she will no longer attend Cabinet meetings, removing a strong anti-nuclear voice from the fray. However, she and Helen Clark are very close personal friends, and she undoubtedly has the ear of the PM.

7. (C) Wilson's move comes among intense speculation that other, unrelated Cabinet shuffles are in the works, to be announced within the week. According to Parliamentary insiders, the PM has reportedly said that only the Finance and Foreign Affairs portfolios "need stability" and will not change. While their portfolios may not change drastically, the competition among ministers to prove their worth has intensified. Stay tuned.

Swindells

date:2004-12-16T01:29:00

source:Embassy Wellington

origin:04WELLINGTON1044

destination:This record is a partial extract of the original cable.



The full text of the original cable is not available.

classification:SECRET

reference:04STATE251327

□S E C R E T WELLINGTON 001044

SIPDIS

STATE FOR PM/RSAT, PM/PMAT, SA/AC, EAP, AND EAP/ANP

E.O. 12958: DECL: 12/15/2014

TAGS: MARR, MO...

▼S E C R E T WELLINGTON 001044

SIPDIS

STATE FOR PM/RSAT, PM/PMAT, SA/AC, EAP, AND EAP/ANP

E.O. 12958: DECL: 12/15/2014

TAGS: MARR, MOPS, PREL, AF, NZ

SUBJECT: NEW ZEALAND ON REQUEST FOR SPECIAL OPERATIONS

FORCES IN OPERATION ENDURING FREEDOM

REF: STATE 251327

Classified By: AMBASSADOR CHARLES J. SWINDELLS,  
FOR REASONS 1.4 (A), (B), AND (D)

1. (S) Ambassador discussed reftel request with New Zealand (NZ) Foreign Minister Phil Goff on December 13. Goff said that his government is reviewing what more New Zealand can do in Afghanistan. The Cabinet will reach its decision early in the new year, he said. Goff pledged to inform the Ambassador of the decision on a confidential basis, before it is announced. "You will be pleased," he predicted.

2. (S) Comment: According to post's DATT, this tracks closely with New Zealand's response to Centcom when this request was made through that channel. End Comment.

3. (U) MINCON ETAUTH.

Swindells

date:2004-12-17T01:51:00

source:Embassy Wellington

origin:04WELLINGTON1053

destination:This record is a partial extract of the original cable.

The full text of the original cable is not available.

classification:CONFIDENTIAL

reference:04WELLINGTON36

□C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 001053

SIPDIS

STATE FOR EAP/ANP-TRAMSEY

STATE PASS USTR-BWEISEL AND DKATZ

COMMERCE...

▼C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 001053

SIPDIS

STATE FOR EAP/ANP-TRAMSEY  
STATE PASS USTR-BWEISEL AND DKATZ  
COMMERCE FOR 4530/ITA/MAC/AP/OSAO/GPAINE

E.O. 12958: DECL: 10/16/2014  
TAGS: PREL, ECON, OVIP, NZ, ETRC, CODEL  
SUBJECT: SENATOR BAUCUS AND AMBASSADOR GIVE STRAIGHT TALK  
ON FTA TO NEW ZEALAND TRADE MINISTER

REF: WELLINGTON 36

Classified by: DCM David R. Burnett. Reasons: 1.4 (b) and (d).

1. (C) Summary: In a meeting December 2 at the Auckland airport, Senator Max Baucus (D-Montana) and the Ambassador warned New Zealand Minister for Trade Negotiations Jim Sutton that his government faces a tough time trying to persuade the U.S. government to start free-trade talks. While emphasizing their personal support for such talks, they identified the New Zealand government's anti-nuclear policy as a major obstacle to deepening the bilateral relationship, including negotiation of a free-trade agreement. The discussion underscored the message of Codel Nickles (reftel) in January 2004 on New Zealand's chances for a free-trade deal and the nuclear issue's impact on the bilateral relationship. End summary.

2. (U) Minister Sutton, who raised the free-trade issue, noted the importance to New Zealand of a deal with the United States, especially because of the expected diversion of investment from New Zealand to Australia due to the Australia-U.S. trade agreement. Sutton had just returned from the Association of South East Asian Nations summit meeting in Laos and was accompanied by Simon Murdoch, the chief executive of the Ministry of Foreign Affairs and Trade.

3. (C) Senator Baucus said that the U.S. administration was assessing entire bilateral relationships -- including economic and security issues -- in deciding which countries to put in queue for free-trade negotiations. He expected that approach to harden in the administration's second term as views within the White House become more consolidated. Thus, the Senator predicted that New Zealand's 1986 legislation barring the entry of nuclear weapons and nuclear-powered ships into its territory would make it tough to get free-trade negotiations going. In providing this direct assessment, the Senator implied that he nonetheless supported starting talks now with New Zealand based on the economic benefits to the United States.

4. (C) The Senator, who was accompanied by selected members of his trade delegation, said that there should be give and take on both sides, and that there should be some way that New Zealand could meet the United States half way on the nuclear issue.

5. (C) Sutton said he had often heard from Washington of the fear of "New Zealand fever" -- its anti-nuclear policy -- spreading, but that he was not certain that such fear was an

issue or obstacle to trade negotiations.

6. (C) The Ambassador responded that, because of regional security conditions, New Zealand's policy is more important to the United States today than it was in 1986. He acknowledged the need to articulate publicly the reasons why the United States remains concerned by the policy. He noted that other countries that are as sensitive to the nuclear issue as New Zealand -- such as Japan and South Korea -- have found a way around the issue because of the importance of national security and of their relationships to the United States.

7. (C) Murdoch said he hoped a "report card" on the New Zealand-U.S. relationship would reflect New Zealand's efforts and give the United States reason to bolster it. He pointed out New Zealand's support for the reconstruction efforts in Afghanistan and Iraq and the sharing of intelligence. The Ambassador confirmed the U.S. government's appreciation for New Zealand's cooperation in many areas, including customs and intelligence gathering. However, the U.S. government did not consider New Zealand to be pulling its weight in defense and security matters. He thought Australia shared that view.

8. (C) Murdoch asserted that the anti-nuclear policy would be difficult, if not impossible, to change. The policy had become ingrained politically in New Zealand, its citizens even more than the government supported it, and even the opposition was reluctant to deal with the issue. The Ambassador, who stressed that he and the Embassy supported free-trade negotiations between New Zealand and the United States, said that when two countries want something, everything should be on the table.

9. (C) The Senator agreed. Unless the nuclear issue were addressed, it would be tough to get the U.S. administration to start free-trade negotiations. Somehow, the two parties needed to quietly work together to resolve the matter.

10. (C) The Ambassador recalled that he had attempted to address the issue two years ago by arranging for a visit to New Zealand by a U.S. Coast Guard ship. However, he ran into strong opposition from certain members of the White House, Pentagon and State Department. It was their feeling that the United States had been the more flexible of the two countries and that New Zealand had made no effort to find a way around the issue.

11. (C) The Senator and Ambassador pointed out that both countries cooperated well on a number of issues but that, while the bilateral relationship was good, it needed to go to another level. The meeting ended on a cordial and friendly note, with Sutton and Murdoch appearing to appreciate the forthrightness of their discussion with the Senator and Ambassador.

12. (C) Comment: Senator Baucus has been identified by the New Zealand government as a strong advocate for its effort to achieve free-trade negotiations with the United States. Therefore, we expect that his candid assessment of the challenges faced by New Zealand -- and the importance of

dealing with the nuclear issue -- in its pursuit of a free-trade deal carried credibility. Post also notes that in the meeting there was no discussion of how the United States might benefit economically from a trade agreement.

13. (U) Senator Baucus did not have an opportunity to clear this cable.  
Swindells

date:2005-01-24T17:48:00  
source:Embassy Wellington  
origin:05WELLINGTON58  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000058

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 01/20/2015  
TAGS: PGOV, PREL, PH..  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000058

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 01/20/2015  
TAGS: PGOV, PREL, PHUM, NZ  
SUBJECT: MP TAMIHERE CLEARED IN FIRST OF TWO INVESTIGATIONS; HITS THE COMEBACK TRAIL

REF: 04 WELLINGTON 909

Classified By: ACTING DCM KATHERINE B. HADDA, FOR REASONS 1.4(B,D)

1. (U) Summary. Beleaguered Labour MP John Tamihere has begun his political rehabilitation, offering a "state of the nation" speech January 19 that attacked the "separatist" Maori party, defended Labour's economic policies, and eschewed the left-right division of unions and business leaders in favor of pragmatic solutions. Following a two-month investigation, a report released December 21 cleared Tamihere of charges related to tax liabilities on a "handshake" payment provided by his previous employer, the Waipareira Trust. However, an investigation by the Serious Fraud Office (SFO) on related issues is outstanding, and it is unlikely that Tamihere will be returned to Cabinet in the near future. End summary.

"I Am A Maori and They Have Stolen My Name"  
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2. (U) This was Tamihere's first public speech since resigning as Minister in November. Playing on his appeal to more right-wing Labour voters, Tamihere decried the old ideologies of left and right, extolling unions and business

leaders to focus on working concepts instead of archaic stereotypes of the "boss as bad" and "unions as lazy lefties." While the bulk of the speech focused on election-year themes - immigration, economic development and the on-going Constitutional Inquiry - Tamihere spoke most sharply on race issues. He attacked the newly formed Maori Party as "tribalists" who "advocate grievance and victimhood." He also expressed frustration that the educated academics who run the Party have allied with the new "checkbook" elite -- Maori made rich by Governmental Treaty of Waitangi settlements. "I am a Maori and they have stolen my name," Tamihere said. (Note: Popular Maori Party co-leader Dr Pita Sharples was chosen to stand against Tamihere on October 25 (reftel) and Tamihere's Tamaki Makaurau seat is seen as vulnerable in the upcoming election.)

Still Out in the Cold  
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3. (U) Following a two-month investigation, a report released December 21 cleared Tamihere of charges related to tax liabilities on a "handshake" payment provided by his previous employer, the Waipareira Trust, finding that tax liability rested with the Trust. But the report found that Tamihere did not declare his receipt of income on the Ministerial register, and has referred this issue to the Commissioner for Inland Revenue. Tamihere's political future remains uncertain, as an investigation by the Serious Fraud Office (SFO) into eight allegedly false invoices signed by Tamihere is still underway. If the SFO finds Tamihere innocent, the way would be clear for him to resume his role of strong advocate for Maori issues. This could be helpful in the run-up to the 2005 election, in which all seven Maori-designated Parliament seats will be hotly contested.

4. (U) PM Helen Clark sent Tamihere a strong signal with her Cabinet reshuffle on December 20, when she reassigned his portfolios on a permanent basis. All is not lost, however, and following the first report's release Clark publicly stated that Tamihere has "a strong future", hinting that he can expect a portfolio after the 2005 general election. Clark offered a surprisingly high level of solidarity with Tamihere, noting that Tamihere has been the most-investigated MP, and hinting that this may be the result that the Opposition fears his strong appeal to Maori and non-Maori Labour voters.

Confession Is Good For the Soul  
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5. (C) Comment: Throughout the initial scandal and the subsequent inquiry, Prime Minister Clark consistently applied the same rigorous moral standard to Tamihere that she has to other Ministers who have violated her cardinal rule of "No scandal." But although she sent Tamihere to the backbenches to serve his time, Clark has kept dangling the possibility of his future rehabilitation into the Cabinet. At the same time, demonstrating the political mettle that has kept her firmly in control of the Labour Party for the past ten years, Clark has maintained a sufficient distance from Tamihere that

should he be found to have committed an impropriety, neither she nor the Party will suffer.

6. (C) Tamihere's speech, with its folksy comments softening Union "ownership" of the Labour party and controversial comments on Maori separatism, demonstrates clearly his ability to attract voters who are generally supportive of Labour but put off by the party's left-wing, politically-correct agenda. For this reason, Labour Party leaders are no doubt keeping their fingers crossed that Tamihere's political rehabilitation will hold throughout the upcoming election campaign.  
Swindells

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origin:05WELLINGTON78  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000078

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 01/27/2015  
TAGS: PGOV, PREL, PH..  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000078

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 01/27/2015  
TAGS: PGOV, PREL, PHUM, NZ  
SUBJECT: NATIONAL GOES TO BAT

Classified By: ACTING DCM KATHERINE B. HADDA, FOR REASONS 1.4 (B,D)

1. (U) Summary. After a week of press leaks and innuendo, the 2005 election season swung into full gear with Opposition National Party leader Don Brash's much-anticipated speech at Orewa Rotary Club on January 25, unveiling National's long-promised position on welfare reform. Expectations for this speech were astronomical after a speech at the same venue in January 2004 surprised both the Government and National by resulting in a 15 percent poll jump for National. While short on specific policy prescriptions, the biggest announcement in the speech was a pledge to reduce the total number of beneficiaries by 100,000 within the next ten years.

2. (SBU) Although the speech made it onto the front pages, public reaction seems well below that generated by last year's speech. But the message gives an idea of National's intentions going into the early stages of the election campaign. By raising the welfare issue, the party hopes to

attract struggling middle-income working families with children, and to solidify support by traditional National voters. Learning from last year, the Government responded quickly to the speech, noting that the number of beneficiaries has actually declined since Labour has been in office. End summary.

Orewa II: Return of the Brash

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3. (U) After a week of press leaks and innuendo, Opposition National Party leader Don Brash gave a much-anticipated speech at Orewa Rotary Club on January 25, unveiling National's long-promised position on welfare reform. Brash was quick to note that he is not condemning legitimate beneficiaries, but rather aiming at the widespread fraud he believes is in the system. Welfare is "a temporary hand up not an open-ended handout," he said, emphasizing that the system was out of control. Brash noted that since 1975, New Zealand's population had grown by 32 percent, but the number of Sickness Benefit recipients has grown by almost 500 percent, and those on the Invalids' Benefit by almost 700 percent. Since 1999, when the current Labour Government took office, the population has grown by 6 percent, versus 40 percent growth in the number receiving those two benefits.

4. (U) Expectations for this speech were astronomical: at the same venue and time last year, Brash's speech attacking racial preference in Government policies resulted in a 15 percent poll jump for National, surprising both his own party and the Labour Government. Proving they have learned their lesson, and leaving no doubt that election year sparring has begun, Minister for Social Development Steve Maharey immediately countered this year's speech, pointing to a reduction in overall beneficiary numbers since 1999, and highlighting New Zealand's current record low unemployment rate. He also claimed that Labour was already enacting all of the "good recommendations" from the speech. The remainder of Brash's recommendations were failed National policies from the 1990s, Maharey said. Prime Minister Helen Clark, in a limited statement, stood by her record, and pointed to a 20 percent reduction of working age benefit recipients during Labour's 5-years in Government.

Promises Made

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5. (U) While not varying substantially from policies announced by Party Welfare Spokeswoman Katherine Rich in 2003, Brash did make a new pledge to reduce the total number of beneficiaries by 100,000 within the next ten years. To achieve this, Brash focused primarily on more stringent application of single-parent subsidies- the Domestic Purposes Benefit (DPB). He also advocated a limited "work-for-the-dole" program or retraining for those receiving unemployment, and tougher medical evaluation of those receiving Sickness and Invalid payments. For employees seen as risky, i.e. those without experience, with poor English skills, or with a criminal record, potential employers would be offered a 90-day "trial period" to encourage greater workforce participation.

6. (U) Repeating National's mantra of "personal responsibility" versus an expanding "nanny state," Brash called for DPB recipients to be ready for part-time work when their youngest children turned five and full-time when they turned 14. Brash savaged the Labour Government for allowing women to have greater incomes if they deny having a relationship with their children's father than they would if the same couple were married. Brash also stated that under a National government, single parents on the DPB who won't name the father of their children would face financial penalties. Brash also advocated adoption as an option, especially for teenage mothers.

The Political Angle

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7. (U) Demonstrating election year sensitivities, Brash was quick to clarify that National's welfare policies will not apply to social security benefits for either people over 65 or those physically or mentally unable to support themselves. He also stressed that National would be supportive of women trying to leave abusive relationships. With National's voters statistically older than Labour's, and the overall speech aimed at working New Zealanders, these clarifications should reassure National's core constituency. Critics of his proposals, which include the Green Party, United Future and social welfare groups, point out that there are few specifics in the plan, no mention of anticipated costs, and little to differentiate it from past National policies.

Comment

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8. (C) Because of the attention generated by last year's speech, extensive media coverage and a strong government response were assured for this one, regardless of topic or caliber. Despite the initial media blitz, however, voters had a lukewarm reaction, with newspapers reporting they had received a quarter of the number of letters commenting on the speech compared to 2004. This is not altogether surprising, given the unreasonably high expectations placed on Brash by the media and his own party. The speech was significant, though, in that it has countered criticism that National has been afraid to unveil policies for fear that the Labour government will hijack the agenda by itself implementing National's recommended reforms, as happened after last year's Orewa speech. Whether the Government will succeed with a similar sleight of hand this time remains to be seen, but officials' claims that Labour has already reduced the number of beneficiaries was no doubt intended as a step in this direction.

Swindells

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origin:05WELLINGTON79

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□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000079

SIPDIS

STATE FOR EAP/FO, EAP/EP, EAP/RSP, EAP/ANP, AND INR/EAP

E.O. 12958:...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000079

SIPDIS

STATE FOR EAP/FO, EAP/EP, EAP/RSP, EAP/ANP, AND INR/EAP

E.O. 12958: DECL: 01/27/2015

TAGS: PREL, PGOV, ECIN, NZ, ASEAN, APECO

SUBJECT: EAST ASIAN SUMMIT: NEW ZEALAND'S VIEWS

REF: 04 STATE 275091

Classified By: ACTING DCM KATHERINE B. HADDA,  
FOR REASONS 1.4 (B AND D)

1. (C) Summary: New Zealand officials have been watching with interest the proposal to hold an East Asian Summit, but they remain unclear as to either the form or function of the meeting. New Zealand would welcome the chance to participate in the Summit, but is unlikely to push for an invitation because of a perception that ASEAN's agenda is already overloaded. China seems to be the driving force behind the EAS proposal, but New Zealand officials think the PRC's goal is to have more control of its dialogue with governments in the region rather than to push for any specific policy goal or to create an alternative to APEC or other groups. END SUMMARY

2. (C) On January 25, Acting DCM discussed the East Asian Summit (EAS) with Sarah Dennis, Director of the South/South East Asia Division at New Zealand's Ministry of Foreign Affairs and Trade (MFAT). Rebecca Needham, a Policy Officer working under Dennis and who covers ASEAN issues, joined the meeting. The South/South East Division has only recently been assigned the EAS portfolio within MFAT, as over the last few weeks the Ministry's small staff -- made still smaller by the Antipodean summer holiday -- was focused on locating New Zealanders missing following the Boxing Day tsunami.

3. (C) Dennis admitted that New Zealand officials do not know a great deal about the form or agenda of the EAS, and she said this was because even the Summit's core participants seem still to be working out the details. New Zealand has actually been watching the proposal since last year, mainly through reporting done by the country's missions in the region.

4. (C) ASEAN 3 has become a fixture of the ASEAN calendar, Dennis said, and she has perceived both interest and some nervousness about the EAS proposal -- and specifically China's role -- among ASEAN members. In New Zealand's view, China's diplomacy on the EAS has been constructive and open to ASEAN input, and the members seem keen to work with China although their suspicions remain. Dennis said it remains

unclear what the content of the EAS would be, but China has made clear that it wants to have the ASEAN region relatively secure and growing economically, so it seems likely that the Summit agenda would cover both economic and security issues.

5. (C) A/DCM noted that because Taiwan and Hong Kong participate in APEC, China had resisted efforts by the U.S. and others (including New Zealand) to discuss counter-terrorism issues in that forum. She asked whether it was possible that for this reason China saw a potential EAS security agenda as an alternative to APEC. Dennis and Needham said they were unaware that China was seeking an alternative grouping in which to discuss security issues, although they did agree that China might be trying to take a strategic position that would allow them a more central role in shaping a regional agenda than would be possible under ASEAN 3.

6. (C) Dennis said her impression is that China floated the EAS idea (although some say it was Japan) and ASEAN was initially cautious about the proposal because members preferred the control afforded them by the current ASEAN 3 format. By the time of the Vientiane Summit, New Zealand officials were somewhat surprised to find that the ASEAN 3 Leaders had agreed to the EAS, to be hosted by Malaysia.

7. (C) Dennis said that it was still not clear which countries would participate in the EAS, nor even whether or not ASEAN members would (as seems likely) attend as individual countries rather than as a bloc or whether this would be a one-off or annual event. Leaders participating in the December ASEAN 3 meeting said that the EAS would be in addition to ASEAN 3, but some members have told Dennis that the EAS would replace the existing forum. ASEAN 3 officials are now tasked to decide when and where the EAS will be, and who will attend. Dennis said that New Zealand officials are not on the inside of this process, but she speculated that ASEAN Foreign Ministers may make the final decisions when they meet in March. At the latest, the details should be decided by June or July.

8. (C) Despite media claims at the Vientiane summit that invitations to the EAS would be issued to India and others, Dennis does not believe that any decision has been made to invite other countries. New Zealand has not been invited and Dennis is not sure whether or not it would be. She said that the time had come for New Zealand officials to decide whether to lobby for an invitation, but she indicated that in general, New Zealand has been cautious about foisting itself onto ASEAN because the government believes the ASEAN agenda is overloaded as it is. For this reason, Prime Minister Clark had said in her statement in Vientiane that she would welcome the chance to participate in the ASEAN Summit again when it made sense to do so. Dennis explained the Prime Minister had in mind the conclusion of the ASEAN-Australia-New Zealand Free Trade Agreement as an example of the kind of event that would logically lead to New Zealand's future participation in the summit.

Swindells

date:2005-01-28T04:51:00  
source:Embassy Wellington  
origin:05WELLINGTON82  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE14507  
☐ C O N F I D E N T I A L WELLINGTON 000082

SIPDIS

STATE FOR NP/RA ETHYN SONTAG, L/NP JULIE HERR, L/LEI DENISE  
MANNING, AND EAP/ANP  
LOND..  
▼ C O N F I D E N T I A L WELLINGTON 000082

SIPDIS

STATE FOR NP/RA ETHYN SONTAG, L/NP JULIE HERR, L/LEI DENISE  
MANNING, AND EAP/ANP  
LONDON FOR EST/EVANS

E.O. 12958: DECL: 01/28/2015  
TAGS: KNNP, KTIA, MNUC, PARM, PREL, PHSA, EWWT, NZ  
SUBJECT: U.S. NONPROLIFERATION AMENDMENTS TO THE SUA  
CONVENTION: NEW ZEALAND

REF: SECSTATE 14507

Classified By: Acting DCM Katherine Hadda,  
For Reasons 1.4 (B) and (D)

1. (C) Acting DCM conveyed reftel points on the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA) to Caroline McDonald, Director of the Disarmament Division at the Ministry of Foreign Affairs and Trade (MFAT) and Scott Sheeran, an MFAT Legal Advisor. A/DCM said she was encouraged that both were willing to discuss the issue with her, as it was important that both legal and substantive experts take an interest in SUA discussions.

2. (C) McDonald and Sheeran apologized for not knowing in depth New Zealand's views on the U.S. proposals. McDonald has monitored the issue but not worked on it directly; Sheeran just took over the portfolio; and Caroline Bilkie, the Deputy Director of the MFAT Legal Division who was at the first SUA meeting, is out of the country until next week. Sheeran said that he understood that New Zealand is in broad agreement on the importance of the agreement covering both state and non-state actors. A/DCM stressed that it was equally important that the agreement criminalize the knowing transport of dual use items for use in prohibited weapons, and said that this proposal was consistent with UNSCR 1540 and other nonproliferation regimes to which New Zealand belongs.

3. (C) Sheeran and McDonald promised to convey our points to New Zealand's rep to the Intersessional, Hine-wai Loose, who covers disarmament issues in Geneva. They noted that Loose's

choice as representative reflects New Zealand's desire to keep a substantive focus on the talks. Sheeran said he would advise A/DCM of Loose's views after the discussions next week.

Swindells

date:2005-02-01T04:00:00  
source:Embassy Wellington  
origin:05WELLINGTON92  
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classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L WELLINGTON 000092

SIPDIS

DEPT FOR EAP/ANP, NEA/I

E.O. 12958: DECL: 01/31/2015

TAGS: PREL, PGOV, MOPS, NZ

SU...

▼ C O N F I D E N T I A L WELLINGTON 000092

SIPDIS

DEPT FOR EAP/ANP, NEA/I

E.O. 12958: DECL: 01/31/2015

TAGS: PREL, PGOV, MOPS, NZ

SUBJECT: NEW ZEALAND SENDS "ONE-OFF" MILITARY LIAISON OFFICER TO BAGHDAD WITH UN

REF: 04 WELLINGTON 824

Classified By: ACTING DEPUTY CHIEF OF MISSION KATHERINE B. HADDA, REASON 1.4 (B, D)

1. (U) The GoNZ announced January 31 that it will station one military liaison officer in Baghdad to work in the UN Assistance Mission. The soldier's work will include liaising with the MNF and the interim Iraqi Government's security forces, and the one-year deployment will be served in two six-month installments. In making the announcement, Prime Minister Clark noted that the deployment was a "one-off," and that the GoNZ had not received any additional requests for troops from either the UN or the USG. She also commended the strong turnout in the Iraqi elections, but expressed concern over low Sunni turnout, stating "it is going to be very important if Iraq if to go forward, that there is the maximum degree of inclusion."

2. (U) Clark noted that the liaison officer will maintain NZ's profile as an active participant in UN peacekeeping operations - a profile which has flagged since participation in East Timor. New Zealand's initial 12-month military deployment to Iraq ended September 25, 2004 (reftel) with the homecoming of over 60 engineers and support staff. At that time Clark confirmed that no further deployments to Iraq were

being considered, although even then she indicated a willingness to look favorably on a request from the UN for one or two military officers to serve in UN headquarters in Baghdad.

3. (C) Comment: Clark's decision to assign an officer to Iraq under UN auspices is in keeping in tone with earlier comments (reftel,) and allows Clark's Government to remain involved in a significant UN operation. While it also enables NZ to continue to distance its presence in Iraq from the US and the Coalition, we predict that the Government will still try to take credit for the move when speaking with USG officials. The assignment of one officer also reflects the GoNZ's efforts to balance a small, overstretched military force with a strong commitment to peacekeeping efforts worldwide. Clark's lament that NZ's peacekeeping activities have declined since East Timor reaffirms the Government's view that NZ's peacekeeping capabilities are an effective vehicle for increasing NZ's public profile within the multilateral system.

Swindells

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source:Embassy Wellington  
origin:05WELLINGTON96  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
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reference:05WELLINGTON78  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000096

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN

E.O. 12958: DECL: 02/01/2015  
TAGS: ...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000096

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR GREEN

E.O. 12958: DECL: 02/01/2015  
TAGS: PGOV, PHUM, PREL, NZ  
SUBJECT: NEW ZEALAND PRIME MINISTER CLARK IN STATE OF THE NATION: "NO WORRIES"; MEDIA REACTION MUTED

REF: WELLINGTON 78

Classified By: ACTING DEPUTY CHIEF OF MISSION KATHERINE B. HADDA, FOR REASONS 1.4(B,D)

1. (C) Summary: In her opening speech of the year, PM Helen Clark launched the opening salvo of her election campaign. She indirectly countered Opposition leader Don Brash's welfare policy speech (reftel) by outlining childcare and

other policies she defined as the best way to encourage women to return to the workplace. While the Prime Minister affirmed her interest in a US FTA, in almost the same breath she took a swipe at the National Party (and no doubt at the Embassy and other U.S. officials) by reiterating her Government's support for NZ's iconic anti-nuclear legislation. Labor productivity and economic growth were a common thread throughout the speech, with special focus on the "ownership society" and increasing productivity to OECD standards. PM Clark pointed to Asia as the way forward for NZ economically and politically, but aside from declaring interest in FTAs did not go into detail on the country's role in the region.

2. (C) Opposition party MPs, who like the rest of New Zealanders knew most of the content of the heavily-leaked speech before it was delivered, immediately criticized the Labour Government as complacent, greedy, and out of touch. But reflecting the speech's failure to break new ground, an internal rift in the Opposition National Party dominated the next day's headlines, relegating Clark's presentation and the opposition response to a media byline. End Summary.

Foreign Policy Pro-NZ or anti-US?  
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2. (C) While Clark's State of the Nation address focused almost exclusively on the domestic agenda, Clark made a point of celebrating NZ's independent foreign policy, with its focus on human rights, disarmament and peacekeeping. As part of this "independence," Clark again utilized her party's misquote of National Party leader Don Brash by declaring that NZ's iconic "nuclear-free status won't be gone by lunchtime with a Labour-led government." Consistent with the GoNZ's recent foreign policy focus, Clark called for a continuation of NZ's dynamic trade agenda, together with a call for increased (and unspecified) engagement with Asia. Making clear that the GoNZ's priorities were to continue its robust pace of negotiating free trade agreements (FTAs,) Clark pointed proudly to positive developments in FTAs with Thailand, China, Singapore and Chile, ASEAN and Malaysia. Clark noted "we remain ready to enter negotiations with the United States. The mutual benefits of an FTA between us are clear."

Policy Highlights  
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3. (U) Domestically, Clark hammered home Labour's achievements in economic growth, health, education, and reduction of crime. While leaving major policy announcements for the 2005 budget and future election pledges, Clark delineated eight "key areas of activity and policy development," largely listing on-going GoNZ programs and previously announced initiatives. The areas included: lifting labor productivity, lifting participation rates in the workforce, infrastructure development, new savings initiatives, Maori development, a dynamic trade agenda, increased engagement with Asia and building national identity and pride.

Securing NZ's Economic Growth  
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3. (U) Labour productivity and economic growth were a common thread throughout the speech, with a special focus on the "ownership society." While driving home NZ's low unemployment, high economic surplus and strong GDP growth, Clark outlined policy areas designed to expand and secure recent economic benefits across a broader portion of society. Striking back at Opposition leader Don Brash's criticism of Labour's welfare policies (reftel), Clark pointed to Labour's changes to the Superannuation scheme and mortgage insurance programs as first steps in encouraging increased savings rates. She hinted at future policies designed to "encourage a co-coordinated lifetime approach to savings." To lift labor productivity Clark announced continued investment in skilled migration and a proposal to encourage expatriate NZers to return home.

4. (U) In her most controversial policy, Clark announced a need to increase women's participation in the workforce, which currently lags behind OECD averages. Here Clark highlighted the Working For Families package in the 2004 budget, with its paid parental leave and additional childcare subsidies, as offering assistance to working mothers. By stressing that such assistance would also enable mothers receiving state benefits to return to the workforce, Clark also took an indirect jab at Brash's welfare critique. Admitting that childcare was not the only obstacle to returning to work, Clark also pointed to the GoNZ's program to address pay equity issues in the public sector. United Future leader Peter Dunne, whose party is in an alliance with Labour, called this policy "neo-Soviet," asking why women should sacrifice quality of life for the good of national productivity.

Rebuttals: Overshadowed By Scandal  
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5. (U) Opposition leader Don Brash gave an articulate rebuttal to Clark's comments, claiming that this was a classic tax and spend government. He condemned Clark for merely "outlining what the Government will do with taxpayer's money." Brash reiterated National's mantra of personal responsibility, and summarized his recent policy statements on welfare, race relations and economic development. Despite his detailed response, Brash's remarks were completely overshadowed in the next day's media reports by his decision to remove MP Katherine Rich's from her welfare portfolio, after she publicly disagreed with aspects of his recent welfare speech.

6. (U) ACT Party leader Rodney Hide provided the sole foreign policy commentary of the day, rebuking PM Clark for her statements on the FTA, noting that Clark would "stand ready" to negotiate an FTA until "hell froze over" since she didn't like the Americans. Noting Clark's decision to begin her speech with references to NZ's post-tsunami aid package, Hide reprimanded Clark for not mentioning the US' substantial support to the affected region. He also bemoaned that her speech and the remarks of other opposition MPs had failed to

mention the successful elections in Iraq, which were a great step forward for democracy in that country.

Comment  
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7. (C) Comment: Clark is sticking to her trademark approach ) a gradual development of policies, with no surprises - but it appears she may have erred on the side of caution. While media reporting on in the past week was substantial, with all key elements of the speech leaked early, reporting on the State of the Nation speech was minimal. National's "sacking" of Katherine Rich dominated public discussion. Proving the adage that no coverage is bad coverage, Brash has taken a page from Clark's "solidarity" playbook and used the opportunity to demonstrate that sometimes a strong leader has to take a stand, and not allow internal dissent.  
Swindells

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SIPDIS

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E.O. 12958: DECL: 02/10/2015  
TAGS: PGOV, PHUM, NZ...  
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SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 02/10/2015  
TAGS: PGOV, PHUM, NZ  
SUBJECT: HISTORICAL LABOUR-MAORI CHURCH ALLIANCE THREATENED BY MAORI PARTY

REF: 04 WELLINGTON 909

Classified By: PRINCIPAL OFFICER AUCKLAND, SIRIA LOPEZ,  
REASON 1.4 (D)

(U) This cable originated from AmConGen Auckland.

1. (SBU) Summary: The nascent Maori Party's impact on New Zealand politics (reftel) continues to be felt -- to the increasing discomfort of the ruling Labour party, and has raised doubts about Labour's historical alliance with an influential Maori organization, the Ratana Church. Some Ratana followers are questioning the historical Ratana Church-Labour Party alliance, putting them at odds with the Church's leader, Harerangi Meihana, a staunch Labour



supporter whose son is to stand as a Labour Party candidate. In addition, the administrator of a second Ratana center, Te Omeka Marae Trust Chairman Ron Smith, has challenged Meihana's position, accusing him of politicizing the Church to the detriment of its membership and credibility. The divisions in this important Maori institution reflect the rise of an increasingly credible Maori political alternative to Labour. End Summary.

#### Decades-Old Alliance

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2. (SBU) The Maori Party's impact on New Zealand politics continues to be felt -- to the increasing discomfort of the ruling Labour party. Recently, some members of the Ratana Church, an influential Maori organization, have been re-evaluating their Church's historical alliance with the Labour party. The Church has helped ensure Labour's almost unbroken hold on Maori-designated parliamentary seats. The alliance of mutual support between Ratana and Labour was forged in April 1936 between the Church's charismatic founder, T.W. Ratana, and then-Labour Prime Minister Joseph Savage. Since 1936, Labour has lost the Maori-designated seats only twice: in 1993 and 1996 when the New Zealand First party -- led by Maori Winston Peters -- captured the Maori vote. Labour regained the seats in 1999, but the emergence of the Maori Party in July 2004, a reaction to Labour's controversial seabed and foreshore legislation, has spurred some members of the Church to call for a re-think of its allegiance to Labour.

#### All in the Family

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3. (U) The political importance of the Ratana Church has ensured PM Helen Clark's regular attendance (twelve years running) at the annual January celebration honoring T.W. Ratana's birthday. In 2002, the opposition National Party also started to show up for the first time. With media speculating on Maori Party inroads on Labour's "safe" Maori seats, PM Clark appeared to be taking no chances at this year's gathering: she arrived at the Ratana site near Wanganui with 27 Labour ministers and MPs in tow. The media has also been reporting Clark's successful courting of Errol Meihana, son of the Ratana Church president, to run as Labour's candidate in one of seven Maori parliamentary seats. This seat, Te Tai Hauauro, is likely to be contested by Maori Party co-leader Tariana Turia, who is also Meihana's aunt.

#### Church Fissures

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4. (U) Errol's father, Ratana Church leader, Harerangi Meihana, has rejected rumors that the Church will break its ties to Labour. He is also reportedly insisting that followers back Labour. In so doing, Meihana has alienated some Church members -- a group which includes another son who has declared his support for the Maori Party. But it is the administrator of a second Ratana center, Te Omeka Marae

Trust Chairman Ron Smith, who has been at the forefront of challenging Meihana's political position.

5. (C) In a meeting on February 4, Smith made it clear to visiting Auckland Consul General that he strongly disapproves of the close Meihana-Labour association. He confirmed that an upcoming Church synod to be held around Easter would likely focus internal discussions on the question of political affiliation. Smith maintained that his real interest concerns Church infrastructure. He insisted that political matters are the provenance of the Church's political wing, based in Matatmata at his Te Omeke Marae, and not with the spiritual center near Wanganui. (A Ratana Church spokesman, however, has questioned Smith's assertions as being "at best debatable.") Admitting that it sounds like "sour grapes," Smith said that under Meihana's leadership, the spiritual wing had become more and more involved in politics, more and more interested in "getting on the right side of Helen Clark."

6. (C) Smith lamented the social cost of the rift ) as Meihana engages in politics young Maori, left spiritually adrift, are being swept up into crime. Maori families are struggling to cope with these social strains and upheavals. The Church offers them no support. As a result, Church membership is declining. Smith contended that the Church needs to pay attention to Maori spiritual needs if it is to staunch the membership decline. (Note: We have been unable to confirm Smith's charge that institutional numbers are declining. Figures cited publicly range from 40,000 to 70,000 Ratana members. Smith, however, estimated the current number to be closer to 20,000. End Note)

6. (C) Smith further contended that the Church is also losing followers for a non-spiritual reason: members do not want to be told for whom to vote. The foreshore and seabed legislation, for example, is a matter of interest to members, important enough to sway political inclinations. Given his position as political wing administrator, Smith said he had been trying to monitor members' political feelings while making it clear to them that whom they voted for was their business. Smith believed that, rather than switching political allegiance from one political party to another, members at the Easter synod would want to reject voting directives of any kind, opting to let members make up their own minds. Maori party co-leader Tariana Turia has echoed this sentiment, saying publicly that the Labour-Ratana alliance is effectively over as no group can tell Maori how to vote.

#### Maori Party Prospects

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7. (C) Both Smith and Turia believe the Maori Party is finding support among increasing numbers of Ratana followers. But when asked about the party's 2005 electoral prospects, Smith said he thought it could win 2-3 seats. He was uncertain if it could win more. He also said he did not think the Party would win any general (list) seats. Smith criticized the recent selection of "brash" Maori activist, Hone Harawira, as the Maori Party candidate for Te Tai

Tokerau. Harawira, he said, was the kind of candidate who could make even liberal-minded persons vote for the right. Smith confided that he had been very embarrassed at the turnout for a Maori Party get-together at his center. Two young Ratana Church members had assured him that "thousands" would come out; the actual number had been 120. He implied that the disappointing attendance, captured by television cameras, had detracted from his center's prestige and its billing as the Ratana Church's political center. It was only after Smith heard that "no one" had turned up for the launching of Errol Meihana's political organizing committee that he had begun to feel better.

8. (C) Smith, who is himself a T.W. Ratana relative, described upcoming efforts, to be taken with the support of other Ratana family relations, to "reaffirm Church theology and infrastructure." He denied he is seeking to split the Church or to oust Meihana, his cousin. How, he asked, could he split the Church when all he is doing is "reaffirming theology, reaffirming the value of the Te Omeka site and recognizing the power of the people?" (The irony of his pressing the theological case while at the same time insisting on the separation of the Wanganui "spiritual" arm of the Church and his own "political" role was apparently lost on Smith.)

Comment

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9. (C) Comment: Current trends are likely to bear out Smith's and Turia's predictions. It seems reasonable that a significant number of Ratana Church members, particularly the younger set, will want to make their own voting decisions -- even if the Church old guard should retain its official alliance with Labour. Furthermore, the Maori Party is likely be the biggest beneficiary of any switched political party votes. Whatever the Church's actual membership numbers, PM Clark chose to turn up at the Ratana anniversary celebrations with an unusually large Labour entourage. She also assiduously courted Errol Meihana to run for Labour. With the emergence of a credible Maori political alternative, such moves signal that Clark wants to dispel any impression that Labour is taking the Maori vote for granted. Swindells

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destination:This record is a partial extract of the original cable.  
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SIPDIS

DEPARTMENT FOR EB/ESC/TFS, EAP/ANP AND S/CT

E.O. 12958: DECL: 02/22...

▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000160

SIPDIS

DEPARTMENT FOR EB/ESC/TFS, EAP/ANP AND S/CT

E.O. 12958: DECL: 02/22/2015

TAGS: KTFN, EFIN, PTER, PREL, NZ

SUBJECT: NEW ZEALAND AIMS TO STRENGTHEN ITS TERRORIST  
FINANCE LAWS

Classified by: DCM David R. Burnett. Reasons: 1.4 (b) and  
(d).

1. (U) Summary: The New Zealand government continues to tighten provisions of an anti-terrorism law it enacted more than a year after September 11, 2001, and that it amended in 2003. The government recently introduced legislation that will delay the expiration date for New Zealand's designations of terrorist organizations to 2007. The bill also proposes extending the law's reach to cover intentional financing of non-designated terrorist organizations. The changes are aimed at keeping New Zealand in compliance with UN Security Council Resolution 1373, as well as to follow recommendations presented in a Financial Action Task Force review. More changes are coming, with a government review of the anti-terrorism law scheduled for completion by December 1, 2005.

2. (C) Meanwhile, the government is grappling with procedural issues that often have delayed New Zealand's designation of terrorist individuals and entities. Its law does not allow for the automatic designation of terrorists as listed by the United Nations. Nor has New Zealand yet designated as a terrorist any individual or entity that was not already UN-listed, largely because it lacks procedures for handling classified information in its courts. Post continues to work with New Zealand officials to determine whether the U.S. government might help the New Zealand government as it works to revamp its legislation and court procedures. End summary.

Changes in the law

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3) (U) On February 10, Justice Minister Phil Goff introduced in Parliament a second amendment to the Terrorism Suppression Act 2002, the law that allows the government to designate terrorists and terrorist organizations and to freeze their assets. The act's drafters had assumed that some designations might be short-lived, and so the law requires that New Zealand's designations of terrorist organizations -- covering 318 organizations listed by the UN Security Council -- expire in October unless renewed individually by the High Court. The amendment extends the expiration date by two years, to 2007, aiming to keep New Zealand in compliance with UN Security Council Resolution 1373 and related resolutions. The extension also accommodates an ongoing government review of the Terrorism Suppression Act, which is expected to recommend additional changes to the law when it is completed by December 1, 2005. The government hopes to pass the

amendment by July, well before national elections that probably will be held in September, as the resulting change in government appointments could delay the bill's implementation.

4) (C) The amendment also would extend the law's prohibitions against financing terrorist acts and designated terrorist entities to apply to the intentional financing of non-designated terrorist organizations. To be illegal, the funding would not necessarily have to be used to support a specific terrorist act. Any support of the organization would be banned. This change addresses a shortcoming in New Zealand's law identified in a review by the OECD's Financial Action Task Force on Money Laundering (FATF). Gabrielle Rush (strictly protect), an adviser in the Ministry of Foreign Affairs and Trade's legal division, said the government believes that successful prosecutions under the provision would be unlikely, given the difficulty of proving a person "knowingly" financed a terrorist group. Nonetheless, the government wants to comply with FATF's Eight Special Recommendations on terrorist financing and its revised 40 Recommendations. New Zealand was among the first countries to undergo a FATF peer review of its terrorist financing and money-laundering laws. Recommendations by the review, which was completed in late 2003, have not yet been published, although the government received the task force's draft report in mid-2004.

5) (U) On February 16, Minister Goff announced additional laws to counter terrorist financing and money laundering, all intended to satisfy FATF's recommendations. The laws would set up a monitoring regime to ensure compliance by financial and other institutions with anti-money laundering and terrorist finance requirements. Currency changers and funds remitters -- currently unregulated -- would be required to register and would be subject to the same reporting requirements as banks. Financial institutions would have to obtain, verify and retain information about the identity of people sending wire transfers. Minister Goff explained in a statement, "New Zealand's largely deregulated financial system results in potential loopholes in our system that require closing in order to meet strict international requirements."

Problems in the law

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6. (C) New Zealand has largely complied with UNSCR 1373. It has not yet identified any terrorist assets in the country. But the government's process for designating UN-listed terrorist entities can involve delays. Since enactment of the Terrorism Suppression Act, the New Zealand Police have initiated the designation process, determining whether sufficient criteria exists -- even for UN-listed entities. The process is a slow one: The police draft applications for designation, circulate them among relevant government offices and send them to the Prime Minister for her final approval. Although the Prime Minister has approved all designations presented by police, weeks can pass between designation of an individual or entity by the United Nations and designation by New Zealand. Previously, a stopgap measure approved by Cabinet on November 26, 2001, had provided for the automatic

designation of UN-listed entities in New Zealand. A year later, it was replaced with the Terrorism Suppression Act, which designated in New Zealand all entities listed by the United Nations by October 18, 2002. (Those designations will expire in October under the current law.) Since then, designations have been made through the process shepherded by police.

7. (C) Even for UN-listed individuals and entities, police must build a case for their designation in New Zealand that meets the Terrorism Suppression Act's requirements, according to Bill Peoples (strictly protect), crime policy and projects officer for the New Zealand Police. That means the police case must provide the Prime Minister with "reasonable grounds" for believing that an individual or entity knowingly carried out or participated in a terrorist act, before she can designate it. Peoples said that in some cases the government's legal counsel, Crown Law, has questioned whether the United Nations had sufficient evidence to make a designation.

8. (C) If the designations are sponsored by the United States, providing "reasonable grounds" can be relatively easy, Peoples said. The U.S. government supplies a statement of case when it pre-notifies the New Zealand government before submitting names for designation to the UN 1267 Sanctions Committee. However, some nations do not authorize the United Nations to identify them or to release their statements of case when they submit names for designation. In such instances, the police are forced to independently build a case for designations.

9. (C) Flaws in the law stem from how it was drafted, said Rush of the Ministry of Foreign Affairs and Trade (MFAT). When the law was first introduced, a number of legislators immediately objected that the bill would unfairly impinge on civil liberties. In the end, it took a year to be reviewed and passed, and provisions had been watered down. As Rush explained, some New Zealanders fear the law could be applied to someone like Nelson Mandela, who was labeled a terrorist by his government but who many consider a "freedom fighter." While New Zealand's designations under the Terrorism Suppression Act have not been challenged in court and no New Zealander has been designated, Rush said the government worries about how it would defend designation of a New Zealander based on the UN list, if information behind the listing were not available. New Zealand officials expect their planned, future revisions will eliminate the law's weaknesses, as now there are clearer international best practices in place.

10. (C) Peoples and Rush said the government also is exceedingly cautious because of the case of Ahmed Zaoui, a former member of Algeria's parliament who sought refugee status on arrival in New Zealand in December 2002. In a statement on entities designated as terrorists by the Prime Minister in September 2004, Zaoui's political party -- the Islamic Salvation Front, or FIS -- was linked to an individual who has ties to al Qaida. At the time, the government was under pressure by Zaoui's supporters because it continued to keep him in custody, largely on the basis of

classified information. While the UN designation did not link the FIS to al Qaida, the New Zealand police had based the statement on open sources. But, that information was subject to different interpretations, and the police ultimately withdrew the statement and apologized. Peoples said the designation has been the only problematic one presented to the Prime Minister for approval. The Zaoui case is still pending, and New Zealand officials are reviewing possible legislative changes that would eliminate conflicts between the country's immigration and refugee laws that the case has exposed. In the meantime, publicity surrounding the case has increased the Prime Minister's cautiousness -- and that of Crown Law and other government agencies -- in considering police proposals for designations.

11. (C) In addition, the New Zealand government has not yet designated individuals and entities as terrorists that are not already designated by the UN, because the courts lack procedures for the introduction of classified information in trials, Rush said. Crown Law and the judiciary are working to establish such procedures. Until then, the government is reluctant to designate entities not on the UN list because of the fear of legal challenges. In the meantime, Peoples said he is preparing a proposal to designate Hezbollah based only on open-source documents. He is uncertain whether such a case would provide "reasonable grounds" for a designation.

12. (C) The police are preparing a list of issues they want addressed by the Foreign Affairs, Defense and Trade Select Committee, which is reviewing the Terrorism Suppression Act. Those include the lack of an automatic designation of UN-listed entities. Other government departments also have been asked to comment on the law. Rush said the government will be studying the designation process in other countries and will consider two tracks for designations, one for UN-listed entities, possibly incorporating a degree of automaticity, and another for entities not designated by the United Nations.

13. (C) Comment: Rush and Peoples noted that more open-source information would be helpful in obtaining designations. Post will continue to work with EB/ESC/TFS and other relevant offices to determine whether additional U.S. government information could be provided to New Zealand, at least until it revises its law and court procedures.  
Swindells

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DEPT FOR EAP/ANP

NSC FOR JONES

E.O. 12958: DECL: 02/23/2015

TAGS:...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000171

SIPDIS

DEPT FOR EAP/ANP

NSC FOR JONES

E.O. 12958: DECL: 02/23/2015

TAGS: PGOV, PREL, MNUC, NZ

SUBJECT: NEW ZEALAND OPPOSITION LEADER POSITIONS HIMSELF  
FOR 2005 ELECTIONS

REF: WELLINGTON 78

Classified By: DEPUTY CHIEF OF MISSION DAVID R. BURNETT, FOR REASONS 1.  
4(B,D)

1. Summary. Opposition National Party leader Don Brash is entering the 2005 election season with a sense of a cautious optimism about his party's chances of regaining power. While concerned about recent setbacks that have seen him labeled "anti-women" and "anti-Maori," Brash regards the Labour Government's weakness in addressing scandals in the education sector as a sign of vulnerability ready to be exploited. Foreign affairs, including discussion of the GoNZ's anti-nuclear legislation, are not areas he believes either major party will pursue in the campaign. Recently Brash has faced criticism about his leadership style from those both in and outside of his party, making it clear that more than one party member is nipping at his heels for the chance to take over as leader. Even if National wins the election, Brash will face an uphill battle in forming an effective government, as his choice of coalition partners is small and shrinking. Whether or not his party wins, the election will test Brash's abilities as a leader. End summary.

Getting the Message Out ) Scandals Aside  
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2. (U) PolCouns and Poloff met with Opposition National Party leader Don Brash and National party strategy advisor Peter Keenan February 14. Brash began the meeting by admitting that it was incredibly hard while in Opposition to set the election agenda, especially when the economy is doing so well. He added that National will continue in the coming year to push its key policy planks )- law & order, social welfare reform, Treaty issues and education -- which are currently enjoying the spotlight. Despite recent setbacks, including the demotion of welfare spokeswoman Katherine Rich, which overshadowed Brash's major policy announcement on welfare on January 25 (reftel,) Brash was cautiously optimistic about his Party's overall position in the build-up to the 2005 election, widely projected for September. While his welfare speech was generally well-received, and was well covered by the media, Brash laughingly noted that a photograph of him seated between conservative Christian leader Brian Tamaki and Maori activist Tame Iti at NZ's national Waitangi Day celebrations provided more press than his speech.



3. (C) Brash was very forthright on recent accusations that he was anti-women, noting that his demotion of Katherine Rich from the welfare portfolio after she publicly refused to support the party's position probably gained him votes among men, who saw it as the move of a strong leader, but lost him votes among women, who see a front bench devoid of females. He noted that it was "unfortunate" that women's issues were being addressed in the manner the media had chosen. He compared it to criticisms last year after his January 2004 speech to the Orewa Rotary Club against racial preference that National was anti-Maori. Brash reiterated that National had the best policies for Maori ) noting that five of the nine National candidates announced on February 13 to stand in Auckland in the upcoming election were Maori.

A Lost Chance, An Isolated Island Nation  
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4. (C) Brash agreed with our assessment that foreign policy was not likely to figure as an election issue, although free trade agreements would likely be a recurrent topic. National's primary foreign policy goal, he said, was to rebuild the relationship with Australia, which could only truly be done by building a better relationship with the U.S. Brash commented that National should have overturned the nuclear ban when it had the chance in 1992 with the release of the Somers Report, but that his party would be unable to move on the issue in the build-up to this election. In part this was due to the infamous incident in which Brash was misquoted as having told Senator Nichols that were he Prime Minister the ban would be "gone by lunchtime," which Labour continues to use against him to this day. (In her recent State of the Country address to Parliament, PM Clark said that under her government, NZ's "status as nuclear free would not be gone by lunchtime.") But Brash said time would also be needed to lay groundwork before the public was ready to discuss the issue. He reiterated his interest in approaching the issue after a National Government was safely in control of Parliament. (Note: A National Party media advisor indicated to Poloff that the nuclear ban issue would most likely be addressed in a second National Party term -- 2008 at the earliest.) On New Zealand's FTA negotiations with China, Brash said that National is probably in agreement with Labour on moving forward, and he visited Beijing last year to make that well known to Chinese leadership.

5. (C) Brash added that National is committed to increasing spending on defense, which he noted had been low not only during Labour's tenure, but in the mid-90s under the previous National government. However, he has been advised by military experts that any defense spending increase must be done incrementally, as any equipment purchases must be matched with personnel increases and a long training pipeline. He therefore does not have definite plans for either materiel procurement or recruitment increases. (Comment: This strategy also allows Brash to avoid his party being accused of being war-mongering, but it puts him in an odd position vis a vis the Labour government, which claims to be increasing military spending. End Comment.)

The Cheese Stands Alone  
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6. (C) Discussing possible future coalition partners, Brash's optimism over election results was replaced with a far more negative outlook. While almost dismissive of partnering with ACT (which has been polling at less than 2 percent and may disappear off of the political radar, and whose leader recently criticized Brash in the media), he was optimistic about the chances of working with Peter Dunne's centrist United Future Party. Brash bluntly dismissed the possibility of allying with Winston Peters, whose NZ First Party is polling well, and may be the decisive factor in either a National or Labour-led government Brash noted that many in his caucus are completely against working with Peters again after Peters served disastrously as Deputy PM under a National Government in 1996. Personally, said Brash, he distrusts Peters, who he says lacks both a framework and an ideology, with policies that merely reacted to whichever way the wind blows.

7. (C) Comment: Brash is treading a narrow path in this election year, balancing attacks against the government with defending his party from recurrent internal conflicts. He freely admits that his party, who remain underdogs after their pitiful result in the 2002 election, faces an uphill battle as Labour uses its substantial financial surplus and the benefits of strong economic conditions to sway voters to the status quo. But Brash seems to us to be gaining confidence, both in his ability to hold his party together and in his efforts to gain public support. He may be drawing strength from his frequent under-the-radar trips to court voters around the country, although we have seen no specific evidence of this. He may also be heartened by a recent bump in the polls, although he claimed to us it was too early to consider the gain as significant. There is no doubt, however, that members of Brash's caucus have been very successful recently in drawing media attention to areas of government weakness, such as the recent debacle over scholarship exams. As the saying goes, the election may not be his to win, but Labour's to lose.  
Swindells

date:2005-03-16T04:00:00

source:Embassy Wellington

origin:05WELLINGTON222

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classification:CONFIDENTIAL

reference:05SECSTATE42847

□ C O N F I D E N T I A L WELLINGTON 000222

SIPDIS

STATE FOR DRL, WHA/CCA, DRL/MLA, IO/SHA, AND EAP/ANZ

E.O. 12958: DECL: 03/16/2015

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▼ C O N F I D E N T I A L WELLINGTON 000222

SIPDIS

STATE FOR DRL, WHA/CCA, DRL/MLA, IO/SHA, AND EAP/ANZ

E.O. 12958: DECL: 03/16/2015

TAGS: PHUM, CU, PREL, NZ, CHR-1, UNHRC-1

SUBJECT: NEW ZEALAND ON CHR AND THE CHR RESOLUTION ON CUBA

REF: A. SECSTATE 42847

B. SECSTATE 44494

Classified By: Political-Economic Counselor Katherine Hadda,  
for reasons 1.4 (B) and (D).

1. (C) Acting Political-Economic Counselor provided Refs A and B demarches concerning the 61st Session of the UN Commission of Human Rights (CHR) and the importance of the U.S.-sponsored CHR Cuba resolution to Val Meyer, Deputy Director of the Human Rights Division, Ministry of Foreign Affairs and Trade (MFAT). Meyer promised to discuss with Embassy officers New Zealand's position on all the CHR issues once her Ministry had had a chance to review our positions.

2. (C) On March 16, Pol-Econ Counselor followed up with Meyer and in particular stressed our desire that New Zealand co-sponsor the Cuba resolution. Meyer said that a memo with recommendations for all CHR issues was being sent up to Foreign Minister Phil Goff for his approval. While MFAT staff hoped for fast action on the memo, Meyer suspected the Minister would not approve it before the weekend as his schedule is very busy.

3. (C) Pol-Econ Counselor told Meyer that the United States hopes that New Zealand will co-sponsor the country-specific resolutions highlighted in reftels, and in particular the Cuba resolution. She pointed out that New Zealand officials have in the past told us that they regret attempts by other countries to water down human rights resolution language. For similar reasons, our proposed resolution on Cuba has been crafted to avoid tussles over language and to instead draw attention to the CHR's repeated resolutions on Cuba and to invite the CHR itself to report on its findings regarding Cuba. Pol-Econ Counselor told Myer that despite the long string of resolutions, human rights conditions in Cuba have slipped back over time, not improved. Meyer suggested that, once Minister Goff's decision has been made, Pol-Econ Counselor meet with her and MFAT's Cuba specialists to discuss our views on Cuba.

4. (C) Comment: Based on Meyer's comments and New Zealand's positions on similar requests, we do not anticipate New Zealand will agree to co-sponsor the resolution on Cuba. Nor is it likely that New Zealand will co-sponsor the resolution on Belarus or Burma. In the past, New Zealand officials have disappointingly only chosen to co-sponsor human rights resolutions concerning countries with which New Zealand has diplomatic ties, on the grounds that New Zealand's influence will be greatest there. The only exceptions have been cases such as Sudan, in which New Zealand perceives that there is widespread international agreement that violations are

particularly egregious.  
Burnett

date:2005-03-21T02:52:00  
source:Embassy Wellington  
origin:05WELLINGTON233  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05STATE18228

►C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000233

SIPDIS

GENEVA FOR AMBASSADOR SANDERS  
DEPARTMENT FOR NP/MNA, EAP AND EAP/ANP ...  
▼C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000233

SIPDIS

GENEVA FOR AMBASSADOR SANDERS  
DEPARTMENT FOR NP/MNA, EAP AND EAP/ANP

E.O. 12958: DECL: 03/21/2015  
TAGS: PREL, PGOV, NZ, NPT  
SUBJECT: NPT: AMBASSADOR SANDERS DISCUSSES REVCON 2005 WITH  
NZ OFFICIALS

REF: STATE 18228

Classified By: POLITICAL-ECONOMIC COUNSELOR KATHERINE HADDA,  
FOR REASONS 1.4 (B) AND (D).

1. (C) Summary: Special Representative of President for the Non-proliferation of Nuclear Weapons, Ambassador Jackie Sanders, told New Zealand officials that the May 2005 Review Conference on the Treaty on the Non-Proliferation of Nuclear Weapons must focus on the greatest threats to global security: noncompliance by non-nuclear-weapon states with their nonproliferation obligations and non-state actors interested in nuclear weapons or involved in clandestine networks to supply nuclear technology or materials. She cited as unconstructive efforts by New Zealand and other New Agenda Coalition members to place equal emphasis on disarmament by nuclear states. New Zealand officials strongly support nonproliferation efforts, but they continued to insist that "balance" between the three NPT "pillars" (nonproliferation, disarmament, and peaceful uses) is essential. But after Ambassador Sanders and her team outlined the many steps the United States has taken towards disarmament in recent years, the officials admitted that the United States has a good case to make and encouraged Sanders to make similar presentations to other NPT parties. End Summary.

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MINISTRY OF FOREIGN AFFAIRS: DISARMAMENT KEY TO NPT PROGRESS  
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2. (C) Ambassador Jackie Wolcott Sanders, Special

Representative of the President for the Nonproliferation of Nuclear Weapons, met on February 11 with John McKinnon, Deputy Secretary of Foreign Affairs at New Zealand's Ministry of Foreign Affairs and Trade (MFAT), to discuss preparations for the May 2005 Review Conference (RevCon) of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). Sanders was accompanied by John Mentz, Special Assistant for Nuclear Non-Proliferation Policy, Office of the Secretary of Defense; Elizabeth Murphy, Foreign Affairs Specialist, NP/MNA; the Ambassador's Special Assistant Renick Smith; and Katherine Hadda, Political-Economic Counselor at Embassy Wellington (notetaker). McKinnon was joined by Deborah Pankhurst and Charlotte Darlow, Deputy Director and Policy Officer in MFAT's Disarmament Division.

3. (C) McKinnon said he appreciated that Sanders had come to New Zealand, and said he hoped her visit would enable the two sides to identify areas of agreement and difference about what the RevCon should accomplish. Sanders said this was exactly the reason for traveling to the region. She said that she had made the decision to visit even before New Zealand had decided to assume the chair of the New Agenda Coalition (NAC) in the run-up to and at the RevCon because she was interested in hearing New Zealand's views. She also wanted to lay out for her NPT counterparts what the United States believes are the real threats that NPT parties must address at the May RevCon.

4. (C) The United States intends to address all aspects of the NPT in the run-up to and at the RevCon, but the chief U.S. focus will be on noncompliance, Sanders told McKinnon. The United States was proud of its progress toward the goals of NPT Article VI. However, the real threat to global security does not come from the nuclear-weapon states (NWS), it comes from non-nuclear-weapon state (NNWS) noncompliance with their nonproliferation obligations and non-state actor involvement in clandestine networks to supply nuclear equipment and material. Disarmament will not occur in a vacuum; proliferation of WMD will necessarily impact disarmament. All signatories have obligations under the treaty, and all should comply. Sanders noted U.S. expectations that the RevCon will debate the issue of the need to control nuclear fuel cycle technology. She reiterated that Article IV rights to the peaceful uses of nuclear energy are clearly tied to compliance with the nonproliferation obligations outlined in Articles II and III. Sanders said that she hoped parties would not try to focus the RevCon solely on disarmament, as it was in all parties' interest to keep the Treaty together and strengthen compliance with its nonproliferation objectives. Mentz added that all parties' security is at risk when parties do not honor their obligations.

5. (C) McKinnon noted that he was not an expert on the NPT, which is normally handled at MFAT by Deputy Secretary Rosemary Banks, who was on travel. But he stressed the importance of the NPT and the nuclear nonproliferation regime to New Zealand. New Zealand views the NPT as an underpinning for security and a balance between competing interests. New Zealand's goal is to see all aspects of the treaty strengthened, although it realizes there are challenges to

the very foundation of the NPT, as made clear by that day's claim by North Korea that it possessed nuclear weapons. All elements of the treaty must be equally enforced. The NPT's original purpose was to balance the interests of both NWS and NNWS in order both to prevent proliferation and to allow for the peaceful use of nuclear energy. If the three pillars get "too out of kilter," said McKinnon, New Zealand feels the overall thrust of the treaty will weaken. For this reason, the NAC aim at the RevCon will be disarmament and its promotion, but without blindness to the threat of proliferation. According to McKinnon, noncompliance and the possibility of "break-out" from the Treaty are key issues. However, without recognition of NNWS interest in disarmament concerns, the basis of the Treaty will weaken. In New Zealand's view, disarmament benefits the integrity of the system; counterproliferation is better off in an environment of progress on disarmament. Perceptions are important, and a degree of confidence on disarmament would facilitate progress on proliferation. McKinnon noted that U.S. and New Zealand positions on nonproliferation are similar, but urged a balanced approach at the RevCon to get the nonproliferation outcomes both the United States and New Zealand want. New Zealand does not want the RevCon to fail or reach an inadequate outcome. New Zealand wants a RevCon outcome that preserves the regime and moves it forward on all fronts.

6. (C) Ambassador Sanders said that the United States would explain in detail all the steps it has taken on Article VI at the RevCon. She agreed that parties considered all three pillars of the NPT when they signed on, but she countered McKinnon's point by noting that ultimately states adhered to the NPT to serve their own security interests by preventing proliferation. She also reminded McKinnon that New Zealand should look at other NWS progress on Article VI. Sanders offered that the United States has done more, and in a more transparent way, with regard to nuclear disarmament than any other state. The United States has spent billions to eliminate both U.S. and Soviet nuclear weapons. Likewise, the United States is the largest donor to international cooperation in the peaceful use of nuclear energy, although Congress could reconsider funding if it lacks confidence that the nonproliferation regime can effectively ensure that the NPT is not used as cover for the development of nuclear weapons programs.

7. (C) McKinnon and Sanders agreed that this RevCon will be a difficult one. Sanders noted that the United States is committed to working toward a consensus outcome, but the Treaty itself is more important than any possible RevCon document. We should not raise expectations that the RevCon will reach agreement. Parties should focus on the key threats to the Treaty and international security, and conduct a healthy debate. She noted that some NPT parties seem to feel that only the NWS benefit from the NPT, when in reality proliferation threatens the security of all. McKinnon assured her that New Zealand conveys its concerns about disarmament to all the NWS; Pankhurst agreed that the United States was the most transparent of the P-5.

8. (C) Mentz related to McKinnon that some parties see

alleged NWS lack of progress on Article VI as an excuse for NNWS noncompliance with NPT nonproliferation obligations. Mentz strongly objected to this view, arguing that assessments of their own security and regional tensions drive these states; Article VI was not the driver. McKinnon agreed that connections between noncompliance with nonproliferation obligations and Article VI were "inchoate." Mentz and Sanders told McKinnon that when parties talk about the need for "balance" in the NPT Review process, they seem really to mean there is a need to criticize the P-5 on disarmament without addressing nonproliferation. This is a mistake in 2005 when there needs to be a united front against proliferation. Pankhurst said that New Zealand and the United States agree on many points, noting that New Zealand was the first to sign the IAEA Additional Protocol (AP). However, when countries first signed the NPT in 1970, they thought the P-5 would completely disarm by 1995. Clearly this has not happened. New Zealand recognizes how much the U.S. has done to disarm, but New Zealand wants more on all fronts. Pankhurst expressed concern about the atmosphere as the RevCon approaches and asked why the U.S. is reluctant to refer to the 2000 RevCon outcome in the provisional agenda for the 2005 RevCon. Sanders said the United States does not dismiss the 2000 RevCon, but the 2000 outcome should not be the only reference point; the developments of the past five years are important as well. She reminded Pankhurst that some that want 2000 as the sole benchmark have their own agenda. Iran, for example, wants to draw attention away from its post-2000 activities. Sanders, Pankhurst, and Darlow all agreed that the Chair at last year's third session of the Preparatory Committee (PrepCom III) for the 2005 RevCon was partly to blame for the PrepCom's failure to reach agreement on a RevCon provisional agenda. Sanders offered that the non-aligned movement also played a negative role.

9. (C) Sanders reminded Pankhurst how significantly the world has changed since 1970; there are different threats and many assumptions no longer hold. She asked about the NAC's goals and what parties could cooperate on. Pankhurst noted that she was not speaking on behalf of the NAC, but NAC plans were still a work in progress. The NAC had yet to meet to prepare for the RevCon, as New Zealand had only recently taken over the Chair after South Africa bowed out. At the moment, the NAC is using as its basis its PrepCom II working paper. Darlow posited that the NAC would likely build on its 2004 UN First Committee resolution. She also said that New Zealand plans to work with the G-10 in Vienna on nonproliferation initiatives and provide papers to the RevCon president on them.

10. (C) Pankhurst said that the P-5 could help shape perceptions and the RevCon atmosphere by facilitating agreement on an agenda beforehand; acknowledging the 13 steps agreed to at the 2000 RevCon; providing leadership on nuclear disarmament and a Fissile Material Cut-Off Treaty (FMCT) in the Conference on Disarmament (CD); improving the Moscow Treaty by destroying weapons rather than just stockpiling them; making plans to destroy weapons not covered by the Moscow Treaty; putting in place confidence building measures on de-alerting weapons; and continuing contacts to improve

the pre-RevCon atmosphere. Darlow added that reporting was another area in which the NWS could facilitate agreement. In response, Sanders said the United States is working actively on the conference agenda with the RevCon President-designate. The United States has taken leadership in the CD, for example by putting forward proposals on FMCT and landmines. On nuclear disarmament, the United States has never held that an international treaty was a good idea. As for the 13 steps, parties should consider what the United States has done in relation to Article VI, not focus on artificial yardsticks. Mentz added that there was great misperception about what the Moscow Treaty does. Most stored weapons are in the pipeline for destruction, which is difficult and expensive. However, the United States needs a credible deterrent; those weapons that remain must be safe and reliable. This requires continual monitoring and occasional refurbishing.

11. (C) Pankhurst said that she and her colleagues had read A/S Rademaker's recent speech to the Arms Control Association, and said that it was very useful. She suggested that more U.S. reporting on its Article VI activities would improve the environment at the RevCon. For instance, she said that many do not know how many weapons have been destroyed or what the destruction process entails. Sanders said that the U.S. will voluntarily provide details of its Article VI activities, but the U.S. does not believe formal reporting would be productive. Smith said that countries should pay more attention to what the U.S. and Russia have done to make arms reductions possible. Arms reductions under the Moscow Treaty were the products of improved security, not the cause. Amb. Sanders assured Pankhurst that she plans extensive consultations with NPT partners to ensure a solid outcome to the RevCon. Pankhurst said this would be useful, and asked what the United States will look for vis-a-vis compliance. The Ambassador outlined U.S. priorities and turned over ref non-paper.

12. (C) Mentz said that the NAC and others seem to have misperceptions about the U.S. nuclear posture review (NPR). He noted that the NPR found that the United States needed fewer nuclear weapons given current threats. Ultimately, the United States will have fewer weapons of higher quality. Sanders pointed out that the non-paper she had given them includes a discussion of misperceptions of the NPR. Mentz noted that some parties treated the NWS as an undifferentiated group, when some NWS are increasing their nuclear stocks and are far less transparent than the United States. Pankhurst reiterated that New Zealand engages with all the NWS individually, but did not respond when Ambassador Sanders asked if all the individual criticisms were made publicly. (Comment: They aren't. End Comment.)

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MINISTER FOR DISARMAMENT HOBBS  
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13. (C) Amb. Sander's group also met with Marian Hobbs, Minister for Disarmament. Hobbs said that U.S. and New Zealand objectives are the same: a world free of nuclear weapons. She reiterated that for this reason all three



pillars of the NPT are important, and all members must take verifiable steps to reach their goals. "This is the same thing I tell Iran," she said. Sanders noted her appreciation at being compared with Iran, and the Minister beat a hasty retreat from the comparison. Sanders said that the United States does see all aspects of the NPT as important, but noncompliance is the key threat. Parties must focus on strengthening compliance with Articles II and III; parties in noncompliance with these obligations should not have access to nuclear cooperation. Hobbs said she had recently attended a seminar on the NPT RevCon in Atlanta, where participants noted that were it not for the NPT, there might be 20 states with nuclear weapons. This is why New Zealand signed the NPT. New Zealand is interested in compliance, but compliance with both Article VI and the nonproliferation articles. Parties need to build trust; there should be reporting and verification of both sets of obligations. Sanders assured Hobbs that the United States also believes in verification, but that frankly parties do not recognize all the United States has done to meet its obligations under Article VI. The United States realizes that many feel the NWS are not moving fast enough to disarm, but the NWS are not the true threat today. The NWS are no longer targeting each other or any other state. The real threat is North Korea, Iran, and non-state actors like the A.Q. Khan network, and until recently Libya and Iraq.

14. (C) As had McKinnon, Hobbs said New Zealand completely agrees that noncompliance is a key issue, which is why for example the country participates in the Proliferation Security Initiative. But New Zealand does not believe that nonproliferation is more important than disarmament. Both are important, and parties need to build trust in both by taking transparent steps on both. There is also no mechanism to measure compliance. Sanders said that this was one reason why the U.S. has recommended a special committee on safeguards and verification at the IAEA. Moreover, it is the role of all parties to consider others' compliance on a case-by-case basis. Hobbs asked for the U.S. view of Canadian proposals for new institutions such as reporting and a permanent NPT secretariat. Sanders said the United States does not see the need for new institutions. The United States does report voluntarily. Another institution is not needed; what is needed is for states to ensure that the current institutions -- the IAEA and the UN Security Council -- work. Hobbs noted that the PrepComs have been stymied; they failed to make progress or even to produce a RevCon provisional agenda. Sanders offered that an effective PrepCom III Chair could have produced a RevCon provisional agenda and predicted the RevCon President-designate was likely to be far more effective.

15. (C) Amb. Sanders said the important thing was that while there are issues on which the United States and New Zealand do not agree, there are also many issues on which we do agree. We need to stick together and cooperate for a good result, and must address real world threats at the RevCon. Disarmament is important, but addressing the threat of proliferation and the possibility of nuclear terrorism is far more pressing. Hobbs acknowledged the threat of nuclear terrorism and the tragedy of 9/11, but said that New Zealand

and the Pacific had faced the specter of nuclear testing in the region, even as the U.S. faces threats that New Zealand does not. Sanders noted that New Zealand like all countries is not immune from the threat of terrorism. Hobbs agreed, but reiterated that New Zealand sees both disarmament and nonproliferation as important.

16. (C) With regard to disarmament, Ambassador Sanders told Hobbs she hoped New Zealand would hold other NWS to account on disarmament -- China, for example. Hobbs assured Sanders that New Zealand was very aware of all NWS activities; its interest in disarmament is not anti-American. Sanders asked whether New Zealand has made any efforts to influence North Korea. Hobbs said they try, but it is extremely difficult and she does not think New Zealand's efforts have any effect. She called North Korea "unstable and scary," and said in addition to sending messages to the regime via New Zealand's Ambassador to Pyongyang, she herself had rejected the arguments of a visiting North Korean official and called him a liar. Sanders said that the quickest way to encourage disarmament is to get the proliferation problem under control. Hobbs disagreed, noting a parallel to trade: New Zealand had unilaterally reduced tariffs to encourage others to liberalize. Hobbs said she intended to attend the nuclear-weapon-free zone conference that Mexico will host immediately prior to the RevCon and then to participate in the first few days of the RevCon.  
Swindells

date:2005-03-22T00:41:00  
source:Embassy Wellington  
origin:05WELLINGTON237  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05WELLINGTON58|05WELLINGTON70  
▶C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000237

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DEPT FOR EAP/ANP

E.O. 12958: DECL: 03/21/2015

TAGS: PGOV, PREL, NZ...

▼C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000237

SIPDIS

DEPT FOR EAP/ANP

E.O. 12958: DECL: 03/21/2015

TAGS: PGOV, PREL, NZ

SUBJECT: NEW ZEALAND LABOUR PARTY STAKES ITS CLAIM FOR 2005 ELECTIONS; RUFFLES SOME FEATHERS

REF: A. WELLINGTON 70

B. WELLINGTON 58

Classified By: Political and Economic Counselor Katherine B. Hadda,

For Reasons 1.4(B,D)

1. (C) Summary. New Zealand's governing Labour party released its list of Members of Parliament, which outlines the rank by which MPs will enter Parliament after the 2005 election. The list reveals Labour's confidence in the face of an upcoming election, with almost all sitting MPs receiving high rankings. Shifts in ranking versus the 2002 list, however, reflect the concerns of Maori MPs, who received higher ranks after expressing concern over the Maori Party challenge in their constituencies. MP George Hawkins, the embattled Police Commissioner, pulled out of the List immediately after it was released when he was ranked 25th - the lowest spot for sitting members of Cabinet. In addition, MP John Tamihere, who remains under a cloud despite being cleared of actual financial impropriety, has not put forth his name for a List seat. Instead, Tamihere says, he will either stave off his Maori Party opponent in a run for an electoral seat or retire from Parliament. Labour supporters Shane Jones, David Ching, and Maryan Street have scored high list rankings - the first two above a number of sitting MPs. Labour's List assumes an increase in their overall Parliamentary representation, demonstrating the party does not believe the Opposition's attacks on the Government's health, education, and crime policies poses any real threat. End summary.

Maori MPs Grab Higher Ranks

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2. (SBU) New Zealand's governing Labour party released its list of Members of Parliament on March 21. Under MMP, voters have two votes - one for a constituent MP, and one for a Party. The List nominates individuals to fill seats based on the Party vote in the 2005 election (ref A.) The list reveals Labour's confidence in the face of an upcoming election, with almost all sitting MPs receiving high rankings. Shifts in ranking versus the 2002 list, however, reflect the concerns of Maori MPs, who received higher ranks as a reward for remaining loyal through the foreshore and seabed conflict of 2004 that resulted in the creation of the Maori Party. Many Maori MPs had expressed concern over the Maori Party challenge in their constituencies, and a high ranking assures their return to Parliament. One noticeable absence from the List is Nanaia Mahuta, a Maori MP who threatened to sink Labour's controversial foreshore and seabed legislation in 2004, but ultimately toed the party line. Mahuta was 19th on the 2002 list, but may have decided to follow fellow Maori MP John Tamihere's example and rely on winning her constituent seat.

3. (U) John Tamihere is another obvious omission from the Labour list. Suspected of financial misconduct over his dealings with a Maori trust (ref B), Tamihere was cleared by the Serious Fraud Office of any wrongdoing, but an investigation into the dealings of two of his previous employees is ongoing. In what could be seen either as an act of defiance or an act of principle, Tamihere has declined a place on Labour's list, stating that he will either ward off challenges by the Maori party for his Tamaki Makaurau electorate seat or be content not to enter Parliament at all.

Tamihere has been unusually quiet in public statements, only rarely displaying the straight talk and temper that are his hallmarks as the "red blooded male" of the Labour Party. He has been angling for a return to his Cabinet portfolios, but press reports claim PM Clark will not allow him to return to Cabinet before the election.

What's In A Number?

4. (U) Minister of Police George Hawkins, recently the target of effective Opposition attacks on the state of emergency police responses, pulled out of the List after it was announced, protesting his ranking as 25th - the lowest ranked member of Cabinet. (Note: Hawkins is ranked 11th within Cabinet.) Despite this move, Hawkins is likely to again win his Manurewa seat, which he won by almost 13,000 votes in 2002. Labour supporters Shane Jones, Maryan Street, and David Ching have scored high list rankings - the first two above a number of sitting MPs. Shane Jones has distinguished himself as the Waitangi Fisheries Tribunal Chairman, and Maryan Street is an Employment Relations Manager as well as a former Labour Party President. Labour President Mike Williams said Chinese New Zealander Steven Ching's inclusion reflected "the changing face of New Zealand," noting that Ching's placement as number 42 on the list "should assure the business leader a seat in the House."

7. (C) Comment: While careful leaks indicated which fresh faces were to be added to the List, Labour may have ruffled some feathers internally with its final ranking of sitting MPs. Clark's prowess at damage control, however, should insure that there is no long-term damage to the party's support. She has already bluntly stated the party line that the ranking of Maori MPs was due to their seniority, and not pressure from the nascent Maori Party. By putting forth a list that by its nature assumes an increase in Labour's representation after the election, Labour appears to believe it has fended off successfully Opposition attacks on education, health and crime policies, and has begun to consolidate its plan of attack.  
Swindells

date:2005-03-23T04:07:00  
source:Embassy Wellington  
origin:05WELLINGTON244  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
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SIPDIS

STATE FOR EAP/ANP-THOMAS RAMSEY, EB/ESC/TFS-DAVID NELSON,  
S/CT-TODD KUSHNER, IO/PSC-JOLEEN SCHWEIT...  
▼ S E C R E T WELLINGTON 000244

SIPDIS

STATE FOR EAP/ANP-THOMAS RAMSEY, EB/ESC/TFS-DAVID NELSON,  
S/CT-TODD KUSHNER, IO/PSC-JOLEEN SCHWEITZER, EB/EPPD-CAROL  
THOMPSON, DS/IP/EAP, DS/IP/ITA  
TREASURY FOR JUAN ZARATE  
TREASURY FOR OFAC-ROBERT WERNER

E.O. 12958: DECL: 03/22/2015  
TAGS: KTFN, CVIS, KVPR, EFIN, PTER, ETTC, PREL, NZ  
SUBJECT: NEW ZEALAND: TERRORISM FINANCE - 2005 UPDATE NO. 2

REF: A. STATE 32688

- B. WELLINGTON 160 (NOTAL)
- C. WELLINGTON 153 (NOTAL)
- D. 2004 WELLINGTON 847 (NOTAL)

(U) Classified by DCM David R. Burnett. Reasons: 1.4 (b) and (d).

(U) Following is post's response to ref A, keyed to questions listed in ref A's Paragraph 10.

A. (U) No/no assets have been frozen, forfeited or seized in New Zealand pursuant to UNSC Resolutions 1267 and 1373.

B. (C) The New Zealand government, wanting to be seen as a mediating force and as a defender of small countries' interests in the region, generally is reluctant to co-sponsor initiatives just with the United States in multilateral forums. Cooperation with New Zealand also is hindered by the fact that it still is working to strengthen its anti-terrorism laws and provisions for designating terrorists that are not listed by the United Nations (ref B). The government has not yet made such designations.

C. (U) The New Zealand government is willing to accept USG training and technical assistance, including an assessment of training needs. In fact, post has attempted to identify appropriate training opportunities in Washington for New Zealand officials, but has not been successful (ref D); we have been told that New Zealand is not among countries considered priorities for such training. The New Zealand government is particularly seeking training in techniques in investigating terrorism finance and in tracking terrorist cells.

D. (S) We would rank New Zealand as "low" in terms of risk that it will be used as a site for significant fund raising or for significant banking services for terrorists. So far, New Zealand has identified no assets held in the country by terrorists designated through the UN 1267 Committee process. New Zealand has built its efforts against terrorism financing on a strong banking, financial reporting and enforcement regime that has been in place to combat money laundering. While the New Zealand government is investigating various individuals who may have connections to terrorist organizations such as the Liberation Tigers of Tamil Eelan, Ansar Al-Island and al Qaida, those investigations have focused on determining the nature of any such relationships and have not uncovered any indication of criminal behavior (ref C). The Embassy also has no information indicating that

a terrorist cell is operating in New Zealand.  
Swindells

date:2005-03-31T04:37:00  
source:Embassy Wellington  
origin:05WELLINGTON270  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:04STATE66580|05STATE58362  
□S E C R E T SECTION 01 OF 02 WELLINGTON 000270

SIPDIS

STATE FOR EAP/ANP - TRAMSEY

E.O. 12958: DECL: 03/31/2015  
TAGS: OTRA, PINR, PTE...  
▼S E C R E T SECTION 01 OF 02 WELLINGTON 000270

SIPDIS

STATE FOR EAP/ANP - TRAMSEY

E.O. 12958: DECL: 03/31/2015  
TAGS: OTRA, PINR, PTER, NZ, Country Clearance  
SUBJECT: NEW ZEALAND COUNTRY CLEARANCE, APRIL 9-12, 2005

REF: STATE 58362

Classified By: Political-Economic Counselor Katherine B. Hadda  
for reason 1.4 (C)

1. (S) Embassy welcomes and grants country clearance to National Counter Terrorism Center (NCTC) representatives to travel to Wellington, New Zealand April 9-12, 2005. The purpose of this visit is to meet with New Zealand counterparts at the Combined Threat Assessment Group.
2. (SBU) Embassy has made hotel reservations within per diem at the James Cook Hotel, # 47 The Terrace, tel 64-4-499-9500.
3. Control Officer requests that you telephone him upon your arrival at the hotel. He also advises that any electronic documents may be transmitted through RMAS channels for printing at the Embassy.
4. (SBU) All TDY visitors to Embassy Wellington are required to report to the Regional Security Office for a security briefing if they have not completed an approved overseas personal security-training course.
5. (U) Visitors should use local taxi service, which is generally safe, reliable and frequent. Taxi fare from the airport to downtown Wellington hotels is approximately NZD \$30.00. A commercial shuttle service is also offered at the airport.
6. (U) Travelers can exchange currency at the airport upon

arrival and ATM machines are readily available throughout New Zealand. Check cashing privileges at the Embassy are restricted to traveler's checks only up to USD \$300.00. Personal checks will not be accepted.

7. (SBU) Biosecurity Fines:

The Government of New Zealand instituted fines for non-declared biosecurity hazards on travelers entering New Zealand with undeclared plant, animal or food material. Travelers found carrying these undeclared items will be immediately fined NZD \$200.00 (USD \$150.00). Biosecurity is a serious issue in New Zealand and fines will be administered immediately and without warnings.

8. (SBU) Security Information:

a. (SBU) All U.S. citizen personnel serving under the Chief of Mission authority in a temporary status of 30 days or more must complete appropriate overseas personal security training prior to travel (04 State 66580). Employees who have completed the Security Overseas Seminar course at the Foreign Service Institute (FSI) after June 1, 2000, meet this requirement. All other TDY personnel must either (1) complete the approved seminar at FSI entitled "Serving Abroad for Families and Employees" (SAFE), or (2) have their agency certify to the Department of State's Bureau of Diplomatic Security that the employee has undergone equivalent security training. The contact for this training is Assistant Director for Training at (703) 205-2617. Country clearance will not be granted for any traveler with planned TDY in excess of 30 days if this information is not stated/certified. POC for additional information is RSO Wellington.

b. (SBU) The U.S. Mission in New Zealand currently rates the threat from transnational and indigenous terrorism as low. There are no terrorist groups or support groups believed to be operating in New Zealand at this time. In light of the worldwide security alert all visitors should heighten their security awareness and report any unusual incidents to the Regional Security Officer.

c. (SBU) Anonymous telephonic threats and obscure threat mail have occasionally targeted U.S. diplomatic missions in New Zealand. In response to U.S. policies and actions, various groups in New Zealand have demonstrated occasionally at the Embassy in Wellington and at the Consulate in Auckland. These demonstrations are usually small and are peacefully conducted. During these demonstrations, the host country police and protective services normally provide adequate protection to the Embassy and Consulate.

d. (SBU) New Zealand is considered a medium threat crime environment. As such, Wellington and Auckland have experienced an increase in violent and petty crimes, but they are usually non-confrontational in nature. However, home invasion robberies and assaults, once very rare, are becoming more frequent. Burglaries and thefts occur countrywide but primarily in the large cities of Auckland, Christchurch and Wellington, and visitors should be especially aware that street crime, such as scams and pickpockets, is a daily

occurrence in these cities. Common sense precautions should be taken, especially at night, to avoid becoming a target of opportunity.

e. (SBU) Generally, New Zealand does not play a significant role in the world drug situation; however, evidence indicates that New Zealand has been utilized as a transit point for shipments of Ecstasy, Heroin and Cocaine to Australia. The most abused drugs in New Zealand are locally produced methamphetamine and cannabis. There have been increased amounts of lab seizures and violent crime associated with groups attempting to control this market.

f. (U) All forms of public transportation are generally safe at all times of the day; however, at night visitors should use common sense precautions so as not to become a target of opportunity.

g. (U) The traffic situation in Auckland can be difficult with a moderate amount of congestion. Wellington and Christchurch traffic is significantly better; however, during rush hour moderate delays can be expected. Visitors are advised that traffic drives on the left-hand side of the road. Visitors are advised that traffic accidents are common and that it is safe to pull over so that police may take an accident report. However, visitors who experience hostility or anti-American sentiment should depart the scene immediately and notify the RSO.

h. (SBU) Travelers intending to bring and use any USG provided electronic or photographic equipment must contact the RSO prior to introducing that equipment into the Chancery. Personal electronic or photographic equipment is not permitted in the Chancery. Only in severely limited cases will a notebook or laptop computer be permitted to be used in the Chancery.

i. (U) Precautions should also be taken to not discuss sensitive or classified information outside secure environments or over unsecured and/or cellular telephones, and to securely safeguard classified or sensitive information at the Chancery and not at hotels or residences.

j. (U) Visitors should also be aware of the State Department's Consular Information sheet for New Zealand and the most recent Worldwide Caution Public Announcements, which are available via the Internet at <http://travel.state.gov>

k. (U) In essence, visitors to New Zealand must exercise appropriate caution and be alert to their surroundings with regard to their personal security. Suspicious incidents/activities should be reported to RSO Wellington.  
Burnett

date:2005-03-31T23:15:00

source:Embassy Wellington

origin:05WELLINGTON271

destination:This record is a partial extract of the original cable. The full text of the original cable is not available.



classification:CONFIDENTIAL

reference:

□C O N F I D E N T I A L WELLINGTON 000271

SIPDIS

DEPARTMENT FOR EAP/ANP AND EAP/J

E.O. 12958: DECL: 03/31/2015

TAGS: PREL, JA, NZ, P...

▼C O N F I D E N T I A L WELLINGTON 000271

SIPDIS

DEPARTMENT FOR EAP/ANP AND EAP/J

E.O. 12958: DECL: 03/31/2015

TAGS: PREL, JA, NZ, PMIL

SUBJECT: HIGHLIGHTING JAPAN-U.S. ALLIANCE, JAPANESE SCHOLAR  
IMPLIES CONTRAST WITH NZ-U.S.-RELATIONSHIP

Classified by: Charge d'affaires, a.i., David R. Burnett.

Reasons: 1.4 (b) and (d).

1. (C) At a seminar in Wellington, a respected Japanese scholar extolled the strength and benefits of the Japanese-U.S. alliance -- a strength that exists despite Japan's steadfast anti-nuclear and anti-war policies. Implicit in her speech was a contrast with New Zealand, whose vociferously stated anti-nuclear policy has constrained its relationship with the United States for nearly two decades. The Japanese Embassy sponsored the seminar at post's suggestion. It is an example of the indirect means the U.S. mission in New Zealand has had to employ to get our message across here.

2. (U) The scholar spent much of her speech at the seminar March 22 describing the Japanese-U.S. alliance, although the seminar was billed as covering Japanese-New Zealand relations. The scholar -- Akiko Fukushima, director of policy studies at the National Institute for Research Advancement in Tokyo -- said the alliance was based not just on the two countries' defense needs, but also on "common good." She cited as an example the joint statement released February 19 after the "two-plus-two" Japan-U.S. talks in Washington, which called for the peaceful resolution of issues concerning the Taiwan Straits.

3. (C) Hidehiko Hamada, the Japanese Embassy's DCM, told post's DCM that he had counseled Fukushima on how she should describe the Japanese-U.S. relationship for a New Zealand audience. About 60 people attended the seminar.

4. (U) Fukushima told the audience that she first visited New Zealand in 1997 to study its anti-nuclear policy. She concluded that, because of Japan's different security environment, it could not emulate New Zealand. However, she said, Japan could not become a nuclear power because it would spark an arms race in the region and be strongly opposed by the Japanese public, which harbors lasting memories of the

World War II bombings of Hiroshima and Nagasaki. Fukushima noted the strong links between Japan and the United States, especially their shared concern about China. Except for a disagreement over Japan's restrictions on U.S. beef because of BSE, she said the alliance was in the "best shape" it has been in years. At the same time, she said, Japan needed to formulate its own vision for the alliance's future.

5. (U) Fukushima said the move to revise the Japanese Constitution's Article 9 -- the so-called no-war clause -- should not be seen as imposed from outside but as a shift from passive pacifism to proactive pacifism, or "keeping peace by doing something." Fukushima's institute is an independent think tank funded by both the public and private sectors.

6. (C) Comment: We have encouraged Japanese DCM Hamada to sponsor this type of program as a way to highlight to New Zealanders the fact that Japan recognizes the benefits of the U.S. military and non-military roles in the Pacific and has worked to facilitate our presence by making Japan's defense policies more flexible. Post hopes that such communications by our allies will remind the New Zealand government and public that their country's anti-nuclear policy negatively affects U.S. interests in Asia and is detrimental to the New Zealand-U.S. relationship.  
Burnett

date:2005-04-01T05:58:00  
source:Embassy Wellington  
origin:05WELLINGTON275  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE57321  
☐ C O N F I D E N T I A L WELLINGTON 000275

SIPDIS

STATE FOR NP/CBM VAN DIEPEN; EAP/ANZ

E.O. 12958: DECL: 04/01/2015  
TAGS: KSCA, PARM, ...  
▼ C O N F I D E N T I A L WELLINGTON 000275

SIPDIS

STATE FOR NP/CBM VAN DIEPEN; EAP/ANZ

E.O. 12958: DECL: 04/01/2015  
TAGS: KSCA, PARM, PREL, MNUC, ETTC, TSPA  
SUBJECT: MISSILE TECHNOLOGY CONTROL REGIME (MTCR) -- NEW  
ZEALAND CHEWS OVER 2006 CHAIRMANSHIP

REF: A. HADDA/VAN DIEPEN 3/31 E-MAILS (NOTAL)  
B. SECSTATE 57321

Classified By: Political-Economic Counselor Katherine Hadda,  
for reasons 1.4 (B) and (D).

1. (C) Summary: New Zealand officials are considering whether the country should serve as the Missile Technology Control Regime (MTCR) Chair for 2006-7, as suggested by current Chair South Korea and quietly endorsed by the United States and Australia. The officials will be unable to make a decision by the April 6 RPOC, although they hope to have an answer later that week. A key concern seems to be whether GNZ has enough personnel on hand to manage the work associated with Chairmanship. End Summary.

2. (C) Reftel asked the Embassy to encourage New Zealand officials to consider positively South Korea's suggestion that New Zealand host the 2006 Missile Technology Control Regime (MTCR) Plenary and serve as MTCR Chair for 2006-7. On March 31, Pol-Econ Counselor delivered the request to Caroline McDonald, Director of the Disarmament Division at the Ministry of Foreign Affairs and Trade (MFAT).

3. (C) McDonald said that the South Koreans had raised this suggestion with New Zealand's Ambassador in Seoul, and then again through the South Korean Embassy in Wellington. She said that as the initial request was made just before last week's Easter break, Ministers were only just now having the question put to them whether New Zealand should accept the Chair. For this reason, the Kiwis will be unable to reach a decision before the April 5 RPOC meeting. McDonald said she hopes a decision will be made shortly thereafter.

4. (C) McDonald noted with a bit of consternation that the South Koreans had implied to the NZ Ambassador that very little work would be involved in chairing the MTCR. In reality, the scale of operations would be large, requiring the hosting of two meetings in parallel with the plenary, an April RPOC meeting, and others. There would also be a lot of outreach required, McDonald said, listing as examples South Korea's contacts with Pakistan, India, Syria, Iran, the UAE, and Egypt, all slated between now and June. McDonald stressed that MFAT has just 6 officials covering all disarmament and non-proliferation issues in addition to export controls. She added as a comparative afterthought that there would of course be other considerations Ministers would take into account in making their decision, but she did not elaborate on what these would be.

5. (C) Pol-Econ Couns acknowledged that MFAT's staff is small. She told McDonald that in similar circumstances, USG agencies often make use of secondments from other sections and even other agencies. McDonald agreed this might be possible in New Zealand, although other ministries may also be short of extra staff. Following an e-mail exchange with NP/CBM Acting Director Van Diepen, Pol-Econ Counselor also told McDonald that New Zealand could also rely on the expertise of past Chairs and other MTCR members. McDonald appreciated the suggestion.

6. (C) Comment: Undoubtedly factors other than staffing will go into Ministers' decision on whether to take the Chair, but in this small government the views of working-level officials will be taken seriously into account. When DCM and Pol-Econ Counselor meet (on an unrelated matter) with Minister for Disarmament Marion Hobbs on April 4, we will again encourage

New Zealand to consider the Chairmanship and highlight that there are ways to handle the manpower problem.

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Burnett

date:2005-04-06T04:49:00  
source:Embassy Wellington  
origin:05WELLINGTON284  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05WELLINGTON70  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000284

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR JONES, CHA

E.O. 12958: DECL: 04/05/2015

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▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000284

SIPDIS

DEPT FOR EAP/ANP  
NSC FOR JONES, CHA

E.O. 12958: DECL: 04/05/2015

TAGS: PGOV, PREL, NZ  
SUBJECT: NEW ZEALAND ELECTION DATE 2005: NOT NOW, I'M  
WATCHING THE RUGBY

REF: WELLINGTON 70

Classified By: ACTING DCM KATHERINE HADDA, FOR REASONS 1.4(B,D)

1. (U) Summary: New Zealand's Labour Government is nearing the end of its three-year term and speculation is rife among the media and policymakers over the yet-to-be-determined election date. Many pundits believe Labour will call elections early, both in order to throw off the opposition's ability to mount an effective campaign and to guard against possible negative voter reaction if there is an economic downturn or other unforeseen controversy. Prime Minister Clark has indicated that the Party will go "full term," but even this could include any date between the Government's three-year anniversary in late July and September 24, the last Saturday before the September 27 cut-off date mandated under NZ's election law (reftel). Factors such as the winter rugby schedule, the release of the budget and the Cabinet's international political commitments will help determine the date. Regardless of the specifics, both Labour and the opposition are trying to use the public's increasing focus on election timing to highlight their parties' agendas. End summary.

Regulations

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2. (U) Under NZ's electoral system, the Prime Minister decides on which date an election will be held. The Governor-General then dissolves Parliament by proclamation, and issues a second proclamation summoning Parliament to meet again several weeks after the election, although they are not bound to actually meet on that date. On what is known as Writ Day the Governor-General tells the Chief Electoral Officer to hold a general election, and polling is scheduled to occur on a Saturday, 20-27 days after nomination day. The day on which individual constituency candidate and party list nominations close is declared Nomination Day. In 2002, PM Clark announced the election on June 11, writ day was June 25, July 2 was nomination day and the election was held on July 27, 2002.

Why Wait? Timing Is Everything

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3. (C) Incumbent politicians have historically been penalized for calling an early or snap election, and indications are that PM Clark wishes to go "full-term," or between July and September. Ultimately, the decision on timing is Clark's alone, and according to members of her staff she has not yet chosen a date. Cabinet Ministers Marian Hobbs and Chris Carter independently expressed to us their doubts over an early election, questioning how Labour could justify the decision to voters in the absence of any outside influence. They seem to believe such justification is needed in order to avoid voter perception that the Government is manipulating the process by holding elections when Labour's star is at its highest. Labour currently maintains a comfortable ten point polling lead over the Opposition National Party, and our contacts argue that there are no indications that their party's fortunes will change within the next six months. In addition, the Government's budget will be released on May 19th and its advertising campaign regarding its milestone "Working For Families" social welfare package is scheduled to peak in August. A late (Antipodean) winter election would assure Labour that publicity surrounding these financial packages impacts the maximum number of voters.

4. (C) The PM's Chief Press Spokesman, Mike Munro, also downplayed to us the likelihood of an early election. "It will be some time between July and September, so what's the fuss all about?" he said. Munro added that he did not really blame the media for hyping the issue, as the election is their biggest story of the year.

5. (U) Some have seen Labour's March release of its list of party candidates as a sign of an early election, but Labour delegates at the Party Congress insisted to us that the timing was designed to prevent candidates from focusing on their own possible list ranking instead of campaigning for the overall party vote. (Note: The higher the candidate's name is on the list, the more likely her or she is to gain a seat in Parliament. (reftel)) A number of political parties in New Zealand have yet to finalize their Party Lists for the upcoming election. National expects to complete its list in June, as do the Greens.

6. (C) National Party leader Don Brash has publicly cited the early election buzz as proof that the Government is panicky over a worsening economic situation. (Brash, National Foreign Affairs Spokesman Lockwood Smith, and Welfare Spokesman Judith Collins have in the past all told us that it will be much harder for National to gain votes if the economy is doing well. It's not surprising, therefore, that they will use any chance they can to highlight any weakness in the system.) Brash has also used the media's interest in the election date to emphasize his party's readiness, publicizing National's strong party membership numbers, and point out that candidates have been selected in all 62 general electorates. On Party policy, Brash noted that National is waiting to "see the shape of the Labour Government's Budget on May 19," but indicated that most policy development has been completed though not yet revealed.

Can't Vote Now- The Footy's On  
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6. (U) While often referred to jokingly by policymakers, with NZ elections held on Saturdays the winter rugby season is a major determinant in scheduling an election. The British Lions rugby team will be playing heavily attended matches in NZ each weekend in June and early July. These games are not only a distraction from any political campaigning, but involve the movement of thousands of voters from their voting districts. August is similarly "full of footy" with Tri-Nations matches with Australia and South Africa serving as a source of great nationalism, and distracting from election year campaigning.

7. (C) Beyond football, PM Clark's foreign commitments may disrupt the September options. A United Nations Head of State or Government meeting in New York September 13 ) 16 is a powerful draw for Clark, especially as she has in the past expressed a desire to follow her NZ career with a high-profile UN position.

Comment  
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7. (C) While speculation is seen by some as a sport to while away the hours, Labour is approaching this election with great gravity, as noted in this part weekend's Labour Party Congress in Wellington. Complacency was derided by the PM, along with its "twin sister ) arrogance." No Labour party has won a third term since the First Labour Government (1935-1949,) and economic indicators are increasingly pointing to a slowdown at the end of 2005. Finance Minister Michael Cullen, in talks at the Party Congress, repeatedly emphasized the impact an economic slowdown would have on Labour's ability to implement social policy. Labour is not taking anything for granted, and is weighing a number of factors in choosing a date that will optimize its polling advantage without allowing the Opposition time to mount a sustained attack. Whatever the date, media focus on this issue is a bellwether for increased voter awareness of election issues.

Burnett

date:2005-04-08T02:29:00  
source:Embassy Wellington  
origin:05WELLINGTON293  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE55182  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000293

SIPDIS

STATE FOR L/LEI: DENISE MANNING, NP/RA EYTHAN SONTAG,  
AND EAP/ANZ  
DO...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000293

SIPDIS

STATE FOR L/LEI: DENISE MANNING, NP/RA EYTHAN SONTAG,  
AND EAP/ANZ  
DOJ FOR WAYNE RAABE  
USCG FOR LCDR BRAD KIESERMAN

E.O. 12958: DECL: 04/08/2015  
TAGS: KNNP, KTIA, MNUC, PARM, PREL, PHSA, EWWT, PGOV, NZ  
SUBJECT: NEW ZEALAND SUPPORTS THE EXISTING DRAFT SHIP  
BOARDING AMENDMENTS TO THE SUA CONVENTION

REF: SECSTATE 55182

Classified By: Acting DCM Katherine Hadda,  
for reasons 1.4 (b) and (d).

1. (C) Summary: New Zealand is likely to oppose efforts to reopen the draft SUA 8bis text, and hopes the United States will support the Canadian text for Article 2bis. New Zealand strongly supports the Proliferation Security Initiative (PSI), and feels the proof of the exercise's effectiveness will be how well it enhances enforcement mechanisms at the border. NZ officials have encouraged Pacific Island nations to adopt PSI, and may be willing to encourage others in Asia to sign on as well. Our key Foreign Ministry interlocutor on PSI believes a slow, regional approach may be the best way to encourage ASEAN nations' participation in the initiative. End Summary.

1. (C) On March 31, Pol-Econ Couns shared reftel demarche points with Caroline Bilkey, Deputy Legal Advisor at the Ministry of Foreign Affairs and Trade (MFAT), a key Government legal advisor on PSI and Counter-terrorism issues. Bilkey had heard from the NZ rep who attended the February Intersessional meeting that Greece had wanted to reopen the 8bis language in the draft SUA amendments, but was very surprised to learn that other countries were now supporting the Greek position. None of the countries who are interested in reopening the text have approached New Zealand about the issue, she said. Bilkey added that she could not imagine that New Zealand would agree to reopen the text and said she would recommend against it. In her view, it is especially

important to leave the existing draft as it is because the proposed language was only approved by a very narrow margin and there are more important issues to talk about.

2. (C) Bilkey said that one part of the text that New Zealand is concerned about is Article 2bis, where the Kiwis would like to see a carve out for the NPT. New Zealand strongly supports the Canadian text and hope the United States will support it as well.

3. (C) Bilkey attended the PSI Operational Experts Group Meeting in Omaha in March, which she found very useful. She regretted the NZ contingent there was so small. (The Defence Force lawyer had a family emergency and another representative was similarly unable to attend.) Bilkey stressed that New Zealand really supports PSI, and has been pleased if a bit bemused to seemingly have graduated from an observer to a participant (albeit one with very limited military resources to contribute). She was struck at Omaha by how different governments seem to be emphasizing different aspects of the initiative, as evident by their choice of lead agencies. Japan was clearly managing the initiative through its foreign affairs ministry, while Singapore and the United States were concentrating more on the military aspects. Revealing her own bias in the matter (not surprisingly, given the small size of the NZ military), Bilkey said ideally we should get to the point where border and export controls will make military intervention unnecessary.

4. (C) Bilkey will not be attending the April 18-22 Legal Committee meeting. New Zealand's chief delegate there will be MFAT's new Legal Advisor, Gerard Van Bohemen, who will not formally start in his position until June. Bohemen has for some years been in private practice at the Wellington law firm Chen and Palmer. Bringing in an outside legal advisor is unusual, according to Bilkey, but Bohemen used to work at MFAT so this may be part of the reason he is being given the job. (Comment: Personal connections doubtless are also at work, as the "Palmer" is former Labour PM Geoffrey Palmer. End comment.)

5. (C) New Zealand has been encouraging others to join PSI, according to Bilkey. MFAT has stressed the importance of the initiative to Pacific Island states, including through a monthly newsletter to those governments. Pol-Econ Counselor asked whether New Zealand would consider encouraging other hold-outs to join. She raised Thailand specifically, pointing out that New Zealand's recent Free Trade Agreement with and close ties to Thailand should give the Kiwis some influence there. Bilkey said she had already briefed the lead Thai lawyer on the legal opinion drafted by her department that had allowed the NZ Government to join PSI. She said her sense from discussions with the lawyer is that the Thai bureaucracy is both complex and powerful, and that there seems to be one ministry still opposed to Thailand's joining the initiative. She said she would definitely be open to further approaches to her Thai counterparts if that would be useful. Bilkey also believes that a slow, regional approach could be the best means to encourage ASEAN and other regional hold-outs to participate in PSI.



Burnett

date:2005-04-08T03:43:00  
source:Embassy Wellington  
origin:05WELLINGTON294  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05STATE56903  
☐ C O N F I D E N T I A L WELLINGTON 000294

SIPDIS

STATE FOR NP/CBM VAN DIEPEN AND EAP/ANZ

E.O. 12958: DECL: 04/08/2015  
TAGS: ETTC, PA...  
▼ C O N F I D E N T I A L WELLINGTON 000294

SIPDIS

STATE FOR NP/CBM VAN DIEPEN AND EAP/ANZ

E.O. 12958: DECL: 04/08/2015  
TAGS: ETTC, PARM, PREL, NZ, CBE  
SUBJECT: NEW ZEALAND GEARING UP FOR AUSTRALIA GROUP PLENARY  
REF: A. STATE 56903

- B. STATE 49648
- C. STATE 42674
- D. STATE 41247
- E. STATE 39371
- F. STATE 36488

Classified By: Acting DCM Katherine Hadda,  
for reasons 1.4 (B), (D), and (H)

1. (C) Summary: New Zealand officials from the Prime Minister's External Affairs Bureau, Ministry of Foreign Affairs and Trade, and Customs Service will attend the April 18-22 Australia Group (AG) Plenary in Sydney. The group does not plan to present any papers or introduce any new initiatives at the Plenary, and are still reviewing the various U.S. proposals. MFAT officials (strictly protect) say that New Zealand Customs will not take direction from other NZ ministries about how to spend travel funds. The officials recommend that U.S. Customs Service work directly with their counterparts on the margins of the meeting in order to ensure New Zealand Customs participates fully in AG meetings and exercises. A briefing in New Zealand by U.S. Customs would also be useful. End Summary.

2. (C) On March 21, Pol-Econ Couns delivered Refs B-F to Deborah Panckhurst, Deputy Director of the Disarmament Division at the Ministry of Foreign Affairs and Trade (MFAT). Panckhurst was joined by Export Controls Officer Wendy Napier-Walker, who will be attending the April 18-22 Australia Group Plenary. On March 31, Pol-Couns provided Ref A nonpaper to Napier-Walker and Disarmament Division Director

Caroline McDonald.

3. (SBU) Regarding Ref D, Panckhurst and Napier-Walker said that the NZ delegation would not present any papers or suggest any initiatives at the Plenary. Besides Napier-Walker, the delegation will include three Customs Officials: Mike Wotherspoon and Patrick Cruywajan of NZ Customs Service in Wellington; and Jimmy McCone, NZ Customs Liaison in Sydney. The delegation head will be Marlene Castle, Prime Minister's Department, a Chemical/Biological Weapons expert and long-time AG participant.

4. (C) Regarding Ref E, Panckhurst and Napier-Walker said they would share the U.S. proposals on pumps with the NZ Customs Service. Pol-Couns asked that they let her know if Customs Officials felt it would be practically difficult for them to implement the proposed changes. The idea is to make things easier, she said. Panckhurst said they would also share the biological agents proposal with other agencies. While she herself is not an expert in this area, she said she thought New Zealand will be unlikely to object if other AG participants agreed to it.

5. (C) Both MFAT officials thought the U.S.-proposed regional Nonproliferation Seminar (Ref F) sounded useful. They highlighted proper identification of controlled chemical exports as a particular area of interest for NZ Customs. Often, they said, controlled and non-controlled substances have similar names and it is difficult to verify substances through testing. The two MFAT officials (strictly protect) confessed to Pol-Econ Counselor that it is very hard for their ministry to compel the participation of Customs Service in any activity, as the Service basically chooses its own agenda and travel. NZ Customs rarely is willing to fund travel for officials to participate in Australia Group meetings in Europe, for example. Panckhurst suggested that direct approaches from U.S. Customs Service officials to their NZ counterparts on the margins of the Plenary would be the best means to get the NZ side on board. She also suggested that a U.S. Customs Service visit to New Zealand to brief NZ Customs and other officials on AG issues would be useful.

6. (C) On April 8, Pol-Econ Couns checked back with Napier-Walker, who said that Ministries had met on April 6 to discuss their goals for the Australia Group. She said that no formal decision had been taken on any of the U.S. proposals, but that the group would meet again on April 13 to conclude its discussions.

Burnett

date:2005-04-12T04:14:00  
source:Embassy Wellington  
origin:05WELLINGTON301  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05STATE18228|05STATE55005  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000301

SIPDIS

STATE FOR NP/NMA MURPHY AND EAP/ANZ  
OSD FOR LIZ PHU AND OSD/(P)/ISP/N...  
▼C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000301

SIPDIS

STATE FOR NP/NMA MURPHY AND EAP/ANZ  
OSD FOR LIZ PHU AND OSD/(P)/ISP/NP/NPP FOR JOHN MENTZ  
GENEVA FOR AMBASSADOR SANDERS

E.O. 12958: DECL: 04/11/2015  
TAGS: PREL, PGOV, NZ, NPT  
SUBJECT: NPT REVCON: EMBASSY FOLLOW-UP WITH NZ OFFICIALS

REF: A. STATE 55005  
B. STATE 18228

Classified By: Charge David Burnett,  
for reasons 1.4 (b) and (D).

1. (C) Summary: Minister for Disarmament Marion Hobbs has expressed regret at causing offense during her February meeting on Non-Proliferation Treaty (NPT) issues with Ambassador Sanders (Ref B), claiming she had only been trying to say that all parts of the NPT are equally important and should lead to the complete elimination of all nuclear weapons. Hobbs stressed several times that she is not singling out the United States and believes all nuclear states must disarm. Her anxiety to set the record straight is significant, as it reflects a growing sensitivity among New Zealand officials that their U.S. counterparts are not happy with how the GONZ views the United States. However, Hobbs stopped short of endorsing our position that proliferation is currently the greatest nuclear threat to global security. End Summary.

2. (C) At an April 4 meeting with DCM and Pol-Econ Couns, New Zealand's Minister for Disarmament Marion Hobbs expressed regret for any misunderstanding during her February 11 meeting with Ambassador Sanders (Ref B) concerning New Zealand goals for the May NPT Review Conference (Revcon). Hobbs said that she was surprised to learn that any offense had been taken by her remarks concerning the responsibility of the United States to disarm its nuclear weapons. She said that as she remembered the conversation, she and Ambassador Sanders had agreed that New Zealand and the United States share the ultimate goal of eliminating all nuclear weapons.

3. (C) Hobbs said that what she actually had been trying to say was that New Zealand fears the Revcon will result in a trade-off between disarmament and nonproliferation. That must not happen. She stressed that New Zealand wants Iran to stop its illegal nuclear program, although she admitted that the IAEA was having a hard time getting Iran to verify and said Germany had asked for the Kiwis' help to get Iran on board. The DCM said the United States appreciated New Zealand's previous work as IAEA Board member in trying to get Iran to cooperate with the IAEA. Pol-Econ Couns said that

our goal, too, is to prevent one part of the NPT from being traded for another. But proliferation has increased even as the nuclear states have disarmed. The greatest immediate threat to global security is nonproliferation and this should be the RevCon's focus.

4. (C) Hobbs said New Zealand believes the nuclear states must also submit their programs to verification. She assured us that since her meeting with Ambassador Sanders, she had made the same point to Russia's senior NPT negotiator. She admitted that she has not yet had the chance to raise the issue with China and the UK, and that it would be a long time before she could discuss the NPT with France. (Comment: Thanks to the 1985 Auckland bombing by French intelligence of the Greenpeace ship the "Rainbow Warrior," New Zealand's history with France on nuclear issues is even more fraught with conflict than our own. End comment.) Hobbs repeated that New Zealand officials are pushing the need for disarmament because they believe it is necessary to make progress on all parts of the NPT, with the ultimate goal of eliminating all nuclear arms in all states. "I see two groupings of countries," she said, "nuclear states, non-nuclear states, and a few in between."

5. (C) The DCM noted that some non-nuclear states use Article VI as an excuse to move ahead on their illegitimate nuclear programs. The U.S. record on disarmament is exceptional, as Ambassador Sanders noted during her visit and in her article in the recent U.S. electronic journal on nuclear issues (Ref A). The DCM provided Minister Hobbs with a hard copy of the journal. He noted that all U.S. discussions with New Zealand on nuclear matters carry baggage, but that it is important that we work together when we can. We also recognize that one problem is that NPT-compliant countries don't have as much leverage as those states that are trying to break their NPT commitments. Bad behavior gets rewarded, and we are looking at ways to change this and encourage peaceful use of nuclear technology. Closing the meeting, Hobbs said she would be going to Mexico before the NPT Revcon.

6. (C) Comment: We had let it be known through our Ministry of Foreign Affairs contacts that Ambassador Sanders and her team did not appreciate Minister Hobbs' linking of U.S. NPT disarmament commitments with Iran's nonproliferation obligations (Ref b). The Minister knew she had offended the group in some way (and remarked on this briefly to Pol-Econ Couns at an official dinner the next night) but seemed genuinely surprised at the reason. While Minister Hobbs had sought out the meeting with the DCM and went to huge lengths to stress that New Zealand believes all nuclear states must disarm, she stopped short of saying that Iran poses a greater threat. Although Deputy Foreign Secretary Rosemary Banks assured us the day after our meeting that this was because Hobbs wanted to avoid all Iran/U.S. analogies this time, it's also clear that Hobbs (and others in the GONZ) still believe that nuclear states must disarm if others are to be successfully encouraged to give up their nuclear weapons programs. End Comment.  
Burnett

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origin:05WELLINGTON309  
destination:This record is a partial extract of the original cable.  
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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000309

SIPDIS

STATE FOR NP, IO/UNP AND EAP/ANZ  
GENEVA FOR AMBASSADOR SANDERS  
NSC F...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000309

SIPDIS

STATE FOR NP, IO/UNP AND EAP/ANZ  
GENEVA FOR AMBASSADOR SANDERS  
NSC FOR VICTOR CHA

E.O. 12958: DECL: 04/14/2015  
TAGS: PGOV, PREL, NZ, UN  
SUBJECT: NEW ZEALAND AND THE UN: NEW PERMREP BANKS LOOKS  
AHEAD

Classified By: Charge David Burnett,  
For Reasons 1.4 (b) and (d).

1. (C) Summary: New Zealand's new UN Permrep, Rosemary Banks, says that New Zealand will maintain its traditional opposition to permanent members' vetos in an expanded UN Security Council (UNSC). Foreign Minister Goff supports the idea of Japan becoming a permanent UNSC member, and also backs our view that the Human Rights Council must keep HR Violators from serving as Chair. Banks shares her government's view that intervention in global hotspots is best placed under the purview of the UN and not individual players. But unlike many, she is very aware that most Kiwis do not appreciate how their government's foreign policy is diminishing New Zealand's influence in the UN despite the country's emphasis on the importance of the organization. We predict Banks will be a very constructive player on UN reform. End Summary.

2. (C) On April 5, Charge and Pol-Econ Couns met with Rosemary Banks, currently Deputy Secretary at the Ministry of Foreign Affairs and Trade, to discuss her views on UN reform in light of her impending reassignment as NZ's UN Permrep. Banks was joined by Joan Mosley, Director of MFAT's United Nations, Human Rights, and Commonwealth Division. Banks confirmed that Foreign Minister Goff supports the idea that Japan should be a permanent UNSC member. He also shares our view that the Human Rights Council must be reformed so that rights violators can no longer serve as Council chair. Banks acknowledged that the United States had been right all along to oppose universalized Human Rights Council membership. New

Zealand had believed that giving violators a voice in the Council would encourage them to improve their behavior. "Now we don't," Banks said. Somewhat significantly given her UN and human rights portfolios, Mosley added that some human rights resolutions are "whackers."

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UN: Big Brother or Big Bother?  
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3. (C) The Charge noted that unlike New Zealand, the United States resists the notion of the UN as world government. Countries should only trade sovereignty for increased security, he said. Banks acknowledged the point, but said the whole exercise becomes pointless without rules for intervention. Pol-Econ Couns noted that the United States has been frustrated because of the lack of UN intervention where appropriate, not because there was too much of it. Banks asked whether Secretary Annan's draft proposal for such rules would create a problem for the United States. The Charge said the draft language did not seem to rule out our acting without the UN if needed. He noted that Congress' most recent declaration under the U.S. War Powers Act, on Iraq, focused on the UN resolutions against Saddam that had not been enforced. Mosley said if one only trades sovereignty for security, the question becomes how one defines the latter. The Secretary General defines security broadly, she said. We do as well, said the Charge, especially since 9/11 had highlighted the dangers posed by failed states. But, he added, if the focus is too broad attention gets diverted from what is most important.

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Take off those Rose-colored Glasses  
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4. (C) Both Banks and Mosley admitted that New Zealanders can be somewhat unrealistic when it comes to their confidence in the United Nations and the organization's potential to bring order to the world. Maintaining this rosy view will be difficult once the UN fails to intervene where Kiwis think it should. (Comment: We already saw a hint of this when local media pointed out that it was the U.S. Navy that first reached tsunami victims late last year.)

5. (C) Banks added that despite the fact that New Zealanders take the UN very seriously, they do not yet see that their country has declining influence there. Instead, they continue to believe that the country's history as a founding member and later an unofficial nonaligned country gives New Zealand a special status in the organization. In reality, said Banks, the country's influence will continue to fall as that of large countries and regional groupings rise. Kiwis do not want to hear that for this reason New Zealand needs to reach out more bilaterally, for example to engage individual countries in Asia in light of the changing regional architecture. Banks said that even those who do see this, such as influential academic Terence O'Brien, believe that MFAT officials are too negative in their view that New Zealand's incompletely thought-out, multilateral foreign policy focus is marginalizing the country. We (at MFAT) are

trained to see the risks, Banks said. Politicians are not. Mosley added that there is still a certain missionary zeal in New Zealand, and that even some diplomats do not understand that the country did not create and cannot fix all the world's problems.

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Background: Rosemary Banks  
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6. (U) Foreign Minister Goff announced on March 1 that Banks would be New Zealand's next UN PermRep, replacing Don MacKay. Banks, a career diplomat, has in her 30 years with MFAT served at the UN in both New York and Geneva, in the Solomon Islands, and in Australia. She has also held senior Ministry posts at MFAT, including as Director of Information and Public Affairs and Director of the North Asia Division. She was seconded early in her career to the Department of Trade and Industry. As Deputy Secretary of MFAT's Programme Three, Banks has responsibility for managing the Ministry's Consular, Disarmament, Economic, Environment and Antarctic, Legal, UN and Commonwealth, and Human Rights divisions.

7. (C) Banks is hard-working and well regarded by those who work with her, including both NZ and U.S. Government officials. Her no-nonsense approach is matched by a recognition that New Zealand needs to be more engaged in the world. For example, we believe Banks was pivotal in convincing the Prime Minister that despite its opposition to the war in Iraq, New Zealand should provide military engineers to assist in post-war reconstruction. We predict she will be a constructive force in promoting UN reform.

Burnett

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origin:05WELLINGTON310  
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☐ C O N F I D E N T I A L WELLINGTON 000310

SIPDIS

EAP/ANP - THOMAS RAMSEY  
NP, T, L, EUR, EAP

E.O. 12958: DECL: 04/14/2015  
TAGS: KNNP...  
▼ C O N F I D E N T I A L WELLINGTON 000310

SIPDIS

EAP/ANP - THOMAS RAMSEY  
NP, T, L, EUR, EAP

E.O. 12958: DECL: 04/14/2015

TAGS: KNNP, MNUC, PARM, PREL, PHSA, EWWT, PGOV, NZ  
SUBJECT: NEW ZEALAND RESPONSE TO REQUEST FOR SUPPORT FOR  
U.S. NONPROLIFERATION AMENDMENTS TO THE SUA CONVENTION

REF: A. STATE 66179  
B. WELLINGTON 293

Classified By: Pol-Econ Counselor Katherine B. Hadda  
for reasons 1.4 B and D

1. (C) Pol-Econ Counselor on April 13 passed talking points (Ref A) to Ministry of Foreign Affairs and Trade Legal Division's Deputy Director Caroline Bilkey and new Legal Advisor Gerard Van Bohemen. Van Bohemen will formally start his position in June and will lead the New Zealand delegation to next week's SUA talks.

2. (C) On April 14, Van Bohemen reported they had read the demarche and appreciated our attention to their position (ref B). They continue to support the Canadian text because they think it enables signatories to maintain their own Non-proliferation Treaty policies. They are also not convinced that the Canadian text is less ambiguous than the alternate, France/UK/U.S. version. That being said, Van Bohemen added he did not think there was a large gap between the two texts, and he looked forward to working with us to narrow our differences. He also reiterated that New Zealand remained opposed to reopening other portions of the text, and he hoped for a productive session next week. Van Boheman leaves for London on April 15.

Burnett

date:2005-05-13T04:57:00  
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origin:05WELLINGTON385  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
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reference:05SECSTATE79844  
☐ C O N F I D E N T I A L WELLINGTON 000385

SIPDIS

STATE FOR EAP/FO AMBASSADOR MORIARTY, NP DAS SEMMEL,  
EAP/RSP AND EAP/ANZ

E.O. 12958..  
▼ C O N F I D E N T I A L WELLINGTON 000385

SIPDIS

STATE FOR EAP/FO AMBASSADOR MORIARTY, NP DAS SEMMEL,  
EAP/RSP AND EAP/ANZ

E.O. 12958: DECL: 05/13/2015  
TAGS: KNNP, PARM, ETTC, KSTC, EAID, ETRD, ECIN, NZ, APECO  
SUBJECT: NEW ZEALAND SUPPORTS U.S. APEC RADIOACTIVE SOURCES  
INITIATIVE

REF: SECSTATE 79844



Classified By: DEPUTY CHIEF OF MISSION DAVID BURNETT,  
FOR REASONS 1.4 (B) AND (D)

1. (U) This message contains an action suggestion, at para 5.

2. (U) Post shared reftel demarche with the Disarmament Division at the Ministry of Foreign Affairs and Trade (MFAT). The Division takes the lead at MFAT on all bilateral and multilateral disarmament-related issues.

3. (U) On May 11, Matthew Aileone, a Policy Officer in the division, told Pol-Econ Couns that New Zealand would support the U.S. APEC Radioactive Sources Initiative. Aileone also confirmed that new radiation protection legislation is now under Cabinet review. The proposed legislation would enable New Zealand to adhere to:

- the IAEA's Code of Conduct on the Safety and Security of Radioactive Sources,
- International Basic Safety Standards for Protection against Ionizing Radiation and for the safety of Radiation Sources,
- the Convention on the Physical Protection of Nuclear Material, and
- the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management.

Unfortunately, Aileone could not confirm at this time that the proposed legislation would enable New Zealand to follow the IAEA import/export guidance. He promised to let Pol-Econ Couns know the week of May 15 whether or not New Zealand would commit to the guidance.

4. (SBU) According to Aileone, the Government aims for the legislation to be passed before the end of this year. The date may slip a bit, however, as this is a general election year (elections will probably be called sometime between late July and mid-September) and legislators will be focused on campaigning.

5. (C/NOFORN) Comment: New Zealand's status as a nuclear-free country dwells deep within the national psyche. At the UN Non-Proliferation Treaty (NPT) Review Conference now underway in New York, New Zealand has strongly resisted our efforts to highlight nonproliferation as the key focus of the review. Rather, the Kiwis insist that the treaty concentrate equally on disarmament commitments by the U.S. and other nuclear states. Bilaterally, New Zealand's 1985 anti-nuclear legislation still impedes much military and intelligence cooperation with the United States and contributes to its foreign policy drift away from us. In short, it is often difficult for U.S. officials to deal with New Zealand's strong opposition to all things nuclear.

6. (C/NOFORN) But there is a bright spot: we have in the past successfully encouraged the Kiwis to engage other countries proactively on nuclear issues in a way that is rare for this unofficially non-aligned country. For example, when New Zealand was on the IAEA Board, the Embassy successfully

persuaded NZ officials to demarche Iran on the need to comply with IAEA requirements. If Washington agencies/other posts advise us which APEC countries might benefit from a similar Kiwi approach, Post would be happy to make the request to our New Zealand counterparts.  
Swindells

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source:Embassy Wellington  
origin:05WELLINGTON427  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
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☐ C O N F I D E N T I A L WELLINGTON 000427

SIPDIS

DEPT FOR WHA/CCA, EAP/ANP

E.O. 12958: DECL: 05/31/2015  
TAGS: ETRD, ETTC, PREL, NZ, ...  
▼ C O N F I D E N T I A L WELLINGTON 000427

SIPDIS

DEPT FOR WHA/CCA, EAP/ANP

E.O. 12958: DECL: 05/31/2015  
TAGS: ETRD, ETTC, PREL, NZ, CU  
SUBJECT: NEW ZEALAND POLICIES AND ACTIONS TAKEN WITH REGARD TO CUBA

REF: SECSTATE 96300

Classified By: POL/ECON COUNSELOR KATHERINE HADDA,  
FOR REASONS 1.4 (B, D)

1. (C) The Government of New Zealand formalized diplomatic relations with Cuba in 2001, with its Ambassador resident in Mexico City accredited to Havana. Cuba's Ambassador to New Zealand is resident in Jakarta and cross-accredited to Wellington. According to Mike Shaw, Policy Officer, Americas Division, Ministry of Foreign Affairs and Trade, no significant change occurred in the diplomatic relationship between New Zealand and Cuba during the past year.

2. (C) Shaw said that the GoNZ uses meetings with Cuban officials to "express its concern over the human rights situation in Cuba, and encourage moves towards democratization and the promotion of human rights. These include the proper treatment of those who hold political views in opposition to the Cuban government." This is consistent with the GoNZ's policy of engagement with states that have poor human rights records, he added.

3. (C) Post is unaware of any NZ entity or national who would be subject to Title III of the LIBERTAD Act. The GoNZ would strenuously object to any effort to apply Title III to

a NZ entity or national on extraterritoriality grounds. While the GoNZ has not historically co-sponsored Cuba-related resolutions at the U.N. Commission on Human Rights and is not presently a member of the Commission, it is strongly supportive of the U.S. positions regarding Cuba's human rights record. Use of Title III would jeopardize continued good-faith cooperation.

4. (SBU) Economically, no substantive change has developed regarding New Zealand's trade and investment with Cuba during the past year. In calendar year 2004, New Zealand's exports to Cuba totaled NZD 80.9 million (USD 57.6 million) and imports totaled NZD 1.08 million (USD 768,700.) As in 2003, 97 percent of total exports were in the dairy sector, specifically powdered milk purchased by the Cuban government primarily for its "milk in schools" program.  
Swindells

date:2005-06-10T00:59:00  
source:Embassy Wellington  
origin:05WELLINGTON452  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
□ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000452

SIPDIS

STATE FOR EAP A/S HILL, EAP/ANP, EAP/CM AND EAP/J  
NSC FOR NSA HADLEY ...  
▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000452

SIPDIS

STATE FOR EAP A/S HILL, EAP/ANP, EAP/CM AND EAP/J  
NSC FOR NSA HADLEY AND VCHA  
SECDEF FOR OSD/ISA LIZ PHU

E.O. 12958: DECL: 06/09/2015  
TAGS: PREL, NZ  
SUBJECT: WITH NEW ZEALAND PM, AMBASSADOR RAISES POSSIBILITY OF BILATERAL DISCUSSIONS

Classified by: Ambassador Charles J. Swindells. Reasons: 1.4 (b) and (d).

1. (C) Begin summary: In a meeting that included discussion of China's growing power and the need for a U.S. presence in the Pacific, the Ambassador told New Zealand Prime Minister Clark that the time was ripe for a frank and comprehensive dialogue between our governments on issues that hinder our bilateral relationship, including New Zealand's anti-nuclear policy. The Prime Minister expressed frustration over the perception of difficulties in the relationship despite having so much in common, but did not immediately take up the offer of dialogue. Nonetheless, while noting that she is focused on coming national elections, she left the door open to bilateral discussions, saying there may be an area of

flexibility that would allow the relationship to move forward. End summary.

PM's visits to China and Japan  
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2. (U) At the Ambassador's request, he and Prime Minister Clark met June 8. The Ambassador told the Prime Minister that it was an opportune time to touch base, in view of recent trips by Clark to China and Japan, by Foreign Minister Goff to the United States and Canada, and by the Ambassador to Washington.

3. (C) Recounting her May 30 to June 4 trip to China and Japan, PM Clark expressed deep interest in ensuring that China's emergence as a great power is peaceful. She said New Zealand would use whatever ability it has to influence China's direction positively, which was part of the message that FM Goff took to Washington in late May.

4. (C) Clark reported that the Chinese, who have been negotiating a free-trade agreement with the New Zealanders since December 2004, stated their keen interest in achieving an agreement. When Clark told them that the deal had to be both ambitious and "high quality," the Chinese agreed. "We're presented as more cautious than they have been," Clark commented. China is New Zealand's fourth-largest trade partner.

5. (C) The Prime Minister said she delivered a strong message on North Korea to the Chinese, saying she believed that their role was critical in curbing North Korea's nuclear program -- that they had more influence than anyone else over the North Korean government. She also noted that while the Chinese have told the United States to be more subtle in its approach, subtlety does not work with North Korea.

6. (C) Clark recalled that Chinese President Hu had said at the last APEC summit that it was important for the Japanese to not inflame their bilateral relations, pointing particularly to Japanese leaders' visits to Yasukuni Shrine. Hu left the impression that the Chinese believed the ball was in the Japanese court. But that is not the way the Japanese see it, Clark said. Instead, they believe that by canceling visits to the shrine, it would appear that they were succumbing to Chinese pressure.

7. (C) Clark -- noting the importance to New Zealand of its relationship to Japan, its third-largest trade partner -- said she detected a "reflective" mood in her meeting with President Koizumi regarding how Japan should deal with its wartime past. He is mindful of the coming 60th anniversary of VJ Day. Clark said it will be helpful if Koizumi reflects over the next two months the humility he expressed in attending VE Day ceremonies in Moscow.

8. (C) Clark said that on the day she met with Koizumi, the Australians delivered a demarche on Japan's scientific whaling activities. She knew that the United States also had delivered a strong message. She told the Japanese that it would be a tragedy if they left the International Whaling Commission. That would allow the Japanese to operate without

any discipline, and we need to continue the dialogue with them, she said to the Ambassador.

9. (C) Meanwhile, Clark wondered whether resolution of the tensions between China and Japan would affect both the North Korean problem and UN Security Council reform. She speculated that such tensions may have given the Chinese a reason to hold back on the Six-Party Talks and caused them to be obstructionist in the United Nations, opposing a permanent seat on the Security Council for Japan.

U.S.-New Zealand relationship  
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10. (C) The Ambassador said that, in his recent meetings with the President and officials at the White House and State and Defense Departments, it is clear that the U.S. government considers the relationship with New Zealand to be important. It also is clear, however, that the bilateral relationship is not what it needs to be. Thus, the U.S. government would like to begin a quiet and frank dialogue with New Zealand on all issues on which we do not agree. While those issues would include New Zealand's anti-nuclear legislation, the discussions might not necessarily result in a change in the legislation or in a return by New Zealand to the ANZUS alliance. But we will not know about the possibilities of moving the bilateral relationship forward unless we talk about them. However, the Ambassador made it clear that we are looking to New Zealand to express its interest in such discussions and to indicate its preferences on when and how they might take place.

11. (C) PM Clark responded that she was focused on a certain "date," referring to elections that she has not yet scheduled but that must be held by September 24. But she added that in the New Zealand-U.S. relationship, "we have everything in common." It is frustrating that, despite such commonality, "the relationship seems to go grumpy" by being seen through only one issue -- implying, the anti-nuclear issue. She noted New Zealand's contribution to the war and reconstruction in Afghanistan and willingness to contribute to efforts in the Pacific. "When I go to APEC, you can't split a hair between the President and myself," Clark said.

12. (C) The Ambassador stressed that proceeding with dialogue would be up to New Zealand and assured Clark that there was no pressure on her. "We're ready when you tell us you're ready," the Ambassador said. DCM Burnett said the discussions could be held privately and could be productive even if they came full circle. They could help us to work together more efficiently, for instance, on such efforts at the Proliferation Security Initiative (PSI).

13. (C) Both countries must find ways to deal with new realities, Clark responded. The PSI is a classic example: New Zealand was invited to participate, while some in the Pentagon suggested it should not be allowed to join the military exercises.

14. (C) While noting that the United States no longer arms its ships with nuclear weapons, Clark said her "gut feeling" was that her government would not want to change its

anti-nuclear legislation, which would continue to ban nuclear-propelled ships. "I know how your Navy will respond," she said. DCM Burnett said that the ban was not necessarily a problem bilaterally since we have never had a pressing need to send any vessels to New Zealand, but had repercussions elsewhere in the region in terms of U.S. fleet mobility. Clark said, "If that's an area of flexibility -- of no need for nuclear ships in our area -- then that's perhaps an area for us to move forward."

15. (C) The Ambassador pointed out the interest of Australia, Singapore and other countries in a strong U.S. presence for regional stability and economic reasons. The Prime Minister said the emerging strategic architecture in the Pacific had to include the United States. With the rise of China and India, with Japan once being "abhorrently" powerful but now in decline, and with ASEAN as a counterweight, a U.S. presence is necessary. "China has to be balanced," she said.

16. (C) The Ambassador suggested that opening a dialogue could highlight areas in which New Zealand and the United States might increase their cooperation. His successor has been identified but not yet confirmed, and even though the Ambassador will be leaving Wellington within the year, he would ensure continuity in any discussions once they had started. He noted his deep respect for the Prime Minister and the belief that she could find a way forward in the bilateral relationship. He asked that the Prime Minister let him know if and when she was comfortable with proceeding with discussions. She responded, half jokingly, "We're here to help."

17. (U) PM Clark was accompanied by Brook Barrington, her foreign policy adviser, and Roy Ferguson, director of the Ministry of Foreign Affairs and Trade's Americas Division. The Ambassador was accompanied by the DCM and acting political-economic counselor (notetaker).

18. (C) Comment: The message to PM Clark was clear: It is now up to her government as to whether it chooses to seek better relations with the United States and pursues dialogue with us. But a decision will have to wait, with the Labour government's lead in public opinion polls declining and with it facing what now appears to be a difficult campaign for re-election.

Swindells

date:2005-06-17T05:14:00  
source:Embassy Wellington  
origin:05WELLINGTON475  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05STATE112199|05WELLINGTON452  
□ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000475

SIPDIS

STATE FOR EAP A/S HILL AND EAP/ANP

STATE PASS USTR FOR WEISEL AND KAT..

▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000475

SIPDIS

STATE FOR EAP A/S HILL AND EAP/ANP  
STATE PASS USTR FOR WEISEL AND KATZ  
NSC FOR NSA HADLEY AND VCHA  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J0051 HUSO, MUNIPALLI AND POST

E.O. 12958: DECL: 06/15/2015

TAGS: PREL, PGOV, NZ

SUBJECT: NZ FOREIGN MINISTER PUTS POSITIVE SPIN ON TOUGHER  
WASHINGTON MESSAGE

REF: A. STATE 112199

B. WELLINGTON 452

Classified By: AMBASSADOR CHARLES J. SWINDELLS,  
FOR REASONS 1.4 (B) AND (D)

1. (C) SUMMARY: Ambassador Swindells recently met with NZ Foreign Minister Phil Goff to discuss the latter's visit to Washington. Goff painted an upbeat message about his recent U.S. visit, but obviously had heard Washington's tougher message regarding the negative effect of New Zealand's policies on its prospects for an FTA. Goff's unacceptable response -- that New Zealand is happy working around the edges of the status quo -- was considerably more inflexible than the Prime Minister's words on the issue (ref B ). This may reflect 1) Goff's own feelings regarding the importance of the nuclear ban; 2) the refusal of National Party leader Don Brash to admit during a weekend news interview that he favors ending the ban; 3) the consensus of the Cabinet, which met on June 13, that the ban must stay; or some combination of the three. Whatever the reason, we appreciate Washington's consistent message to Goff and will continue to work quietly on a strategy for an improved U.S.- New Zealand dialogue during the weeks or months before New Zealand's general election . END SUMMARY.

2. (C) Ambassador Swindells met on June 13 with Foreign Minister Phil Goff to discuss the latter's recent visit to the United States and Canada. Goff was enthusiastic about his meetings in Washington, which he said had offered him a chance to meet with newly-appointed officials whose responsibilities include New Zealand. He appreciated the chance to talk with his counterparts about a wide range of issues, including China, Indonesia, Iraq and Afghanistan.

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Still Bucking for an FTA  
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3. (C) Goff had obviously heard loud and clear in his meetings that New Zealand will not be able to begin FTA negotiations with the United States at this time. In describing his FTA-related Washington conversations to the Ambassador, the Minister nevertheless put a positive spin on New Zealand's prospects for an eventual agreement. While

acknowledging that Deputy Secretary Zoellick had cautioned that CAFTA must first get through Congress and the United States must follow through on negotiations with countries already in the queue, Goff stressed that Congress seemed positive regarding a possible trade deal with New Zealand. Furthermore, he noted that the Deputy Secretary had said that USTR Portman would take the lead on any US-NZ FTA. The latter is a good friend to New Zealand, Goff said. He added that the Deputy Secretary had not said anything to indicate he would oppose a trade deal.

4. (C) We could not help but notice, however, that Goff was somewhat less exuberant about the prospects of an FTA in the near term than he had been after his last trip to Washington. He no longer spoke of the growing numbers of members in the Friends of New Zealand caucus. Instead, he only said that there seems to be an appreciation of New Zealand's position in Congress. He also said for the first time that it is in the end the Administration's choice whether or not to pursue a trade deal. (He did add that it seems NZ is in a better position for this than before.)

5. (C) Goff admitted things with CAFTA look difficult and it is likely it will take Congress until December to approve it. The Ambassador said that the Administration would also need to get Congress to renew Trade Promotion Authority. Goff said that New Zealand favored CAFTA as a way of assuring a stable, prosperous Central America and a means by which the United States could pass democratic values on to the region. For this reason, Ambassador Wood would promote CAFTA on the Hill, including with Friends of New Zealand Caucus co-chair Congresswoman Tauscher, who opposes the Central American deal.

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A Line in the Sand  
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5. (C) Goff also played down any message he had heard regarding Washington's continued concern over New Zealand's nuclear ban. The only meeting in which he mentioned the issue had come up was his session with Acting Deputy Secretary of Defense England. Even here, Goff said he had anticipated the Acting Deputy Secretary would raise the issue, and he had done so in the context of a broader, positive discussion. DoD is pleased New Zealand is increasing its defense budget, Goff stressed.

6. (C) The Ambassador then described his own recent trip to Washington. He had heard nothing but positive things about New Zealand, he said, but also a lot of questions about how we could raise the level of bilateral cooperation. Because of all the challenges in the world, it is important to find flexibility. As he had remarked to PM Clark during their meeting last week, the degree to which we can do this can only be known if we keep talking. We should do this sooner rather than latter, the Ambassador said. Goff said he appreciated the Ambassador's wish to move the relationship forward, and assured him that the PM and he shared this wish. It makes not sense not to do so, when, for example, we are cooperating so much in Operation Enduring Freedom. It is strange not to conduct military exercises together when we



are fighting together.

7. (C) But, said Goff, like many small countries, New Zealand fiercely maintains its independent way of thinking. The Ambassador said he understood the country's sense of independence and individuality, but NZ officials might be surprised how much flexibility NZ could maintain and still address Washington's concerns. Goff said flexibility is a good thing. The Prime Minister has said that New Zealand cannot alter its legislation. The key was therefore to try to move forward within this limitation. There was no reason why any ship other than a carrier or sub could not come to New Zealand. New Zealand has no need or desire for nuclear power, and Kiwis would not shift the anti-nuclear policy willingly. In fact, Goff said, the harder they are pushed on this issue the more dug in they will become. (Comment: The same can obviously be said about Minister Goff's own views on the legislation. End Comment.)

8. (C) The Ambassador said that the issue nuclear propulsion was really the issue of America's naval presence in the region. Japan, Taiwan, and Korea all want us here, he said. We need to discuss this. Even if nothing changed, we'd know we had tried. Goff said that New Zealand was happy living with the status quo but loosening it around the edges. He stressed that the Government has said and will continue to say it wants the United States in the region. In fact, Goff said that during his meetings he had encouraged U.S. officials to engage more, given China's "charm offensive" in Asia. He said he hoped that Secretary Rice would attend the Asia Regional Forum meeting.

9. (C) Goff reiterated that his Government is keen to work together with the United States within the parameters of no change to the nuclear legislation. He said that NZ officials feel in some sense that the initiative is with the United States, and added that New Zealand would respond positively to a non-nuclear U.S. ship visit if the United States Navy made this offer. The PM's yearly blanket approval of C-17s has not been a problem. The question is how we can improve relations militarily and otherwise. The Ambassador asked if this meant New Zealand officials would have an open mind and come to a meeting, which would be "under the radar." Goff said that the Government could not do anything other than what it had committed to the electorate to do. Any Labour attempt to repeal the legislation would be seen as a betrayal, he said. Such a move would destroy the National Party as well, he said, as witnessed by National Party leader Don Brash's unwillingness to openly admit he supported ACT Party's Ken Shirley's members bill that would revise the ban. (NB: The bill, which had been submitted months ago, has recently come up for inclusion on Parliament's calendar, probably late next month or early in August.) U.S. politicians would understand Labour's position, Goff added.

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COMMENT  
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10. (C) Comment: Goff's hard nosed approach after the PM's apparently more conciliatory message last week is striking.

We suspect that because National's Brash has (understandably) refused to make this an election issue, Labour feels emboldened to harden its line. That being said, the wind is going out of the Government's sails on the FTA and it is obvious that they are reacting to a harder message from Washington. Their probing for a ship visit while still refusing to even discuss the ban is an indication that they'd like to have their cake and eat it too. We thank Washington officials for their unified message to New Zealand counterparts, and continue to believe that -- after elections -- the Government may be willing to come to a dialogue if they know they need to. If they don't, calling them publicly into account would be appropriate on our part. End Comment.

Swindells

date:2005-06-27T04:48:00  
source:Embassy Wellington  
origin:05WELLINGTON496  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE111637  
□ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000496

SIPDIS

FOR EAP/ANZ

E.O. 12958: DECL: 06/26/2015  
TAGS: PHUM, PREL, PGOV, K...  
▼ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000496

SIPDIS

FOR EAP/ANZ

E.O. 12958: DECL: 06/26/2015  
TAGS: PHUM, PREL, PGOV, KUNR, AORC, NZ, UNSC, UNCHR-1  
SUBJECT: NEW ZEALAND RESPONSE ON UN REFORM

REF: A. SECSTATE 111637

B. SECSTATE 111657  
C. SECSTATE 114435

Classified By: ACTING DCM KATHERINE HADDA,  
FOR REASONS 1.4 (B) AND (D)

1. (SBU) On June 21, Charge delivered ref A, B and C demarche points to Wen Chin Powles and Valerie Meyer, both Deputy Directors at the United Nations, Human Rights and Commonwealth Division (UNHC) of the Ministry of Foreign Affairs and Trade (MFAT). Powles and Meyer said that the GoNZ's positions on reform of the UN and the Commission on Human Rights are largely synchronized with the U.S. positions though the U.S. is further along in fleshing out its positions. MFAT also subsequently sent a copy of its recent statement to the June 21 Informal Meeting in advance of the

General Assembly September High-level plenary. The text of the statement is attached at para 8.

New Zealand aims generally support U.S. interests  
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2. (SBU) According to Powles and Meyer, the GoNZ generally supports our UN reform interests including those of the Peacebuilding Commission, the responsibility to protect (where New Zealand will push for the strongest possible language including the override of sovereignty in cases of genocide, ethnic cleansing and similar), counterterrorism, developmental reform, and secretariat reform. New Zealand seeks strengthening of disarmament and nonproliferation provisions.

3. (C) On Security Council reform, New Zealand will oppose any expansion of the veto power, in keeping with New Zealand's consistent stance against UNSC vetoes since the UN was founded. And while supportive of a Japanese role on the Security Council, New Zealand is "not certain about a permanent seat for Japan," said Powles. Viewing that Security Council reform is overwhelming the U.N., Powles commented that New Zealand "doesn't want (reform) to be polarizing and dominating." New Zealand has been asked about its position on Security Council reform by the governments of Brazil, China, Germany, India, Japan, Mexico and South Korea, she added.

But there are some areas of difference  
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4. (C) Regarding the proposed Human Rights Council, the GoNZ shares the USG view that a smaller body is needed for greater effectiveness, and in fact sees a still smaller membership than the 20 members we proposed, Meyer said. She acknowledged, however, that few countries share this desire for a still smaller membership. GoNZ shares our concerns that a peer review process might bog the Council down to the detriment of its primary mission. However, Myer implied that the GoNZ is open to the notion of peer review, even as it would need to see more discussion on the idea. The GoNZ seeks more equal status of the Council vis-a-vis the Security Council and ECOSOC, and sees the Council as a "principal organ of the United Nations" consistent with the "Three Pillar" arrangement promoted by the Secretary General. However, while indicating that the Council should have the authority to investigate, censure and make recommendations, Meyer said that sanctions and other enforcement mechanisms should come from UNSC. Meyer further said that the GoNZ is "supportive of keeping the good things of the HRC, including the role of NGOs." Finally, Meyer indicated New Zealand's supports a regular source of budget funding as opposed to a system dependent on voluntary contributions.

5. (SBU) On the Peace Building Commission (PBC), Powles reported general consensus; however she noted possible differences on how the PBC would fit into the UN framework and its membership characteristics. She did acknowledge that these differences might result more from a lack of detail on the PBC rather than on our diverging views. New Zealand favors early establishment of a Peace Building Commission,

with Powles suggesting that NZ has a more ambitious timeline than the U.S.

6. (SBU) Climate change will continue to be a focus area for New Zealand during the UN reform initiative. As indicated by Powles, the GoNZ used a June 21st statement to an informal meeting plenary to promote a strong position on climate change, one which supports the UN Secretary's General position. However, as she had indicated, their statement (para 8) did not provide much detail.

7. (SBU) After the recent failure of the May Non-proliferation Treaty (NPT) Review Conference to reach consensus, New Zealand is looking to see disarmament and non-proliferation language strengthened, Powles said. However, similar to climate change, their statement (para 8) did not provide much detail.

Text of New Zealand's Statement

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8. (U) Begin Text: Mr President  
The High Level Event in September will be a unique opportunity to reinvigorate the United Nations. Member States have a wide range of national, regional and international interests. But we believe that we all share a fundamental interest in ensuring that the United Nations is able effectively to meet the challenges of the twenty-first century.

When our Leaders gather here in less than three months time they will want to take decisions that will substantially strengthen the UN. The draft contains many sound recommendations and we thank you for your careful work in drawing it together. We see it as a solid platform and we welcome the positive momentum it is generating. There are, however, several areas of priority importance to New Zealand where we would like to suggest bolder language, more definition of concepts and clearer signposts to follow up action.

Mr President

We agree that development is a central goal in itself - as well as vital for achieving collective security. We are pleased to see that the draft is imbued with the "Spirit of Monterrey", underlining the need to mobilise all resources for development including aid, trade and domestic resources. New Zealand supports the positive references to the need to progress the Doha Development Round.

Along with increasing volumes of aid, it is important to ensure that aid delivery is effective from developing countries' points of view: New Zealand strongly supports the emphasis on aid effectiveness present in the document.

The draft outcome document rightly emphasises the importance of dealing with climate change. A constructive international dialogue is urgently needed on how to take meaningful action on climate change, and at the same time provide for future economic growth and development aspirations. As the Secretary-General has said, we must develop a more inclusive

SIPDIS

international framework beyond 2012. Anything less than broad and balanced participation and action, in particular by all of the world's major emitters, including both developed and developing countries, will be inadequate to deal with a challenge of this magnitude.

We are particularly pleased to see that the draft outcome document recognises the plight of countries in special situations, particularly small island developing states. We hope that the Summit will add impetus for the implementation of the Mauritius Strategy for SIDS.

We can support many of the elements of the draft outcome document on disarmament and non-proliferation but would like to see a number of them strengthened to better address the security challenges in today's world. Our strong wish is for our leaders to agree on concrete steps towards elimination of weapons of mass destruction, as well as measures to prevent their proliferation. The 2000 NPT outcome identified steps that should be taken towards achieving nuclear disarmament. Against that background we cannot support the implication that progress on nuclear disarmament might be held hostage to "general and complete disarmament", as suggested by the current draft text.

New Zealand welcomes the proposals to strengthen the United Nations' human rights machinery, but in our view they do not go far enough to establish the protection and promotion of human rights. It remains our view that the proposed Human Rights Council should be a principal organ of the UN. This would reflect the primacy of human rights in the Charter and give the new body maximum authority in responding to emerging or critical human rights situations. The Council should be a smaller body than the current Commission on Human Rights in order to expedite decision-making and facilitate consensus on action. We are concerned by the omission from the current draft of the Secretary-General's stricture that those elected to the Council should undertake to abide by the highest human rights standards.

We would also want the outcome document to provide more clarity on the functions, mandate and powers of the Council, and its functional relationship with other organs of the UN system. The Council should be able to investigate, censure and make recommendations on further action to the Security Council and the proposed Peacebuilding Commission. The Council's relationship with the General Assembly's Third Committee needs to be clarified in order to avoid overlapping functions and mandates. We are interested in the proposed peer review mechanism but would like to see further developed how it would work in practice.

Strengthening the Office of the High Commissioner for Human Rights and providing it with the requisite funds from the regular budget of the UN must be a priority. We would also like to see a more explicit reaffirmation in the outcome document of the policy of mainstreaming human rights throughout the UN system and an enhanced role for the High Commissioner in relation to the Security Council and the

proposed Peacebuilding Commission.

Mr President

We are pleased that the proposal for the Peacebuilding Commission has broad and increasing support. New Zealand fully supports the role and mandate of the PBC as broadly described in the current draft. It reflects well what is required to fill the institutional gap. However, we believe the draft can and should go further. It is within our reach to agree on the structure of the PBC so that Leaders can formally establish it in September.

On details, we would make three points. First, on size, we believe the optimal number for core membership would be no more than 20, with balanced participation from both the Security Council and ECOSOC (say, five from each) plus representation by key donors, Troop Contributing Countries, regional partners and International Financial Institutions on the basis proposed in the Secretary-General's explanatory note. We also support the Secretary-General's recommendation that national authorities and relevant regional actors should be involved in the Peacebuilding Commission's country-specific sub-groups and would like to see this reflected in the outcome document.

Second, on mandate, we fully support the proposal that Member States should be able to apply to the PBC and the Standing Fund for assistance in reducing the risk of either new or recurring conflict.

Thirdly, given the advisory nature of the PBC, we query the need for sequential reporting. In our view, the strength of the PBC should be its ability to coordinate and provide transition. To do this, it should have the flexibility to report to either the Security Council or ECOSOC, and to the GA and the HR Council according to need.

We support the establishment of a Standing Fund allowing UN agencies to fill the funding gap immediately after conflict ends and before bilateral assistance arrives. We also fully support the Secretary-General's proposal to establish a small Peacebuilding Support Office.

As the Secretary-General says, terrorism is a threat to all that the United Nations stands for. We support his proposal to implement a UN counter-terrorism strategy. This strategy must be comprehensive, taking into account the underlying factors which fuel and generate support for terrorism. We support the call to conclude a comprehensive convention on terrorism during the 60th session of the GA.

Mr President

We welcome the draft language on responsibility to protect. We agree that the primary responsibility to protect civilians lies with individual Member States. However, where States are unable or unwilling to protect their population from genocide, large scale violations of international humanitarian law or ethnic cleansing, we believe strongly that the international community has the responsibility to

take collective action. We would emphasise that this responsibility is about protecting civilians within the parameters of international law, and specifically within the provisions of the UN Charter.

We look forward to Leaders in September fully embracing the responsibility to protect and would support language in the Leaders' declaration making clear the elements comprising the responsibility to protect.

Mr President

For a fully effective Secretariat we must urgently strengthen the Secretary-General's ability to manage resources flexibly, and ensure that the Organisation can attract the highest calibre of staff. We are pleased to see the management reform measures that are being put in place. Leaders should agree to provide the Secretary-General with the necessary flexibility and authority to carry out his responsibilities, whilst requiring a full system of accountability, integrity and transparency.

We fully endorse the urgent need to review mandates that are older than five years and identify resources for shifting to other priorities. We should not shy away from the possibility that some activities have outlived their usefulness, or could be delivered in a different way.

There is scope for this part of the draft to map out a clearer agenda for ongoing updating of mandates, and of management practices, and to better distinguish between action that is already under way and what now needs to happen. Without repeating them, I would nevertheless like to associate New Zealand with the points on management reform made by Australia, Canada, Switzerland and the United Kingdom. I also echo the point just made by Norway on the need for progress on gender balance in the UN system.

Mr President

We strongly support the draft language on concluding negotiations on a protocol expanding legal protection for UN and associated personnel during UNGA60. Attacks against personnel continue and New Zealand looks forward to early agreement on this issue. Discussions on the scope of the Protocol have brought us to a point where conclusion of a new legal instrument, which materially broadens the Protocol, is within reach.

Finally Mr President

New Zealand has been a loyal advocate and supporter of the United Nations since 1945. We sincerely want to see the organisation emerge in better shape from the current initiative. We are ready and willing to play our part in the work that still lies ahead. End Text  
Swindells

date:2005-07-07T05:01:00

source:Embassy Wellington  
origin:05WELLINGTON527  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available. 070501Z Jul 05  
classification:CONFIDENTIAL  
reference:05SECSTATE120771  
□C O N F I D E N T I A L WELLINGTON 000527

SIPDIS

FOR NP AND EAP/ANP

E.O. 12958: DECL: 07/07/2015  
TAGS: PARM, PREL, PGOV, MNUC, EFIN, ...  
▼C O N F I D E N T I A L WELLINGTON 000527

SIPDIS

FOR NP AND EAP/ANP

E.O. 12958: DECL: 07/07/2015  
TAGS: PARM, PREL, PGOV, MNUC, EFIN, ETTC  
SUBJECT: WMD PROLIFERATORS' E.O.

REF: SECSTATE 120771

Classified By: POLITICAL ECONOMIC COUNSELOR KATHERINE HADDA,  
FOR REASONS 1.4 (B) and (D)

1. (C) Pol/Econ Couns shared reftel information with Deborah Panckhurst, Deputy Director of the Disarmament Division at the Ministry of Foreign Affairs and Trade, stressing our desire that New Zealand adopt a similar policy. Panckhurst promised to review the E.O. closely and said that she would take our request on board.

2. (C) Panckhurst noted, however, that as New Zealand approaches general elections (expected to be called for mid-September) government bureaucrats are resisting putting forward any new initiatives for Ministers' consideration. This is standard practice in New Zealand, and is designed to prevent a Government close to the end of its term from putting forward new legislation or policies that an incoming Government might not favor.  
Swindells

date:2005-07-08T03:49:00  
source:Embassy Wellington  
origin:05WELLINGTON531  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:05STATE125943  
□S E C R E T WELLINGTON 000531

SIPDIS

DEPT FOR DS/IP/ITA, DS/IP/EAP, DS/ICI/PII



E.O. 12958: DECL: 07/08/2025  
TAGS: ASEC, PTER, CASC, ...  
▼S E C R E T WELLINGTON 000531

SIPDIS

DEPT FOR DS/IP/ITA, DS/IP/EAP, DS/ICI/PII

E.O. 12958: DECL: 07/08/2025  
TAGS: ASEC, PTER, CASC, AMGT  
SUBJECT: EAC MEETING WELLINGTON

REF: STATE 125943

Classified By: David R.Burnett, DCM, Reason 1.4 (c)

1. (S) The Emergency Action Committee convened 1400 hrs local time on July 8, 2005 to discuss security profile in light of the London explosions. Embassies Wellington and Apia were notified of the London explosions by the RSO in Canberra via RMAS.

2. (U) Embassy Wellington has put the Local Guard Force and Surveillance Detection team at heightened alert. Embassy staff was also reminded to vary their routes and to report any suspicious activity to the RSO's office. Post was informed by host government that local police have been placed on increased visibility status. Embassy Wellington sent condolences to the British High Commission.

3. (U) Embassy Wellington also discussed heightening security measures with Consulate General Auckland. Consul General met with the local guard force and SD team and encouraged them raise their security vigilance in light of the bombings in London. Consulate General staff was also reminded of personal security policies and asked to take appropriate security steps if confronted with suspicious activity. Consulate General Auckland sent condolences to the British Consulate in Auckland.

4. (U) Embassy Wellington discussed current security levels with Embassy Apia. Charge Apia met with Embassy staff and also spoke with Peace Corps Director regarding the bombings in London. Charge also spoke with members of the American community in Samoa. Local Guards were asked to increase their vigilance.

5. (SBU) EAC Wellington considers our existing security procedures meets or exceeds the standards for the threat levels in this region.

Swindells

date:2005-07-15T01:52:00  
source:Embassy Wellington  
origin:05WELLINGTON551  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE127710

□ C O N F I D E N T I A L WELLINGTON 000551

SIPDIS

STATE FOR EB/ODF MARCELLUS; NEA/I AND EAP/ANP

E.O. 12958: DECL: 07/15/2015

TAGS: EA...

▼ C O N F I D E N T I A L WELLINGTON 000551

SIPDIS

STATE FOR EB/ODF MARCELLUS; NEA/I AND EAP/ANP

E.O. 12958: DECL: 07/15/2015

TAGS: EAID, ECON, EFIN, PREL, NZ

SUBJECT: NEW ZEALAND WILL NOT ATTEND DEAD SEA DONORS'  
MEETING ON IRAQ

REF: A. SECSTATE 127710

B. WELLINGTON

Classified By: Political-Economic Counselor Katherine B. Hadda,  
for reasons 1.4 (b) and (d)

1. (SBU) Post shared reftel information regarding the Dead Sea Donor's meeting with Darryl Dunn, Director and Ruth Nuttall, Deputy Director, of the Middle East and Africa Division at the Ministry of Foreign Affairs and Trade (MFAT). On July 14, Nuttall informed Pol-Econ Couns that unfortunately New Zealand would not be able to attend the meeting.

2. (SBU) Nuttall said that she strongly believed New Zealand should attend the conference, but NZAID, the lead agency on the issue, had neither the time nor resources to do so. As Nuttall had attended the recent US-EU-Iraq conference in Brussels, she was similarly constrained. GNZ officials had looked into several other options, such as fielding a candidate from a European or MidEast post, but none could be spared. Pol-Econ Couns suggested Embassy Wellington brief NZ officials on the outcome of the conference, and Nuttall eagerly agreed.

3. (C) MFAT's Chief Executive Officer Simon Murdoch (close hold) has told post that GNZ is looking for ways to increase its involvement in Iraq. Officials are currently reviewing options.

4. (U) For a summary of New Zealand's past and planned Iraq reconstruction assistance to to date, see Ref B. A break-down of GMZ's assistance has also been forwarded via e-mail to EAP/ANP Thomas Ramsey.  
Swindells

date:2005-07-15T03:22:00

source:Embassy Wellington

origin:05WELLINGTON552

destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.

classification:CONFIDENTIAL  
reference:05SECSTATE125837|05WELLINGTON452|05WELLINGTON475  
□C O N F I D E N T I A L WELLINGTON 000552

SIPDIS

STATE FOR D (CASTRO), EAP/FO, AND EAP/ANP  
NSC FOR VCHA  
SECDEF FOR OSD/ISA LIZ PHU  
PA...  
▼C O N F I D E N T I A L WELLINGTON 000552

SIPDIS

STATE FOR D (CASTRO), EAP/FO, AND EAP/ANP  
NSC FOR VCHA  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 07/15/2015  
TAGS: MARR, PREL, NZ  
SUBJECT: NEW ZEALAND ON U.S.-SINGAPORE STRATEGIC FRAMEWORK  
AGREEMENT

REF: A. SECSTATE 125837  
B. WELLINGTON 475  
C. WELLINGTON 452

Classified By: POLITICAL-ECONOMIC COUNSELOR KATHERINE HADDA,  
FOR REASONS 1.4 (B) and (D)

1. (C) On July 11, DATT AND Pol-Econ Couns shared reftel information with Air Commander Graham Lintott, Office of the Assistant Chief of Strategic Commitments and Intelligence, and Paul Sinclair, Head of International Defence Relations, NZ Defence Force. Both officials expressed gratitude at being given a heads up about the agreement. Sinclair said that his Singaporean contacts had already informed him of their strategic framework agreement talks with the United States. Pol-Econ Chief noted that the framework with Singapore was a useful example of the kind of broad, cooperative framework that the United States and New Zealand could explore should we ever engage in a dialogue about how to work through the issues that still divide us and move the bilateral relationship forward (Refs B and C).

2. (C) We were unable to inform the Ministry of Foreign Affairs and Trade (MFAT) of the initiative before it was publicly announced, as staff were drawn away to working the phones in the wake of the London terrorist attacks. However, on February 13 Pol-Econ Couns forwarded a copy of the joint statement by the President and Singapore President Lee to Nigel Moore, Director of MFAT's South and Southeast Asia division. She also provided background on the agreement to Bede Corry, Director of MFAT's Office of the Chief Executive, noting the potential for similar US-NZ cooperation. On July 15, Roy Ferguson, Director of MFAT's North America Division, told Pol-Econ Couns that he and other MFAT officials were examining the information with interest.  
Swindells

date:2005-07-15T04:15:00  
source:Embassy Wellington  
origin:05WELLINGTON553  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE127272  
☐ C O N F I D E N T I A L WELLINGTON 000553

SIPDIS

STATE FOR EAP/FO, EAP/ANP, IO/UNP, S/CT

E.O. 12958: DECL: 07/15/2015  
TAGS: PTER, NZ...  
▼ C O N F I D E N T I A L WELLINGTON 000553

SIPDIS

STATE FOR EAP/FO, EAP/ANP, IO/UNP, S/CT

E.O. 12958: DECL: 07/15/2015  
TAGS: PTER, NZ, UNGA  
SUBJECT: COMPREHENSIVE CONVENTION ON INTERNATIONAL  
TERRORISM (CCIT)

REF: SECSTATE 127272

Classified By: Political-Economic Counselor Katherine B. Hadda,  
for reasons 1.4 (B) and (d)

1. (C) On July 15, Pol-Econ Couns discussed the Comprehensive Convention on International Terrorism (CCIT) with Taha Macpherson, Senior Policy Advisor at the Ministry of Foreign Affairs and Trade's (MFAT) Security Policy Division. PolEcon Couns noted the importance of the Convention, and expressed hope that New Zealand would support its adoption.

2. (C) Macpherson said that New Zealand would be represented at the July consultations by Gabrielle Rush, MFAT Senior Legal advisor. Macpherson confessed that because of resource restraints, New Zealand officials are still trying to establish what they can constructively contribute to the July discussions. Macpherson stressed that New Zealand nevertheless strongly supports the Convention, and will try to help ensure that the text is wrapped up by year's end. He added that USUN staff are keeping NZ counterparts in New York well advised on U.S. views regarding the Convention.

3. (C) Macpherson said that he hopes Ministers will soon approve New Zealand's negotiating position on the Convention. He promised to share it with Pol-Econ Couns as soon as it is approved.

Swindells

date:2005-07-22T06:23:00  
source:Embassy Wellington

origin:05WELLINGTON566  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available. 220623Z Jul 05  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000566

SIPDIS

STATE FOR D (CASTRO), EAP/FO, EAP/P AND EAP/ANP  
STATE PASS DEPT OF AG...  
▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000566

SIPDIS

STATE FOR D (CASTRO), EAP/FO, EAP/P AND EAP/ANP  
STATE PASS DEPT OF AGRICULTURE  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ  
USDA FOR SECRETARY JOHANNIS AND FAS/MIKE CONLON

E.O. 12958: DECL: 07/22/2015  
TAGS: PREL, PGOV, EAGR, NZ  
SUBJECT: THE SLEAZE HITS THE FAN: AN INCREASINGLY WORRIED  
LABOUR CLAIMS NATIONAL IS U.S. PAWN

Classified By: Charge D'Affaires David R. Burnett,  
for reasons 1.4 (b) and (d).

1. (C) Summary: Facing rapid losses in the polls, the ruling Labour Party has apparently decided to play the anti-American card, telling New Zealanders that a vote for the National Party means a vote against New Zealand's independent foreign policy. Embassy Wellington is in general keeping a low profile on this and other election-related issues. However, we released a press statement in response to veiled Labour allegations that U.S. interests are funding and controlling the National Party's campaign. We have also quietly warned the Government that we will similarly respond to any further baseless allegations. Labour's actions are not without risk to its own interests: more than one media report has expressed suspicions that the Government is trying to divert attention from its problem-plagued domestic policies. In light of Labour's actions, Ambassador Swindells strongly recommends that Washington reconsider whether Agriculture Secretary Johannis should visit New Zealand just weeks before

SIPDIS  
the general elections (see para 13). End Summary.

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THE MITTS COME OFF  
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2. (SBU) After months of appearing invulnerable to a series of scandals and controversies, the Labour Government's armor is apparently beginning to crack. A series of polls conducted in recent weeks has shown support for the opposition National Party is increasing at the same time as

Labour's is falling. The most recent polls, conducted over the weekend, have shown National now leads Labor by between three and five percentage points, although neither party has majority support. (A One News/Colmar Brunton poll issued July 18 showed National's support at 42 percent vs. Labour at 39 percent; a July 16 Fairfax New Zealand/AC Nielson poll showed 42 vs. 37 percent, respectively.)

3. (C) It is now almost certain that elections will not be held until mid-September rather than late August, and Labour's worry over its recent slide is at least partly responsible for the later date. But although the Prime Minister is not likely to announce the election date formally before August 20, campaigning is already well underway and is becoming more personal and vicious. In a recent speech, Dr. Brash called PM Clark "a petty, spiteful, deceitful leader whose government was 'rotten to the core.'" Meanwhile, an apparently worried Labour has made the decision to play the anti-American card: senior Labour officials have begun to imply that a vote for National would mean a vote against an independent NZ foreign policy, and a vote for a U.S.-run NZ government.

4. (SBU) On Tuesday, PM Clark and Michael Cullen each claimed in separate speeches that the question of National leader Don Brash's credibility would be a cornerstone of Labour's campaign. At the same time, Labour began to run advertisements in local newspapers and on buses that include a statement Brash made about the Iraq War some time ago -- that given the evidence surrounding Saddam and weapons of mass destruction, he too would have "done the same thing as President Bush" i.e., sent New Zealand troops to participate in Operation Iraqi Freedom. Young Labour also put up posters showing side-by-side photos of Brash and the President, together with the accompanying slogan "Can you spot the difference?" Cullen also questioned in his speech where National was getting its money, claimed that the party had much more money than Labour, and implied that some funds were coming from overseas.

5. (SBU) In response, Brash told the media that Labour was just trying to divert attention from the Government's domestic policies. Obviously wishing to avoid the question of the Iraq war, which remains deeply unpopular here, Brash also stressed that the past was the past and it makes no sense to talk about what he would have done two years ago. Undaunted, Foreign Minister Goff issued an official statement claiming that Brash's Iraq policies were a legitimate question: Australia has recently decided to send more troops to Iraq; would Brash as PM make a similar decision? After repeated questions by the media, Brash later fleshed out his stance, "In some circumstances we (i.e., a National-led Government) might certainly go with the United States but we make that judgment in the light of what's in New Zealand's best interests."

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CROSSING THE LINE  
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6. (SBU) On July 23, Education Minister Mallard upped the

ante. During a press conference that was ostensibly on the Government's education policies, he alleged that "the lead bag man" for Brash "is an American..." and that "we will name him at the appropriate time." Mallard then went on to say that "...if you say nukes gone by lunchtime and you have very close relations on Iraq and may or may not have made promises to send troops to Iraq the fact that an American is collecting cash for you is I think pretty interesting." He also said that "...Brash has indicated that he will act on American lines more than any government in New Zealand ever has in the past," and added that National's campaign is being written by Americans. While claiming that his remarks were not directed at Americans or the Bush Administration, Mallard clearly meant to hint at U.S. Government connection to National's financiers, remarking, "...I think New Zealanders expect our policies...to be written in Wellington not Washington."

7. (SBU) Despite the fact that the Charge had hosted Mallard to dinner the night before, the Embassy first learned about the Minister's claims from a journalist who was reporting on the story and wished to know the Embassy's response. (The Charge had actually raised concerns about Young Labour's poster campaign over dinner; the Minister did not respond but looked very uncomfortable.)

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THE EMBASSY (VERY QUIETLY) WEIGHS IN  
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8. (SBU) After learning of the press inquiries concerning Mallard's innuendoes, the Charge called Ministry of Foreign Affairs (MFAT) and Trade CEO Simon Murdoch, who was unaware of Mallard's comments. (We then faxed the transcript to him.) Murdoch contacted Minister Goff, who was on travel within New Zealand and about to board a flight. Goff agreed that a line had been crossed, and said he would call the Charge once he returned to Auckland.

9. (SBU) Brash, meanwhile, was telling the media that this was a low blow. National's policies are not for sale, he said, and are written by New Zealanders for New Zealanders. Although the media has speculated the financial backer in question is Julian Robertson, a wealthy US property developer who has been a part-time resident here for years, Brash denied that National has gotten truly significant funding from any single donor. TVNZ, in reporting the flap, implied that Mallard's comments were driven by National's hard-hitting criticism of Labour's education policies. TVNZ also ran old footage of an obviously pleased Prime Minister Clark meeting with President Bush, commenting that Clark clearly relished the attention of the U.S. President. Radio NZ said that Mallard will have to soon prove his accusations or he will completely lose credibility.

10. (C) When, as promised, Goff called in, the Charge told him that we recognize that New Zealanders have the right to debate issues of substance during their election campaign, even when the issues involve the United States. The Embassy had not, for example, commented on Minister Goff's remarks on Labour's vs. National's Iraq policies. But by hinting that

Washington was interfering in the elections and cutting secret deals with National, Mallard's statements had gone

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over the line. Goff agreed, noting that "Mallard's wording was not as careful as it should have been." The Charge countered that, on the contrary, Mallard's words seem to have been very carefully chosen to imply that there was U.S. Government involvement without actually saying so. Goff was silent at this.

The Charge also reminded Goff that Ambassador Swindells had spoken in his July 4 speech of the failure of both governments to deal with the legacy of mistrust that exists between us. He added that Labour's tactics seemed designed to increase that mistrust rather than to reduce it.

11. (C) The Charge told Goff that the Embassy would have appreciated a head's up that Mallard would be making these remarks. Goff said that as was well known, he (Goff) has very favorable feelings towards the United States and close family connections there. (Goff's sister is an Amcit and has two sons serving in the U.S. military (one of who is in Iraq) with a third on his way to West Point.) But, he went on, the Government believes that these issues do resonate with the New Zealand public and it would therefore be foolish not to pursue them. There will be more campaigning on issues related to U.S. policy in the weeks ahead, he cautioned. The Charge said that was Labour's call to make, but if further false claims were made the Embassy would respond. Goff agreed that it was in the Embassy's right to do so, and endorsed the idea of our making a press statement refuting Mallard's claims. The Charge then released to the media the following statement, which has also been cleared by Washington:

"Our position is that the outcome of the upcoming election is entirely a matter for the people of New Zealand to decide. The U.S. Government has neither asked for nor received assurances of any kind from any political party in New Zealand. As Ambassador Swindells mentioned in his farewell speech, we stand ready to work with whomever New Zealanders choose to represent them in order to make this important relationship all that both countries want it to be."

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COMMENT  
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12. (C) The tepid media reaction to Mallard's comments shows Labour's strategy might be a risky one. Many journalists are questioning the accuracy of the claims and have picked up with some sympathy National's view that this is a diversionary tactic. (Embassy has e-mailed a summary of media reports to EAP/ANP and others in Washington.) In addition, we understand that our MFAT contacts have been counseling the Government that there will be long-term impact on our bilateral relations if Labour continues its baseless diatribes and hints that a close relationship with the United States is in general not in New Zealand's interests. Meanwhile, we continue with our behind the scenes talks with MFAT and other key decision makers in government, the private



sector, and the media about ways we can improve the bilateral relationship after the elections (septel).

13. (C) But if Labour wins, its campaign may impact our ability or desire to build bridges. Ambassador Swindells, who is on travel but has been kept abreast of the latest flap, also strongly recommends that Washington reconsider whether or not late August is a good time for Agriculture Secretary Johanns to visit New Zealand. Ordinarily such a

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visit would be a positive message of support for bilateral ties. However, we question whether a Cabinet-level visit just weeks before the elections might not be seen as interference in domestic politics or be used to undermine broader U.S. interests.

Burnett

date:2005-07-25T05:07:00  
source:Embassy Wellington  
origin:05WELLINGTON569  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:03WELLINGTON1295  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000569

SIPDIS

STATE FOR EAP/ANP, EAP/CM, EAP/PD, ECA, ECA/A/E/EAP  
COMMERCE FOR 4530...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000569

SIPDIS

STATE FOR EAP/ANP, EAP/CM, EAP/PD, ECA, ECA/A/E/EAP  
COMMERCE FOR 4530/ITA/MAC/AP/OSAO/ABENAISSA

E.O. 12958: DECL: 07/21/2015  
TAGS: ECON, PREL, NZ, CH  
SUBJECT: WITH LOSS OF CHINESE STUDENTS, NEW ZEALAND'S  
EDUCATION INDUSTRY SUFFERS DECLINE

REF: 03 WELLINGTON 1295

Classified by Charge d'affaires David R. Burnett. Reason:  
1.4 (b) and (d).

1. (U) Summary: A sharp drop in the number of English-language students from China -- partly orchestrated by the Chinese government -- has reduced overall foreign student enrollments in New Zealand schools. To revive the international education industry, the New Zealand government is refocusing on promotion of its universities to foreign students. End summary.

2. (U) There were 102,136 fee-paying students in New Zealand in 2003-04, down 15 percent from the previous year. But that drop in headcount barely nudged the revenue that New Zealand

collects from the tuition paid by international students, the nation's fourth-largest source of foreign exchange after agriculture, tourism and wood products. The international education industry generated NZ \$2.19 billion (US \$1.5 billion) in revenue in 2003-04, about a 1 percent decrease from the previous year. That was the first decrease since 1998, when both revenue and enrollment numbers dipped amid the Asian financial crisis.

3. (U) Over the last year, the fall in enrollment and income was largely due to fewer foreign students enrolling in English-language courses and secondary schools. By contrast, enrollments were up for foreign students attending university and post-graduate programs, which charge higher fees. The government changed the law in 1989 to allow full fee-paying foreign students.

Fewer Chinese students  
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4. (U) China is the source of 32 percent of foreign students in New Zealand. Although that is the largest group of foreign students here, the number of Chinese students in New Zealand has declined in each of the last two years. From 2002-03 to 2003-04, the overall number of Chinese students fell from 37,150 to 32,877, or 11.5 percent. In terms of those who came to New Zealand to study English, the decline was 32.7 percent.

5. (U) That decrease is the result of stiffer competition from other countries for Chinese students and a stronger New Zealand dollar, which reduced New Zealand's attractiveness as an educational destination. It also resulted from negative media stories in China on the collapse of two private English-language schools in New Zealand that enrolled substantial numbers of Chinese students and on Chinese students' involvement in prostitution, gambling, drug abuse and gang activity in the country (reftel).

6. (C) The decrease also reflects an effort by the Chinese government to reduce the number of Chinese who study overseas. The government's primary aim has been to prevent a drain in foreign exchange. The Chinese Embassy's education consul in Wellington also has been working actively to reduce the numbers of Chinese students in New Zealand, according to Robert Stevens (protect), chief executive of Education New Zealand. The consul -- who has openly admitted he does not like living in New Zealand -- has sent messages back to Beijing portraying the country as inhospitable to Chinese students, its teachers as incompetent and its people as racist, Stevens said. Education New Zealand is a private industry association that promotes the country as a study destination.

7. (C) While unhappy over the growing numbers of its citizens studying in New Zealand, the Chinese government also has accused the New Zealand government of failing to maintain high educational standards and adequate pastoral care of international students, Stevens said. He added that Chinese officials' displeasure with New Zealand especially hardened after the collapse of the two English-language schools. Chinese Ministry of Education officials insisted that the New

Zealand government compensate the schools' Chinese students for their financial losses.

8. (C) New Zealand officials feel they have bent over backward to satisfy the Chinese, and Stevens believes that New Zealand is rebuilding the relationship. The New Zealand government pressured other private language schools to accept the Chinese students abandoned by the two failed institutions and paid their accommodation costs and some tuition fees. Minister of Education Mallard makes frequent visits to Beijing. The education consul in Wellington is expected to finish his assignment soon.

9. (C) Meanwhile, a growing number of English-language schools are springing up in China, against which New Zealand cannot compete on cost. While Stevens expects the number of Chinese students to increase again in New Zealand, he does not expect them to reach their peak level of 2001-02. More English-language schools are expected to close in New Zealand.

10. (C) In the China-New Zealand negotiations over a free-trade agreement, which began in December 2004, Education New Zealand has asked the New Zealand government to pursue provisions that would allow free and open trade in education services. In particular, Education New Zealand has urged the government to obtain commitments by China to the General Agreement on Trade in Services that would match New Zealand's. While New Zealand negotiators expressed optimism over achieving an overall agreement with China, they also warned Stevens that obtaining Chinese concessions on services would be extremely difficult.

More university students  
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11. (U) Meanwhile, the New Zealand government last year decided that it must attract more foreign students to its university and postgraduate programs to sustain and increase revenue from its international education industry.

12. (U) With that goal in mind, the government has allocated NZ \$70 million (US \$47.5 million) to be spent over five years beginning in 2004-05 -- more than a fivefold increase in government spending on international education. The funds will go toward scholarships. They also will compensate universities for reducing fees charged to foreign doctoral students and will pay the school fees charged for those students' school-age children. The allocation will fund four overseas educational counselors to monitor education policies in key markets, including China, the United States, Malaysia and Belgium. A counselor is in place in Beijing, and a counselor is now being selected for Washington.

13. (U) The government also changed its immigration policy with a view to luring more foreign students. Beginning July 4, foreign students can work 20 hours a week in New Zealand, as well as six months after they complete their studies.

14. (C) Stevens noted that Americans compose the fastest-growing group of foreign students at the university level in New Zealand. From 2003 to 2004, the overall number of Americans studying in New Zealand rose 44.5 percent, to 1,917. Stevens said that most American university students

stay for one or two semesters and that most come "to have fun." They are attracted to New Zealand for the same reasons growing numbers of tourists are: its natural beauty, its outdoor activities and its reputation as a relatively safe destination.

15. (U) The United States -- along with Australia, Canada and the United Kingdom -- also serves as a growing competitor to New Zealand for foreign university and postgraduate students.

16. (C) Comment: While the New Zealand government has scrambled to appease Beijing's complaints, Chinese student enrollments continue to fall. The New Zealand government's efforts appear not to have paid off, partly because of market forces beyond its control. It is unclear whether the government has taken this lesson into account in its negotiations with China on a free-trade agreement.  
Burnett

date:2005-08-02T05:15:00  
source:Embassy Wellington  
origin:05WELLINGTON585  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available. 020515Z Aug 05  
classification:CONFIDENTIAL  
reference:05SECSTATE133163  
☐C O N F I D E N T I A L WELLINGTON 000585

SIPDIS

STATE FOR P, NP, SA/INS, AND EAP/ANP

E.O. 12958: DECL: 08/02/2015  
TAGS: KNNP, ENRG, ...  
▼C O N F I D E N T I A L WELLINGTON 000585

SIPDIS

STATE FOR P, NP, SA/INS, AND EAP/ANP

E.O. 12958: DECL: 08/02/2015  
TAGS: KNNP, ENRG, ETTC, PARM, PREL  
SUBJECT: NEW ZEALAND ON U.S.-INDIA CIVIL NUCLEAR COOPERATION INITIATIVE

REF: SECSTATE 133163

Classified By: Political-Economic Counselor Katherine Hadda, for reasons 1.4 (b) and (d).

1. (C) Pol-Econ Couns delivered reftel information to Deborah Pankhurst, Deputy Director of the Disarmament Division at the Ministry of Foreign Affairs and Trade (MFAT). Pankhurst said that MFAT had already received a fair amount of information about the initiative from the New Zealand Embassy in Washington, but she appreciated the additional information. GNZ officials have not yet discussed the initiative nor raised it with Ministers.

2. (C) Pankhurst's initial, unofficial reaction was that any measure that safeguard reactors is a good thing. She predicted that if GNZ had any concern it would be the potential negative affect of the initiative on the Non-Proliferation Treaty, as New Zealand remains a strong advocate of that agreement. Pol-Econ Couns said that in principle the United States supports the NPT as well, but she hoped that GNZ would look closely at the substance of the cooperation initiative, as India has basically agreed to adhere to NPT principles. Pankhurst also asked about the implications for Israel and North Korea; Pol-Econ Couns answered her concerns as per reftel points.  
Burnett

date:2005-08-03T02:18:00  
source:Embassy Wellington  
origin:05WELLINGTON590  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available. 030218Z Aug 05  
classification:CONFIDENTIAL  
reference:05SECSTATE137602  
□C O N F I D E N T I A L WELLINGTON 000590

SIPDIS

STATE FOR P, IO/UNP, EAP/FO, AND EAP/ANP  
NSC FOR VCHA

E.O. 12958: DECL: 08/01/2015 ...  
▼C O N F I D E N T I A L WELLINGTON 000590

SIPDIS

STATE FOR P, IO/UNP, EAP/FO, AND EAP/ANP  
NSC FOR VCHA

E.O. 12958: DECL: 08/01/2015  
TAGS: KUNR, PREL, PGOV, UNGA  
SUBJECT: UNSC REFORM: NEW ZEALAND WILL ABSTAIN FROM G-4 VOTE

REF: A. SECSTATE 137602

B. WELLINGTON 496

Classified By: Charge David R. Burnett,  
for reasons 1.4 (b) and (d)

1. (C) This message contains an action request, at paras 2 and 8.

2. (C) Summary: New Zealand is likely to abstain if a G-4 reform vote is brought before the General Assembly. GNZ officials have offered to encourage undecided Pacific Island governments to vote down or abstain from the resolution if that would be helpful to us. Please advise. End Summary.

3. (C) On July 29, Pol/Econ (PE) Couns discussed Ref A points with Joan Mosely and Wen Powles, Director and Deputy Director of the UN and Commonwealth Division at the Ministry

of Foreign Affairs and Trade (MFAT). The two officials were unaware that the G-4 and African Union had reached agreement on a UNSC reform proposal. Mosely said that as of that point New Zealand had no position on the G-4 proposal. She reiterated GNZ's position (Ref B) that the current structure of the UNSC was unrepresentative and anachronistic, and that any UNSC expansion should include Japan. Mosely also shared with PE Couns the July 12 statement in which Rosemary Banks, NZ's UN PermRep, explained why New Zealand opposed the reform proposal then before UNGA. Banks statement noted that New Zealand continues to oppose any extension of the UNSC veto and believes that any added UNSC positions should be subject to periodic review.

4. (C) Mosely stressed that New Zealand sees the UNSC reform process as very important and does not want to see it fail. PE Couns agreed, but noted that the United States believes a contentious vote on UNSC reform at this time could undermine the even more pressing debate on overall UN reform. She reminded Mosely that the United States and New Zealand agree on the need to rationalize the UN's Human Rights work as well as other reform issues (Ref B).

5. (C) Mosely said that the latest G-4 proposal she had seen had not meet the principles that UN PermRep Banks had outlined, but she reiterated that GNZ did not yet have a formal position on a G-4 resolution. That position, she said, would be decided "at the highest level" (i.e., by PM Clark) after a review of the G-4/AU proposal. Mosely noted that the Embassies of Japan, Brazil, Italy had all been in to see MFAT on the reform issue.

6. (C) On August 2, the Charge had a follow-up conversation about the G-4 proposal with Foreign Minister Goff, who had just returned from the ASEAN meeting in Laos. The Minister told the Charge that New Zealand would likely abstain from any vote on the G-4 proposal should it be put before the General Assembly. He admitted that this would be easier than going back to Japan and others to explain why New Zealand would vote against the resolution.

7. (C) Goff said that he would be willing to speak to undecided Pacific Island countries to encourage them to oppose the G-4 resolution. He asked that the Embassy let him know of any countries where such an approach would be useful. Goff said he was expecting a call from the Chinese Foreign Minister about this issue. He also asked if the United States has been lobbying the Australian government to cease its support for the G-4 resolution. The Charge said that the last reporting that he had seen indicated that GOA officials are still planning to back the G-4 proposal.

8. (C) Action request: Please advise Post if we should ask Minister Goff to approach Pacific Island countries about the G-4 proposal.  
Burnett

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source:Embassy Wellington

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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000594

SIPDIS

STATE FOR D (CASTRO), EAP/FO, EAP/P AND EAP/ANP  
STATE PASS DEPT OF AG..  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000594

SIPDIS

STATE FOR D (CASTRO), EAP/FO, EAP/P AND EAP/ANP  
STATE PASS DEPT OF AGRICULTURE  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ  
USDA FOR SECRETARY JOHANNIS AND FAS/ELLEN TERPSTRA AND MIKE  
CONLON

E.O. 12958: DECL: 08/02/2015  
TAGS: PREL, PGOV, NZ  
SUBJECT: LABOUR AGAIN WAVES ANTI-AMERICAN CARD IN ITS  
CAMPAIGN

REF: WELLINGTON 566

Classified By: Charge David R. Burnett,  
for reasons 1.4 (b) and (d).

1. (C) Summary: During Parliament's last "Question Time" before election recess, Foreign Minister Phil Goff again highlighted tidbits of Codel Nickles' January 2004 meeting with National Party leadership to claim National has a hidden agenda to lift the country's nuclear ban. No doubt in response to the Embassy's protests after Minister Mallard claimed US-interests were funding National's campaign, Goff limited his criticism to remarks allegedly made to the Codel by the Nat's foreign affairs spokesman, Lockwood Smith. While quoting Senator Nickles' response, Goff characterized it as "appropriate." The Embassy has not yet been asked to comment on the latest outburst, but if we are we will reissue our previous statement that the U.S. Government has neither sought nor received assurances from any NZ political party. Labour clearly believes that stirring up anti-American sentiment is a vote-getter, and will continue to play the anti-U.S. card in the run up to September's elections. End Summary.

2. (SBU) During Parliament's final question and answer session on August 2, Foreign Minister Goff claimed that Smith had asked the visiting U.S. Senate delegation if assistance from a United States think tank would be worthwhile for a public campaign on New Zealand's nuclear-free policy. Once again citing confidential minutes taken by an MFAT official at the January 2004 meeting (reftel), Goff claimed that delegation head Senator Don Nickles had responded that the "(nuclear-free policy) was an internal issue for New Zealand,

and as such should be left to a New Zealand think tank." Goff said that the United States recognized, as Smith had not, that it was inappropriate for U.S. interests to intervene in New Zealand's domestic affairs. ACT MP Rodney Hide promptly duly remarked that this claim completely contradicted Labour's previous innuendoes that Washington is funding National's campaign. (Comment: We note that no one in Parliament or the media has asked how much the Labour government has spent lobbying the U.S. Congress for a Free Trade Agreement. End Comment.)

3. (SBU) The new public allegation against Smith escalates the Labour Party's effort to paint the National Party as seeking to change the landmark legislation that bans nuclear arms and nuclear-propelled vessels from New Zealand. The story commanded top billing in New Zealand's print media and led morning reports on radio. It therefore handily pushed to the margins coverage of the trial that began this week in Christchurch for 5 policemen and a civilian driver accused of driving at speeds of up to 170 km to get Prime Minister Clark to the airport in time to catch a flight to a rugby match last July. (The PM will not be asked to testify: she claims she was reading at the time and failed to notice the speed.)

4. (C) National has strongly denied the Government's claims, but its unclear whether the response will resonate with the public. During Goff's barrage, Smith hotly denied he had made any proposal for a U.S.-funded campaign to change anti-nuclear legislation. He challenged Goff to table the entire transcript of the Codel meeting, which Goff refused to do, arguing that he needed to protect the confidentiality of the Senators' remarks. (Comment: Apparently, Goff believes that former Senator Nickles' remarks are no longer covered by that policy. End Comment.) In a radio interview this morning, Smith said that what he was trying to address was a need to bring enough information to the public that they can make an informed decision about whether the legislation, and the current problems in US-NZ relations, are in New Zealand's interests. National Leader Don Brash told one TV journalist yesterday evening that he could not recall if Smith made the alleged comment, noting that it was a long time ago. The Prime Minister, quipped Brash, cannot recall whether her motorcade was speeding and that was only a year ago. He did own that "it would be inappropriate for any foreign think tank or lobby groups to be used to influence public opinion in New Zealand." He reiterated -- often -- that National has pledged not to alter the nuclear legislation without a referendum. Brash left out (no doubt intentionally) that the party has also previously said it might change the legislation if elected on a platform that pledged to do so.

5. (C) In a supplementary question, Ken Shirley MP of the ACT Party asked Goff if the anti-nuclear legislation banned nuclear electricity generation or a small nuclear reactor that has been operating in suburban Wellington since the 1960s. Goff responded that nothing in the legislation "prohibits a nuclear power plant, but no party in this House has ever been stupid enough to advocate that." Goff's comment represents the Government's clearest acknowledgment to date that there are notable exceptions to the New Zealand's nuclear-free legislation and its associated



policies.  
Burnett

date:2005-08-19T03:08:00  
source:Embassy Wellington  
origin:05WELLINGTON635  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000635

SIPDIS

STATE FOR EAP A/S HILL, EAP/P AND EAP/ANP  
STATE PLEASE PASS USTR FOR ...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000635

SIPDIS

STATE FOR EAP A/S HILL, EAP/P AND EAP/ANP  
STATE PLEASE PASS USTR FOR WEISEL AND COEN  
NSC FOR MGREEN AND VCHA  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J0051 HUSO, MUNIPALLI AND POST

E.O. 12958: DECL: 08/18/2015  
TAGS: PREL, PGOV, NZ  
SUBJECT: AMBASSADOR SWINDELLS' FINAL CALL ON FM GOFF

Classified By: Ambassador Charles J. Swindells,  
for reasons 1.4 (b) and (d)

1. (C) Summary: During his final meeting with Foreign Minister Goff on August 18, Ambassador Swindells reiterated his call for both countries to engage in a comprehensive dialogue on the bilateral relationship. He and Goff agreed that Embassy Wellington should begin quiet work with NZ counterparts as soon as appropriate to explore a possible framework for talks. Goff warned that the United States should not have "unrealistic expectations" of a broad dialogue, but unlike in the past he stopped short of telling the Ambassador that the nuclear ban could not be discussed. End Summary.

2. (C) The Ambassador's exchange with Minister Goff was cordial, with the Minister especially emphasizing the tremendous contributions the Ambassador had made to the Fulbright Program. The two also discussed a variety of regional concerns, particularly China. Minister Goff said that Free Trade Agreement (FTA) talks with China were moving ahead, with four rounds completed so far. But Goff characterized the PRC as looking for a quick result and GNZ more interested in quality. The fact that NZ was "first up" in FTA talks put more pressure on both sides, he added. The Ambassador said that on the economic side he was optimistic about China, as laws are more transparent and foreign companies are making profits there at last. Goff agreed, but noted that maintaining a dialogue with China was difficult, given human rights concerns. He said it was ironic that the

PRC was so critical of Japanese textbook accounts of WWII, given China's own penchant for censorship.

3. (C) Moving the conversation to the bilateral relationship, FM Goff said he wanted to be sure Ambassador had seen the Prime Minister's VJ Day speech. She had talked about how strongly she felt about U.S. friendship and cooperation in the War, Goff said, and it was she herself who included this reference. (FYI: The PM's speech noted, "New Zealand warmly respects, still, the strengths of the United States, that mighty country beside which we fought and with which, sixty years ago, we celebrated victory.") Goff said he thought his own recent speech to the "Gateway to America" had also gone well, as it had highlighted many positive statistics about the US-NZ bilateral relationship.

4. (C) Regarding the Pacific Security Initiative (PSI), Goff told the Ambassador that he thought NZ Academic Peter Cozens remarks to the press were "overgilding" the significance of the U.S. decision to allow joint military exercises. That being said, it was Secretary Powell who had asked Goff that New Zealand participate in the initiative, and the Prime Minister had agreed. New Zealand had never thought this would create a problem for the United States, but GNZ is not trying to sell the joint exercises as a breakthrough. (Comment: While initially this was the case (and the Government was doubtless not eager to be seen as very close to the United States military in the run-up to elections) Goff has since told the press he hoped the U.S. would issue more waivers in the future since the two countries are fighting together in Afghanistan against terrorism. End Comment.)

5. (C) Goff also reminded the Ambassador of New Zealand's continued interest in a Free Trade Agreement with the United States before Trade Promotion Authority runs out. He said hoped the two sides could discuss this later in the year. The Ambassador said that in his July 4 speech he had called for a broad dialogue about the relationship. It should be about setting up a framework to discuss a myriad of topics, he said. If both sides find things that can't be changed, he said, we can move on from there. The Ambassador said he did not like how things were not moving forward. Given FM Goff's and PM Clark's skills it's remarkable these talks are not taking place.

6. (C) Goff agreed that he was keen for an open and transparent dialogue, but worried that it would create expectations on the U.S. side that New Zealand could not deliver on. That's what had happened with the Buchanan and the Somers report, he said. In frankness, New Zealanders' view the "non-nuclear" policy as representative of the country's being "clean and green" and as the country's own decision. The harder they are pushed on the issue, the more resistant they would be. The Ambassador countered that the Government should not worry about this. If as a result of a dialogue New Zealand understands the policy's ramifications for the United States, GNZ might be able to find a way to address these concerns. The Ambassador said that he and other US officials understand New Zealand's independence. But government-to-government talks freshen relationships so

that they move forward. If nothing changes, we can still continue to cooperate as we have. Goff said he would be happy to discuss the matter with Secretary Rice. The Ambassador said a lower-level discussion was needed to set up the parameters of a possible dialogue and then raise it up to more senior levels when and as appropriate. He suggested that NZ officials discuss this with DCM Burnett and others at Embassy Wellington. Goff agreed, and said that he would be happy to meet with the DCM.

7. (C) The Ambassador and FM Goff met with a group of journalists immediately following the meeting. The Ambassador deflected the journalists' repeated questions about his views on Labour's use of anti-American messages in the campaign, noting that in an election emotions run high. The journalists aggressively asked FM Goff whether Labour's tactics would tarnish US-NZ relations. The attacks are aimed at National Party leader Brash, Goff said, and not President Bush. The Ambassador said that he hoped for a broad dialogue with New Zealand, regardless of which Party is elected. Goff said that GNZ was keen on having a transparent dialogue on all issues that would not "move towards adopting a policy that New Zealanders are not in favor of." He also said that he believed New Zealanders "are generally in favor of a very close and productive relationship with the United States. Of course we want to build on that."

8. (C) Comment: While we would not expect the Government to scrap NZ's nuclear ban any time soon, Goff clearly eschewed any direct reference to NZ's nuclear legislation (as opposed to policy) in his comments to the press. Coupled with Goff's more open approach to the Ambassador's suggestion during their meeting, it seems that Labour is trying to carve out wiggle room to discuss with us after elections the impact of the nuclear policy on U.S. interests in the region. The Ambassador's public call for talks with the Government regardless of who wins September's elections will also enable us to deflect accusations of having a cabal with National should the opposition win. End Comment.

Swindells

date:2005-08-23T02:57:00  
source:Embassy Wellington  
origin:05WELLINGTON642  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available. 230257Z Aug 05  
classification:CONFIDENTIAL  
reference:05WELLINGTON594  
 C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000642

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MI...  
 C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000642

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 08/22/2015  
TAGS: PGOV, PREL, NZ  
SUBJECT: NATIONAL SHAPING UP AS GENUINE CHALLENGER TO  
LABOUR,S HOLD ON POWER IN NEW ZEALAND

REF: A. WELLINGTON 594

B. WELLINGTON 566

Classified By: Acting DCM Katherine Hadda,  
for reasons 1.4 (B) and (D).

1. (SBU) This is the first in a series of cables about where  
New Zealand's political parties stand in the run-up to  
September 17 general elections.

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Summary  
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2. (SBU) Badly battered in the 2002 campaign, New Zealand's  
main opposition party, the National Party, has reclaimed  
enough public support to pose a genuine threat to the Labour  
Government's hold on power. Although Labour has begun to  
regain the ground that it lost in the polls in recent months,  
the September 17 general election is still too close to call.

3. (C) The Party most favored by business and farmers,  
National is fighting the campaign on key domestic issues,  
advocating center-right policies such as tax cuts and lighter  
regulation in a bid to meet the needs and desires of what the  
Party has called "mainstream New Zealanders." In taking this  
approach, National is deliberately painting itself as the  
alternative to a Labour Government that often targets its  
interventionist social and economic policies to specific  
sectors of society. By portraying the Government as arrogant  
and out of touch with the interests of ordinary voters,  
National's message is especially designed to woo working and  
middle-class Kiwis who might otherwise vote Labour.

4. (C) National's spike in the polls in May, following a  
string of embarrassing revelations of Government  
mismanagement and public discontent over Finance Minister  
Cullen's budget, caused genuine alarm in the Labour camp. In  
response, Labour has cast National as the party that is out  
to destroy public services in order to benefit wealthier New  
Zealanders. The Government has recently begun to announce a  
string of spending initiatives designed to benefit many  
voters who might be attracted to National's platform. This  
has put more pressure on National to deliver a tax cut plan  
that will appeal to the majority of voters without appearing  
to cut health, education, and other key services.

5. (C) Despite considerable pressure from the media and the  
Government, National decided to hold its tax plan close to  
its chest until August 22, the day after the formal start of

campaigning. It did so largely in an attempt to prevent Labour from copying those ideas which would win support in the polls. National also wanted to avoid the mistakes of the last election, when it announced a string of new initiatives virtually up until Election Day, confusing many voters. But the anticipation surrounding National's delayed announcement allowed the Government and media to narrow the issues of the campaign. What should be a race about the proper role of government has instead largely boiled down to one issue: taxes. Should significant numbers of voters not favor its plan, National is unlikely to win next month.

6. (C) The delayed announcement of the tax cut plan has also confirmed some voters' view of National as sneaky and having a hidden agenda. Labour has worked to raise similar questions in the minds of voters by questioning National's relationship with the United States and its true intentions regarding New Zealand's anti-nuclear stance (reftels).

7. (C) Ironically, while National is considered more favorably disposed than Labour toward the United States, not all members of the Party share their leaders' desire for a review of New Zealand's nuclear policy. Some, even if they generally like us, harbor some suspicions of US policies. In addition, the Party's need to avoid the appearance of being in the United States' pocket will constrain its ability to argue publicly for a re-evaluation of the relationship even if elected to power. End Summary.

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National's Message  
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8. (SBU) Since rising to leadership in October 2003, Brash has moved the National Party further to the political right than it was under his predecessor, Bill English. On the economic side, this has translated into a greater emphasis on free market policies such as lower tax rates for both individuals and businesses, minimized business regulation, and flexible labor markets. On social issues, the Party emphasizes the importance of supporting traditional families with policies that let them make their own decisions.

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The prosperity argument  
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9. (C) As in other countries, domestic issues trump all in New Zealand's elections. In recent years, New Zealanders have voted for whomever they perceive offers the best prospect for personal financial prosperity. Seizing on this as a challenge that only the center-right can meet, National's campaign focuses heavily on economic issues. Although earlier in the year National's foreign affairs spokesman Lockwood Smith had told us New Zealand's five-year economic expansion would hurt National's election bid, recent signs of an imminent slowdown will have put a spring in the Party's step. National also points to Brash's long-term experience as New Zealand's central banker as proof of the party's financial capability.

10. (SBU) National's major theme - that economic growth is

necessary if New Zealand is to achieve first-world levels of health care and education - is largely similar to that espoused by the Labour Government. But National argues Labour's economic redistribution policies are inefficient, overly reliant on state involvement and light on personal responsibility. Instead, National argues, the country needs greater individual freedom and fiscal responsibility through tax cuts on personal and corporate income. It has also called for welfare reform and reduced government bureaucracy in education and other areas-. National has also introduced proposals such as tax credits for childcare that it argues will maximize parents' choices instead of forcing them to rely on state programs.

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It's the Tax Cuts, Stupid  
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11. (SBU) A recent poll shows 62 percent of people believe they are paying too much tax. National is betting that tax reform will prove to be the defining issue of the election and believes that it can work this sense of public dissatisfaction to its advantage. It is confident that this will resonate with the electorate more than the targeted spending packages that Labour has favored. Widespread public disaffection for Labour's last budget, which - despite a hefty surplus - provided only limited tax relief beginning in three years -- seemed to vindicate National's reading of the public mood.

12. (SBU) National avoided announcing the details of its much anticipated tax plan until August 22, presumably to avoid having Labour steal its thunder. (It didn't entirely work: recognizing its vulnerability on the tax issue, Labour announced on August 19 its own targeted plan -- a retooled and expanded version of its "Working for Families" subsidies.) The Party has pledged to cut taxes by a total of NZ\$9.4 billion (US\$6.5 billion) over the next three years. The first year would see decreases in personal taxes by lifting tax rate thresholds. (The current highest rate of 39% kicks in for annual salaries equivalent to only \$45,000 US.) Corporate tax reductions would kick in during the second and third year of the plan, providing there is room in the budget for this.

13. (SBU) National's decision to put personal tax reductions ahead of business demonstrates how crucial lower- and middle-class voters are for its campaign. Sensitive also to Labour's claims that the tax cuts will mean massive reductions in public services, National has pledged not to decrease any current spending on health, education, or superannuation (pensions). It says it will finance the plan through cutting Government spending by 2% and slowing down the rate of future spending.

14. (C) To some extent National has been a victim of its own success, in that Kiwis were so hyped on the idea of tax cuts that National's delay in announcing the plan made the Party seem secretive and possibly dishonest. It has also drawn attention away from other aspects of National's policy, so that if the plan fails to excite voters National has little

chance of winning the election. It remains to be seen whether National's plan as announced will do the trick.

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Curb the "brain drain"  
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15. (SBU) National argues that, despite the benefit of the best international trading conditions New Zealand has enjoyed for many decades and despite reasonable levels of economic growth as a consequence, most New Zealanders are, in real terms, no better off. National frequently cites low comparative income levels as an underlying reason for the flight of talented New Zealanders to Australia and other countries, commonly referred to as the "brain drain."

16. (SBU) National argues that immediate tax reform would encourage New Zealanders to stay in the country. Lowering corporate taxes would also encourage more overseas investment in New Zealand, lifting salaries. These issues - income levels and the sense that the most talented of New Zealanders are more inclined to leave the country rather than stay - resonate with voters. But National's confidence that it could appeal to New Zealand's ever increasing educated middle class with this approach took a beating when the Government announced it would abolish interest on student loans.

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Race Relations and "Mainstream New Zealand"  
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17. (SBU) Following Brash,s "nationhood" speech to a Rotary Club at Orewa in early 2004, where he expressed opposition to Maori racial separatism in New Zealand, National temporarily received the biggest one-off gain, 17 percent, in the history of New Zealand,s most well-known political poll. Though the sentiments expressed in the Orewa speech differed little from established National Party views, the ensuing nation-wide support the Party received after delivery, largely a result of timing and effective spin, indirectly provoked changes of emphasis in Labour's policy agenda. The themes of the Orewa speech continue to resonate with many New Zealanders, particularly the middle class, and is for National a key component of its claims that it is the only Party representing "mainstream New Zealanders." One of National's most popular billboard is a picture of Helen Clark underneath the word "Iwi" (the Maori word for tribe) alongside one of Don Brash underneath the word "Kiwi."

18. (SBU) Overall, National says that Labour has been, and continues to be, excessively concessionary when it comes to Maori claim settlements stemming from the 1840 Treaty of Waitangi. National says it will set a deadline of 2010 to settle all claims. It has also taken a resolute line against consultation with Maori on resource management issues, any program it can plausibly call race-based, some Treaty settlements and official deference to Maori spiritual and cultural values.

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National's Vulnerabilities: Anti-nuclear policy at issue  
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19. (C) Foreign relations rarely command center stage in a general election campaign. But Labour is determined to take advantage of National,s perceived vulnerability regarding New Zealand's 1987 legislation that bans nuclear-powered and nuclear-propelled ships from its harbors (reftels). National has done a relatively poor job of deflecting these charges. By simply repeating that it does not have plans to change the law and would not do so absent a referendum, the Party has begged the question of why it would even call for such a vote. This has made it easier for Labour to convince voters that National has a hidden agenda.

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Seeking a return to traditional alliances  
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20. (C) National is publicly committed to multilateralism, but it places greater preference on New Zealand's relationships with traditional allies - the United States, the United Kingdom and Australia -- than does Labour. National maintains that these traditional alliances, especially with the United States and Australia, have unnecessarily deteriorated under the present Labour Government, leaving New Zealand dangerously isolated. National is mindful, however, of the anti-American sentiment that has seized many New Zealanders. Party officials have quietly told us that they seek to address this, but are equally honest that to do so will be very difficult. It's worth noting that even Party stalwarts such as former PM Jim Bolger would not want to see New Zealand totally remove its nuclear policy. (NB: We will report septel on the campaign's implications for U.S. foreign and defense interests.)

21. (C) National has been very critical of the Government's spending on military capability. However, it has not committed to any defense spending above the Government's recently pledged \$4.6 billion Defence Sustainability initiative. National recognizes that the military cannot absorb anything more than this over the shorter term. The Party's strategists also realize that the Party is vulnerable on defense issues: Labour has made a lot of hay during the campaign trumpeting the fact that Don Brash indicated some months ago that he would have sent troops to Iraq.

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Background on Brash  
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22. (U) Dr. Don Brash served as New Zealand,s central banker for 14 years (1988 - 2002). After studying at the University of Canterbury, he gained a PhD in Economics at Australian National University in 1966. He was an economist at the World Bank for five years, general manager of Broadbank Corporation for 10 years, managing director of the New Zealand Kiwifruit Authority from 1982-1986 and managing director of the Trust Bank Group from 1986-1988. Brash became leader of the National party in October 2003 following an internal coup that toppled former leader Bill English. Since becoming Leader of the Opposition, Brash and National have enjoyed an upswing of public support with party membership doubling under his leadership.



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Comment  
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23. (C) Although most Kiwi politicians believe the anti-nuclear law is a third-rail issue, it is unlikely to greatly affect the election outcome. Even if National were believed to be planning to repeal the nuclear-powered-vessels part of the law, that alone would probably not cost it the support of swing voters. Potential National voters are far more likely to be drawn to the Party because of their concerns over the size and role of the state - doubts about the government's managerial competence; political correctness/Treaty of Waitangi issues, and especially taxes and spending patterns.

24. (C) In addition to the tax issue, it is likely that the fortunes of National will increasingly be tied to how the country responds to Brash as a possible prime minister. As the election becomes increasingly presidential in style and substance, there will inevitably be closer comparisons made between him and the Prime Minister as leaders. This may be a problem for National. According to National Party strategist Peter Keenan (protect), the Party regards Brash's lack of political experience as both his greatest asset and vulnerability.

25. (C) Clark is a tested leader who is widely considered as capable and experienced. Although she is not widely seen as likable, to date she maintains a comfortable lead over Brash in polls asking voters to name their "preferred Prime Minister." Cerebral and awkward, Brash is still untested, and -- as three recent debates have proven -- is not as comfortable on the stump as his opponent Clark. On the other hand, as a political novice who entered politics in 2002, Brash does not carry the sort of obvious political baggage that the highly experienced Clark carries after her many years as a politician. New Zealanders are conventionally wary of career politicians, and this may work in Brash's favor in the end. End comment.

Burnett

date:2005-08-25T05:06:00  
source:Embassy Wellington  
origin:05WELLINGTON650  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
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☐ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000650

SIPDIS

STATE FOR D (CASTRO), EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTO...  
▼ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000650

SIPDIS

STATE FOR D (CASTRO), EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 08/25/2015  
TAGS: PREL, PGOV, NZ  
SUBJECT: NEW ZEALAND'S LABOUR PARTY: SEEKING VICTORY IN THE  
CENTER OF MIDDLE EARTH

REF: A. WELLINGTON 642  
B. WELLINGTON 635  
C. WELLINGTON 594  
D. WELLINGTON 566  
E. WELLINGTON 439  
F. WELLINGTON 237  
G. 2004 WELLINGTON 89

Classified By: Charge D'Affaires David R. Burnett,  
For Reasons 1.4 (B) and (D)

1. (C) Summary: Locked in a tougher than expected battle for votes, a once-confident Labour Party has forsaken its reputation for fiscal restraint to dish out promises of pork for students and low- and middle-income families. In the run-up to New Zealand's September 17 election, Labour also has played on anti-American sentiment by claiming the opposition National Party is beholden to U.S. interests and itching to eliminate the country's iconic anti-nuclear policy. Just six months ago, Labour appeared to be coasting to a historic third term in office, the first time a Labour Government would have served more than six consecutive years since 1949. But it stumbled badly in May when -- following six years of large budget surpluses -- its annual budget disappointed the public by failing to provide immediate tax cuts.

2. (C) Labour appears to be turning around its fortunes with its election-year gifts. It has also gained ground by casting National as a party of the rich with a hidden agenda to destroy social programs. Center-left Labour also appears to be attracting voters by remaining pragmatic and cautious in its policies overall, calculating that solidifying its appeal to the middle of the New Zealand electorate should be enough to spell victory in the election. Public opinion polls show Labour widening its lead over National, which had a slight edge just two months ago. The race is still too close to call, though. End Summary.

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FROM THE LEFT TO THE CENTER  
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3. (C) New Zealand's governing Labour Party occupies the center-left of the political spectrum. Its election successes in 1999 and 2002 rested on its ability to build bridges with two camps: working-class supporters representing the party's roots, and younger, often university-educated, urban liberals. Since the center-right

National Party began climbing in the polls in early 2004, Labour has shifted its focus to consolidate support in the center, particularly among lower- and middle-income wage earners.

4. (C) Labour supports a strong role for government in improving life for the country's less advantaged, and generally backs income redistribution to achieve that end. Since returning to power in 1999 after nine years in opposition, Labour has restored some of the cuts in social spending and rolled back parts of the employer-friendly labor laws enacted by National-run governments in the 1990s, exacerbating divergence of investment to Australia.

5. (C) On non-economic social policy, the Labour-led government adheres more closely to its traditional roots. It legalized (previously de facto) prostitution in 2003 and enacted a civil union law in 2004 that provides legal recognition for same-sex and other couples as an alternative to traditional marriage. Recognizing the risk of promoting such controversial measures, the Government allowed Labour and coalition members to vote on both bills according to their conscience. Here in liberal New Zealand, even most members of the opposition voted in favor of civil union, but members of the public opposed to the bill still blame Labour for its passage.

6. (C) Despite such occasional risk-taking, Labour under Prime Minister Clark has in most respects taken a pragmatic, centrist and, until recently, fiscally conservative approach to governing. It has kept a tight rein on overall budget outlays, even while it ramped up spending on education, health care and selected social programs. Aided by a strong economy that increased tax revenues, Labour has produced budget surpluses for six years and reduced government debt, on which it now stakes its claim to being a prudent financial manager. And, as an example of the party's pragmatism, Labour has risked a rift with its traditional left-wing allies by aggressively pursuing liberalized trade, both within the World Trade Organization and in bilateral agreements (including talks now under way with China).

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FINDING LOOSE CHANGE UNDER THE SOFA  
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7. (C) But under pressure from National, Labour has abandoned some of its caution and begun to hike spending, aiming to appeal to middle-of-the-road New Zealanders who had been left out of the party's social programs and might be tempted by National's tax cuts. The first move was a Government announcement in July that it would forgive the interest on student loans for students who remain in the country, gaining support not only among students but also among their parents and grandparents who have watched New Zealand graduates seek higher-paying jobs overseas to help pay off student loans.

8. (C) Next, Labour repackaged and expanded its 2004 showpiece "Working for Families" (WWF) program, originally designed to increase welfare benefits for the working poor and large middle-income families. Labour's public

advertisements showcasing WWF originally were to culminate in triumph this month, in time to ensure Labour's reelection. But when the public seemed underwhelmed, and drawn instead to National's pledge to cut taxes for all New Zealanders, Labour repackaged WWF as "tax relief" and announced on August 18 it would expand the program to cover 350,000 families at an estimated annual cost of NZ \$400 million (US \$277 million). The move has been applauded by many voters, although others have reacted with skepticism: the Government had previously insisted there was no money for tax cuts. (Many of the funds for expanded WWF allegedly come from higher-than-expected tax revenues.)

9. (C) Matthew Palmer (protect), son of former Labour PM Sir Geoffrey Palmer, told us that Labour's May budget avoided spending down the surplus precisely so the Government could use the money for election year dazzlers as needed. More spending announcements are to come, he reckons.

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The Anti-American Card  
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10. (C) With Labour battered by the National Party on domestic issues and bettered by National in the polls starting in May, the Government opened up a second front with National: foreign policy. One cabinet member asserted -- but later could offer no evidence -- that U.S. interests were providing National with campaign funds and advice (ref D). Foreign Minister Goff separately accused National of seeking U.S. advice on how to move New Zealand public opinion to reverse its ban on nuclear-armed and nuclear-propelled ships (ref C).

11. (C) Labour's spending promises, together with questions it has raised about National on both domestic and foreign policy, appear to be paying off: Poll results announced August 21 showed Labour widening its lead over National from four to eight points, with Labour at 45 percent approval versus National at 37 percent.

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Labour's weak points  
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12. (C) In addition to satisfying some voters' suspicions over Labour's sudden ability to fund election-year bonanzas, the Party still has some vulnerabilities heading into elections. "Working for Families" and student loans do nothing for higher-income wage earners or singles. The large budget surplus has fueled a public perception that there is plenty of money available to fund tax cuts, and these groups now see that Labour has largesse to spend but they will not benefit. Moreover, Labour has done little to counter National's claims that the Government bureaucracy, which has grown significantly under Labour, is taking from taxpayers money that rightfully belongs to them.

13. (C) Labour also still suffers from a perception among some in the public that the Government is arrogant in its belief that it knows better than taxpayers how to spend their

money. Similarly, in a land that values the common "bloke," Labour officials -- and particularly PM Clark and her circle of female advisors and confidantes -- often appear obsessed with political correctness and more interested in fringe groups than the "mainstream."

14. (C) Meanwhile, Labour has had to tread carefully on issues involving Maori, now that many of these traditional Labour supporters are being drawn to the Maori Party. While the loss of Maori support alone will not cost Labour the race, the Labour Party has taken pains to mollify its Maori members over clashes on Foreshore and Seabed legislation and has spent a lot of time campaigning among this electorate. Maori compose 15 percent of New Zealand's 4 million people. Even before National's May up-tick in the polls, Labour leaders warned party members at their Party conference that the loss of Maori support could threaten the Government's reelection. But Labour's efforts to attract Maori voters, on top of the Government's proclivity to afford Maori special status in cultural and economic programs, alienates many lower- and middle-income voters the Government is trying to court.

15. (C) Meanwhile, the Labour government's decision to negotiate a trade deal with China has drawn fire from both sides of the political spectrum. The Greens criticize China's environmental and labor records; the trade unions and some business executives see a threat of even greater competition with low-wage Chinese manufacturers.

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Partner or Millstone?  
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16. (C) A coalition will likely be needed for whatever party proves the top vote-getter. Labour currently governs in coalition with Jim Anderton's Progressive Party and is supported by United Future on budget and confidence motions and by the Green Party on a case-by-case basis. While National and NZ First have demurred on naming their preferred coalition partners, Labour has declared it would maintain its ties to the Progressives and strengthen the role of the Greens.

17. (C) The Greens cooled their relations with the Labour Party when Labour allowed a moratorium on genetically modified agricultural products to lapse in 2003. In recent weeks, however, PM Clark has joined Green Party co-leader Jeanette Fitzsimmons on the campaign trail. While Labour has likely sapped some Green support with its student loan program, Labour wants the Greens to receive at least 5 percent of the vote, the minimum required for a party to be represented in Parliament. This would keep the Greens as a viable coalition partner. By campaigning so closely with the Greens, Labour risks belying it's hard-won image as a centrist Party, however. (NB: We will report septel on the implications for the United States of this and other possible coalitions.)

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Leader: Helen Clark  
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18. (C) Helen Elizabeth Clark, 55, has served continuously in Parliament since 1981 and as Prime Minister since December 1999. She has served as Minister of Housing and Conservation, Minister of Health and Deputy Prime Minister and was leader of the opposition during the National administrations from 1993 to 1999. She is a political survivor. David Lange, the former prime minister who died August 13, wrote in his autobiography that Clark kept out of discussions of the economic reforms of the late 1980s. While some Labour members suffered politically due to public backlash over the pace and breadth of the reforms, Clark emerged untarnished. Many people forget that she was nearly toppled as leader by Michael Cullen, now the deputy prime minister, in the 1990s.

19. (C) With an approach deemed managerial if not micro-managerial, Clark is closely engaged in virtually every policy decision. She holds nearly absolute influence and authority over her party and cabinet. Such centralized control contributes to a dearth of young Labour leaders-in-waiting, raising concern in the party about who would follow Clark and Cullen. Clark is believed to want to head an influential world organization after she leaves office. Clark regularly beats National's Don Brash and other opposition Party leaders in polls asking Kiwis to name their "preferred Prime Minister."  
Burnett

date:2005-08-29T22:08:00  
source:Embassy Wellington  
origin:05WELLINGTON661  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available. 292208Z Aug 05  
classification:CONFIDENTIAL  
reference:04WELLINGTON601  
☐ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000661

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MI...  
▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000661

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 08/26/2010  
TAGS: PGOV, PREL, NZ  
SUBJECT: MAORI PARTY PROSPECTS DIMINISH IN SEPTEMBER ELECTION

REF: A. 04 WELLINGTON 601

B. 04 WELLINGTON 909  
C. WELLINGTON 134

Classified By: Siria Lopez, Auckland Consul General,  
for reasons 1.4 (B) and (D)

(U) This cable originated from AmConGen Auckland.

1. (C) Summary: Although the Maori Party has made impressive gains in membership and general support in its one year of existence, despite early projections it is unlikely to capture all seven Maori constituency seats in the September 17 election. It's probable 3-5 constituency seats would still make the Maori Party a potential coalition partner for either major party, although both Labour and National have distanced themselves from the Maori party so far. If it came to it, it is more likely the Maori party would end up in a coalition with Labour, given the current government's relatively pro-Maori policies. Maori are, however, conservative on social issues, and a Maori MP had previously told us that an informal arrangement with National on such issues cannot be ruled out. National's recent promise to eliminate the specially-designated Maori Parliament seats may put the kibosh on this, however. Maori Party leaders insist it would be up to the party's followers to decide on a coalition partner. End Summary.

Background: Maori Party Makes Electoral Registration  
Inroads

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2. (SBU) Maori anger over a perceived Labour Government turnaround on Maori claims to New Zealand's foreshore and seabed led to the creation of the Maori Party in July 2004 (reftel A). Since then the Maori Party has sought to become the Maori voice in New Zealand's parliament. For the September 2005 election, the Party will contest all seven exclusively Maori constituency seats, as well as other general electorate and list seats for a current total of 51 candidates. Dr. Whatarangi Winiata is Maori Party President but the party's most popular and visible figure is co-leader (and former Labour Party member) MP Tariana Turia. Turia will run against her Labour Party nephew for the Te Tai Hauauru seat. Pita Sharples, an educator, is the other party co-leader and is taking on the charismatic but politically wounded Labour MP John Tamihere in Tamaki-Makaurau.

3. (SBU) Despite the odds against its survival -- and Tamihere's predictions of its stillborn birth -- the Maori Party has evolved into a real Maori political alternative to Labour. Since its inception, the Party has managed to sign up more than 19,000 new members through "flaxroots" efforts, an impressive achievement. Notwithstanding, voter numbers are more important than total card-carrying party members. Under New Zealand's political system, Maori citizens have the option of signing up for either the general roll or the Maori electoral roll, which votes on the seven Maori constituency seats (seats the National Party has pledged to abolish). Currently, 204,519 persons have enrolled on the Maori roll; 166,822 on the general

roll. This is a nearly 9% increase over 2002 figures for both rolls. Of first-time enrollments, mainly younger voters, 55 per cent are opting for the Maori roll. The latter represents the fruits of the Maori Party's strategy to focus registration efforts on first-time, younger voters who lack a history of voting for Labour (reftel B).

4. (SBU) But what makes the Maori Party worth watching is its potential as a coalition partner for either a Labour or National-led government. It is widely assumed that Turia will win her electorate seat. The Party is also expected to capture other Maori constituency seats. Each MP gained increases the party's legislative influence. (The Maori party would also be allocated additional parliamentary seats based on its share of the party vote if they meet the minimum 5%, but they are polling at less than that now.) Since neither Labour nor National are expected to win clear majorities, they will need parliamentary partners to form workable governments. The Maori Party is one such potential partner. Despite the Maori Party's birth as a protest against Labour, it's more likely that it would team up with that party, although as Maori tend to be more conservative on social issues some kind of unofficial deal with National is also possible. (Assuming National's pledge to eliminate the special Maori seats from Parliament does not put the kibosh on the two Party's discussion of this possibility.) Maori Party officials say it will be up to Maori Party voters to decide on a coalition partner after the election.

Policies: Difficult to Assess  
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5. (C) From the start, the Maori Party has been criticized for its lack of policy pronouncements. This situation is little better in the immediate lead-up to the September polls -- that is if a voter desires articulated party platforms in the conventional, Euro-American sense. In May, the Party did publicize the centerpiece of its policies or "tikanga" but it actually consisted of sweeping, idealistic guiding principles firmly based on Maori socio-cultural values. One searches the "tikianga" document in vain for the Party's position on taxes or health care. For that, one must often rely on the ad hoc emergence of specifics as uttered by party politicians on the campaign trail. For example, we now know that the Maori Party wants to lower the retirement age of Maori to 60, make tertiary education free for everyone and eliminate tax for those earning under \$25,000. It has also slowly filtered out that the Party wants to make Maori language compulsory for all civil servants, affirm Maori authority on the national resource review process and reinstate New Zealand's moratorium on genetically-modified plants.

6. (SBU) In terms of foreign policy, a Maori Party representative, Charles Joe, spoke to a University of Auckland audience mostly in the idealistic generalities of the "tikanga" document. Perhaps because the audience was non-Maori and the other party politicians present offered specifics, Joe also confirmed that the party wanted NZ's nuclear-free stance maintained, supported NZ's international peacekeeping role and had a "no first-strike



policy." The Party also placed priority on the UN draft on indigenous people and wanted an international treaty for indigenous nations. As Turia has said in the past, Joe added that his party would oppose any international treaties or agreements that breached the principles enshrined in the Treaty of Waitangi. That is to say its' foreign and trade policies would be driven by adherence to Maori values. (Note: The Maori Party has been accused of refusing to criticize Robert Mugabe's regime simply because he is a black African leader. The Party also opposed a recent bill to strengthen NZ's anti-terrorism finance laws. Still, it did support the rightist Federated Farmers in the farmers' land access battle with Labour. End Note)

#### Election Prospects

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7. (C) The Maori Party has been challenged from its inception by the poverty of its core constituency. Financially disadvantaged, the party has focused instead on harnessing "people power" by drafting volunteers to go door-to-door to drum up support. Labour's John Tamihere told Auckland Consul General that the Maori Party's real strength lies in the seductive, emotional appeal of its message of grievance to relatively well-off, middle-class Maori. As a result, it enjoys strong support from influential Maori institutions such as Maori radio stations, TV, university, language schools and health and welfare organizations. This Maori infrastructure provides the Party with its transport and information resource needs and thus makes up for any ostensible lack of cash. Another Maori political observer agreed that Maori institutions, although funded under Labour governments, are "hotbeds" of Maori Party support. She and Tamihere both observed that a large Maori turnout in September will hurt Labour.

8. (SBU) Before the election date was announced, many observers were predicting that the Maori Party would obtain at least five constituency seats. In several polls, Maori party candidates such as Pita Sharples and Hone Harawira (for Te Tai Tokerau) were pulling way ahead of their Labour rivals. Since then, however, some leads have narrowed; Sharples is now running neck-to-neck with Tamihere (who probably now prefers Labour Party money over Maori institutional support). Harawira's lead over Labour's Dover Samuels has almost halved. The Maori Party (and Labour) is losing some votes with the entry of independent candidates and those of Destiny New Zealand, a party allied with a conservative Maori Christian church. (Destiny also appeals to socially conservative Pacific Islanders, also being courted by the Maori Party, who were upset by Labour's prostitution and civil union bills.)

9. (SBU) Perhaps more influential than election rivals, however, is the Labour tactic of scaring Maori by claiming a vote for the Maori Party is a vote for National. This message is being drummed into Maori and other left-leaning voters. The Labour tactic is particularly effective on those Maori concerned about National's threat to reduce welfare benefits. Some Maori voters may try to reconcile their divided loyalties by voting for the Maori Party for constituency seats and ticking Labour for the party/ "list"

vote.

10. (SBU) Although it is also contesting 35 general electorate seats in an effort to appeal to non-Maori, the Party is not expected to win many, if any, of these seats. The small size of the Maori electorate vote in general means it will not obtain many list seats. A more realistic scenario is that the Maori Party will win 3-5 Maori constituency seats--but not 7. This result would still make the Party a potential coalition partner for Labour or National, notwithstanding the major parties' avowed distaste for such an arrangement. In an August TV debate with National's Don Brash, when asked about possible Labour-Maori Party talks, PM Clark swatted the party off by replying it was the "last cab in the rank." Brash more tactfully said that he couldn't see cooperation happening. Earlier, at a July Diplomatic Club lunch in Wellington, Turia noted that the Maori Party had not offered itself as a coalition partner, nor would it. But, she added, if approached by one or more parties, it would put the issue of which party to vote for and under what terms (e.g. confidence and supply or a full coalition) to its voters.

Long-Term Goals: More Maori Constituency Seats and More List Seats

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11. (C) Echoing Turia, co-leader Pita Sharples told Consul General that the Maori Party was not going "hell for bent" to be in the Government right now. The question of coalitions does not loom large for the party. For the September election, it was trying to get the Maori voice heard in Parliament and to stand staunch on the Treaty of Waitangi. If it succeeded in getting seven MPs in, this would have the desired impact and momentum. Then, the following year, the Party would undertake a national campaign to move every Maori from the general to the Maori rolls in order to increase the number of Maori constituency seats. Thus, in a subsequent election, the Party could enjoy, for example, fourteen seats in addition to general electorate and list seats. It was with this long-term goal in mind that the Party had decided to contest the general electorates, go for the list vote and choose several non-Maori election candidates of European and Pacific Island descent. There is, Sharples declared, not much of a long-term future for the Maori Party "if we are not inclusive and if we have just Maori sitting there-we must go for all of New Zealand."

Burnett

date:2005-08-30T04:48:00  
source:Embassy Wellington  
origin:05WELLINGTON663  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:04WELLINGTON601|04WELLINGTON909|05WELLINGTON134  
CONFIDENTIAL SECTION 01 OF 03 WELLINGTON 000663

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MI...  
▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000663

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 08/30/2010  
TAGS: PGOV, PREL, NZ  
SUBJECT: MAORI PARTY PROSPECTS DIMINISH IN SEPTEMBER  
ELECTION

REF: A. 04 WELLINGTON 601  
B. 04 WELLINGTON 909  
C. WELLINGTON 134

Classified By: Siria Lopez, Auckland Consul General,  
for reasons 1.4 (B) and (D)

(U) This cable originated from AmConGen Auckland. It  
replaces and updates Wellington 661.

1. (C) Summary: Although the Maori Party has made  
impressive gains in membership and general support in its  
one year of existence, it is unlikely to capture all seven  
Maori constituency seats in the September 17 election. Its  
probable 3-5 constituency  
seats would still make the Maori Party a potential  
coalition partner, however. Maori leaders had been  
insisting that it would be up to their followers to decide  
on a coalition partner. But following an August 29 speech  
by National Party leader Don Brash that called for an end  
to separate Maori-oriented Government ministries, the Maori  
party announced it had definitively ruled out a coalition  
with National.

2. (C) Given that either Labour or National is likely to  
need coalition partners to form a government, National's  
announcement carries some risks. It seems more and more  
that National has no natural coalition partner other than  
NZ First, and a previous coalition with that party in the  
1990s was not a success. But the Nats probably figure they  
gain more from tapping into "middle New Zealand's"  
unhappiness with Labour's preferential treatment of Maori  
and other groups than it does from holding out for the  
unlikely chance that Maori voters would choose a National-  
Maori party coalition. As Labour has also tried to  
distance itself from Maori party leadership, the Nats may  
also be trying to play on some voters' fears that a Labour  
victory would mean a leftist, Labour-Greens-Progressives-  
Maori coalition. End Summary.

Background: Maori Party Makes Electoral Registration  
Inroads

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3. (SBU) Maori anger over a perceived Labour Government turnaround on Maori claims to New Zealand's foreshore and seabed led to the creation of the Maori Party in July 2004 (reftel A). Since then the Maori Party has sought to become the Maori voice in New Zealand's parliament. For the September 2005 election, the Party will contest all seven exclusively Maori constituency seats, as well as other general electorate and list seats for a current total of 51 candidates. Dr. Whatarangi Winiata is Maori Party President but the party's most popular and visible figure is co-leader (and former Labour Party member) MP Tariana Turia. Turia will run against her Labour Party nephew for the Te Tai Hauauru seat. Pita Sharples, an educator, is the other party co-leader and is taking on the charismatic but politically wounded Labour MP John Tamihere in Tamaki-Makaurau.

4. (SBU) Despite the odds against its survival -- and Tamihere's predictions of its stillborn birth -- the Maori Party has evolved into a real Maori political alternative to Labour. Since its inception, the Party has managed to sign up more than 19,000 new members through "flaxroots" efforts, an impressive achievement. Notwithstanding, voter numbers are more important than total card-carrying party members. Under New Zealand's political system, Maori citizens have the option of signing up for either the general roll or the Maori electoral roll, which votes on the seven Maori constituency seats (seats the National Party has long pledged to abolish). Currently, 204,519 persons have enrolled on the Maori roll; 166,822 on the general roll. This is a nearly 9% increase over 2002 figures for both rolls. Of first-time enrollments, mainly younger voters, 55 per cent are opting for the Maori roll. The latter represents the fruits of the Maori Party's strategy to focus registration efforts on first-time, younger voters who lack a history of voting for Labour (reftel B).

5. (SBU) But what makes the Maori Party worth watching is its potential as a coalition partner. It is widely assumed that Turia will win her electorate seat. The Party is also expected to capture other Maori constituency seats. Each MP gained increases the party's legislative influence. (NB: The Maori party would be allocated additional list parliamentary seats if it gains more of a percentage of the party vote than it meets with its electorate seats alone. If the Party gets more electorate seats than party vote share, it will keep those "overhang" seats until the next election. This will affect the number of seats the major parties would need to form a coalition.) Since neither Labour nor National are expected to win clear majorities, they will need parliamentary partners to form workable governments. National Party's Don Brash's speech of August 29 in which he promised to review Maori-based government agencies, however, have incited Turia and Sharples to spurn National as a coalition partner. Despite the Maori Party's birth as a protest against Labour's foreshore and seabed legislation, now that it has ruled out a coalition with National, Labour

is its only potential coalition partner.

Policies: Difficult to Assess

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6. (C) From the start, the Maori Party has been criticized for its lack of policy pronouncements. This situation is little better in the immediate lead-up to the September polls -- that is if a voter desires articulated party platforms in the conventional, Euro-American sense. In May, the Party did publicize the centerpiece of its policies or "tikanga" but it actually consisted of sweeping, idealistic guiding principles firmly based on Maori socio-cultural values. One searches the "tikianga" document in vain for the Party's position on taxes or health care. For that, one must often rely on the ad hoc emergence of specifics as uttered by party politicians on the campaign trail. For example, we now know that the Maori Party wants to lower the retirement age of Maori to 60, make tertiary education free for everyone and eliminate tax for those earning under \$25,000. It has also slowly filtered out that the Party wants to make Maori language compulsory for all civil servants, affirm Maori authority on the national resource review process and reinstate New Zealand's moratorium on genetically-modified plants.

7. (SBU) In terms of foreign policy, a Maori Party representative, Charles Joe, spoke to a University of Auckland audience mostly in the idealistic generalities of the "tikanga" document. Perhaps because the audience was non-Maori and the other party politicians present offered specifics, Joe also confirmed that the party wanted NZ's nuclear-free stance maintained, supported NZ's international peacekeeping role and had a "no first-strike policy." The Party also placed priority on the UN draft on indigenous people and wanted an international treaty for indigenous nations. As Turia has said in the past, Joe added that his party would oppose any international treaties or agreements that breached the principles enshrined in the Treaty of Waitangi. That is to say its foreign and trade policies would be driven by adherence to Maori values. (Note: The Maori Party has been accused of refusing to criticize Robert Mugabe's regime simply because he is a black African leader. The Party also opposed a recent bill to strengthen NZ's anti-terrorism finance laws. Still, it did support the rightist Federated Farmers in the farmers' land access battle with Labour. End Note)

Election Prospects

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8. (C) The Maori Party has been challenged from its inception by the poverty of its core constituency. Financially disadvantaged, the party has focused instead on harnessing "people power" by drafting volunteers to go door-to-door to drum up support. Labour's John Tamihere told Auckland Consul General that the Maori Party's real strength lies in the seductive, emotional appeal of its message of grievance to relatively well-off, middle-class Maori. As a result, it enjoys strong support from influential Maori institutions such as Maori radio

stations, TV, university, language schools and health and welfare organizations. This Maori infrastructure provides the Party with its transport and information resource needs and thus makes up for any ostensible lack of cash. Another Maori political observer agreed that Maori institutions, although funded under Labour governments, are "hotbeds" of Maori Party support. She and Tamihere both observed that a large Maori turnout in September will hurt Labour.

9. (SBU) Before the election date was announced, many observers were predicting that the Maori Party would obtain at least five constituency seats. In several polls, Maori party candidates such as Pita Sharples and Hone Harawira (for Te Tai Tokerau) were pulling way ahead of their Labour rivals. Since then, however, some leads have narrowed; Sharples is now running neck-to-neck with Tamihere (who probably now prefers Labour Party money over Maori institutional support). Harawira's lead over Labour's Dover Samuels has almost halved. The Maori Party (and Labour) is losing some votes with the entry of independent candidates and those of Destiny New Zealand, a party allied with a conservative Maori Christian church. (Destiny also appeals to socially conservative Pacific Islanders, also being courted by the Maori Party, who were upset by Labour's prostitution and civil union bills.)

10. (SBU) Perhaps more influential than election rivals, however, is the Labour tactic of scaring Maori by claiming a vote for the Maori Party is a vote for National. This message is being drummed into Maori and other left-leaning voters. The Labour tactic is particularly effective on those Maori concerned about National's threat to reduce welfare benefits. Some Maori voters may try to reconcile their divided loyalties by voting for the Maori Party for constituency seats and ticking Labour for the party/ "list" vote.

11. (SBU) Although it is also contesting 35 general electorate seats in an effort to appeal to non-Maori, the Party is not expected to win many, if any, of these seats. The small size of the Maori electorate vote in general means it will not obtain many list seats. A more realistic scenario is that the Maori Party will win 3-5 Maori constituency seats--but not 7. This result would still make the Party a potential coalition partner for Labour or National, notwithstanding the major parties' avowed distaste for such an arrangement. In an August TV debate with National's Don Brash, when asked about possible Labour-Maori Party talks, PM Clark swatted the party off by replying it was the "last cab in the rank." Brash more tactfully said that he couldn't see cooperation happening. Earlier, at a July Diplomatic Club lunch in Wellington, Turia noted that the Maori Party had not offered itself as a coalition partner, nor would it. But, she added, if approached by one or more parties, it would put the issue of which party to vote for and under what terms (e.g. confidence and supply or a full coalition) to its voters. As noted earlier, however, Brash's August 29 speech has squashed, for now, speculation about National-Maori Party cooperation.

Long-Term Goals: More Maori Constituency Seats and More

List Seats

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12. (C) Echoing Turia, co-leader Pita Sharples told Consul General that the Maori Party was not going "hell for bent" to be in the Government right now. The question of coalitions does not loom large for the party. For the September election, it was trying to get the Maori voice heard in Parliament and to stand staunch on the Treaty of Waitangi. If it succeeded in getting seven MPs in, this would have the desired impact and momentum. Then, the following year, the Party would undertake a national campaign to move every Maori from the general to the Maori rolls in order to increase the number of Maori constituency seats. Thus, in a subsequent election, the Party could enjoy, for example, fourteen seats in addition to general electorate and list seats. It was with this long-term goal in mind that the Party had decided to contest the general electorates, go for the list vote and choose several non-Maori election candidates of European and Pacific Island descent. There is, Sharples declared, not much of a long-term future for the Maori Party "if we are not inclusive and if we have just Maori sitting there-we must go for all of New Zealand."  
Burnett

date:2005-08-31T04:52:00  
source:Embassy Wellington  
origin:05WELLINGTON666  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE158272  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000666

SIPDIS

STATE FOR S/WCI - AMBASSADOR PROSPER, EAP/FO, AND EAP/ANP  
NSC FOR VIC...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000666

SIPDIS

STATE FOR S/WCI - AMBASSADOR PROSPER, EAP/FO, AND EAP/ANP  
NSC FOR VICTOR CHA

E.O. 12958: DECL: 08/30/2015  
TAGS: KAWC, MOPS, PREL, PTER, PHUM, PREF, PINR, NZ  
SUBJECT: REQUEST FOR RESETTLEMENT ASSISTANCE OF CERTAIN  
DETAINEES FROM GUANTANAMO

REF: SECSTATE 158272

Classified By: ACTING DCM KATHERINE B. HADDA,  
FOR REASONS 1.4(B) AND (D).

This message contains an action request, at paras 1 and 7.

1. (C) Summary: New Zealand is willing to consider taking in Uigher refugees from Guantanamo, but would at a minimum need a request from the UNHCR to start the process. Both Minister of Foreign Affairs Goff and Immigration Minister Swain will make the final decision of whether to admit the Uighers. Please advise post if and when UNHCR would be willing to make the request. End Summary.

2. (C) Acting DCM raised the U.S. request with Simon Murdoch, CEO of New Zealand's Ministry of Foreign Affairs and Trade (FYI: The CEO is the highest civil servant in the Ministry.) Murdoch said that he would urge relevant officials to give the request full consideration, but cautioned that there were many strikes against it: New Zealand generally only takes refugees at the UNHCR's request, and has already exceeded its UNHCR quota for 2005 and 2006. In addition, New Zealand has no Uigher community, and government policy is to give priority to those refugees who can draw from existing communities for support as they adjust to NZ life.

3. (C) Acting DCM thanked Murdoch for his consideration of the request and told him that we have already been working with UNHCR and others. She said that New Zealand is an open society with a long history of taking in refugees and other immigrants, as well as tolerance towards these groups. For this reason, we rank New Zealand high on the list of potential homes for the refugees. We also consider significant New Zealand's well-assimilated, multinational Muslim community, which might be willing to help the refugees. ADCM acknowledged that there are no Uighers in New Zealand, but said that depending on the background of individual refugees, it may also be possible that some members of New Zealand's large Chinese population could help them settle into life here. She repeated Washington's offer to provide more detailed background on the detainees if helpful. (Comment: New Zealand's pre-war Chinese and sizable Taiwan communities are among those Chinese-speaking New Zealanders who are not particularly pro-PRC and therefore possibly able/willing to help. End Comment.)

4. (C) Acting DCM also made the request to Mary Anne Thompson, Workforce Deputy Secretary at the Department of Labour. (FYI: Thompson, a former member of PM Clark's staff, is an influential player on NZ immigration matters.) Thompson said that she would recommend to the Prime Minister's Department and others that GNZ should keep an open mind about the request. She said that a letter from UNHCR supporting the request would be "most helpful," as more and more it is GNZ's emphasis to only admit UNHCR-sponsored refugees. She said that if and when GNZ received such a letter, they would look at the individual potential refugees and their circumstances. GNZ would also want to send people to interview the detainees, to determine whether they would be willing/able to contribute to NZ society over time, and whether they could be a security risk. In the meantime, Thompson said, she would quietly advise staff working on refugee matters that a UNHCR request "may be coming." Given the sensitivity of the issue, she asked that we keep it confidential. ADCM assured her that we would, as we have



SIPDIS  
similar concerns.

5. (C) Thompson also noted that NZ preference is to admit refugees from groups with existing communities here, but took on board ADCM's suggestion that some Chinese New Zealanders and Muslim New Zealanders may be able to help. Thompson also noted that if GNZ decided to take in any of the detainees, it would rather take in a group of them (i.e., "10 to 12") rather than one or two. This would make assimilation easier, she said. GNZ would also admit the refugees' families, as appropriate.

6. (C) Comment: GNZ is negotiating a free trade agreement with China and is pursuing close relations with the Chinese on many levels. That being said, they continue to draw the line against direct or indirect support for China's human rights violations. Although clearly cautious, GNZ officials may well be willing to consider taking in the Uighers if we continue to take a quietly, quietly approach as well as work through the UNHCR on the request. End Comment.

7. (C) Action Request: Please advise whether and when it would be possible for UNHCR to make a formal request for GNZ to consider taking in some of the Uigher detainees.  
Burnett

date:2005-09-02T04:27:00  
source:Embassy Wellington  
origin:05WELLINGTON674  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available. 020427Z Sep 05  
classification:CONFIDENTIAL  
reference:05STATE158016  
☐ C O N F I D E N T I A L WELLINGTON 000674

SIPDIS

E.O. 12958: DECL: 09/01/2015  
TAGS: EFIN, PREL, ZI, NZ, IMF  
SUBJECT: NEW ZEALAND: RESP...  
▼ C O N F I D E N T I A L WELLINGTON 000674

SIPDIS

E.O. 12958: DECL: 09/01/2015  
TAGS: EFIN, PREL, ZI, NZ, IMF  
SUBJECT: NEW ZEALAND: RESPONSE TO DEMARCHE ON ZIMBABWE VOTE  
IN IMF

REF: STATE 158016

Classified by: Acting DCM Katherine B. Hadda. Reasons: 1.4  
(b) and (d).

1. (U) This is an action request -- please see Paragraph 3.
2. (U) Post on August 29 delivered reftel demarche to the New Zealand Agency for International Development, which handles issues related to the International Monetary Fund (IMF).

3. (C) On September 2, a representative of New Zealand's Treasury noted Zimbabwe's decision to pay back US \$120 million of the US \$290 million it owes the Fund. The representative asked whether the U.S. government would now consider Zimbabwe to be in compliance with its IMF obligations, or whether the United States still believes Zimbabwe should be expelled from the Fund. Post seeks Department guidance on how it should respond to these questions. Post also notes that the Treasury representative is due to deliver a recommendation on the issue to New Zealand's Finance Minister on September 5 and that a response by COB September 2 (Washington) would be very helpful.  
Burnett

date:2005-09-07T05:50:00  
source:Embassy Wellington  
origin:05WELLINGTON682  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05WELLINGTON566|05WELLINGTON642|05WELLINGTON650|05WELLINGTON658|05WELLINGTON663|05WELLINGTON664|05WELLINGTON70  
☐ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000682

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MI...  
▼ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000682

SIPDIS

STATE FOR EAP/ANP, EAP/RSP, EAP/EP, INR/EAP  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 09/06/2015  
TAGS: PGOV, PREL, NZ  
SUBJECT: AS NATIONAL'S SUPPORT SURGES, NZ ELECTIONS TOO CLOSE TO CALL

- REF: A. WELLINGTON 664
- B. WELLINGTON 663
- C. WELLINGTON 658
- D. WELLINGTON 650
- E. WELLINGTON 642
- F. WELLINGTON 566
- G. WELLINGTON 70

Classified By: Charge D'Affaires David R. Burnett,  
for reasons 1.4 (b) and (d)

1. (C) Summary: Just 10 days out from New Zealand's general elections, the race is too close to call. Recent polling puts the opposition National Party ahead of the Labour Government, with one poll showing the spread as much as 8 percentage points in National's favor. National seems to have suffered no ill effects from a spate of missteps by its

top officials last week, with voters apparently remaining focused more on the party's tax package, race relations stance, and other core messages. Labour has been hurt by an increased perception that PM Clark is arrogant and out of touch with "mainstream" electorate. The Government has above all underestimated the feeling of many Kiwis that they are less well-off these days and will be even less well-off with the directed spending programs that Labour has thrown up in a response to National's tax cut proposals. But the spread of the various poll numbers, together with the large number of voters who remain undecided, means its still anyone's race. We predict Labour will increasingly focus its strategy on a negative campaign: portraying National as having a secret, rightist agenda; claiming that "American-style" tax cuts will ruin the nation, and assertions that National leader Don Brash is an untrustworthy amateur.

2. (C) If National wins more votes than Labour, it still may not be able to form a government. The most optimistic poll shows National with just 46% total support, and its potential coalition partners are thin on the ground. Although support for most minor parties is relatively low during this campaign, it is likely that either major party would need at least some small party support in order to get a majority in Parliament. The Maori Party has ruled out National as a partner, Labour already has the support of the Greens and the Progressives. National has resisted aligning itself with the conservative ACT party. Don Brash has recently met with United Future leader Peter Dunne, but Dunne's party is unlikely to give National the number of seats it would need to claim a majority. National may benefit from NZ First's September 7 announcement that it will vote on major issues with whichever major party gains the most votes. End Summary.

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NATIONAL ON THE UP AGAIN  
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3. (SBU) After a recent down-tick in the polls, the opposition National Party seems to be back in the lead. A September 5 Colmar Brunton poll showed the most decisive swing in National's favor, with support at 46% versus the Labour Government's 38% (margin of error of 3.2%). Conducted from August 29 to September 1, the poll showed Brash up four points as preferred prime minister to 31% and Helen Clark down five points to 40%. It is particularly significant that National's bounce follows what was deemed by the media as a bad week for the party -- leader Don Brash was forced to deny his environment spokesman's claims that National would allow logging in national forests, and Brash also got low marks in the press for claiming he had held back in a recent debate with PM Clark because she is a woman. Labour Energy Minister Pete Hodgson dismissed the Colmar Brunton survey as an erroneous "rogue" poll that does not track with other recent polls, and indeed Colmar Brunton has in the past been criticized because it tends to poll more strongly for National and negatively against the minor parties. But all of the other recent polls have also put National in the lead, albeit by a smaller margin.

4. (SBU) Much of National's support has been gained at the cost of Labour, rather than the minor parties. According to the latest DigiPol surveys, the two major parties accounted for 82.4% before the National tax policy release and 81.0% after the release -- a 1.4 point difference. However, National was up 3.1 points and Labour down 1.9 points from August 26 to September 2--a 5.0 point swing.

5. (C) In reftel E, we predicted that National's best shot at winning would be if its tax policy won over the voters. The plan, released the following week, seems to have done its job. In a recent poll, almost one quarter who said they would support National said the tax cut was the deciding factor. Another policy that may appeal to voters is National's reiteration of its view that New Zealand should end special treatment for Maori and instead address poverty as a general issue of concern for all. National has also avoided any appearance of backing the ACT party - the most conservative party now in Parliament. This probably is making it harder for Labour to successfully paint National as having a secret, rightist agenda. National has also done nothing to court another possible coalition partner, NZ First, which is the only small party other than the Greens to currently command more than 5% party support in the polls. (NB: Under NZ's MMP voting system, parties need to gain one electorate seat or 5% of the party vote in order to get seats in Parliament in proportion to the total party votes they gain.) National and NZ First's coalition in the 1990s ended up collapsing, and National does not want to remind voters of this. National's eschewing of a coalition partner is not a surprise to us, as a senior party strategist told us that a key objective would be to educate voters at the grass roots about the importance of the party vote under MMP. The Nat's goal is clearly to win an overall majority. But MMP was designed to limit the ability of any one party to dominate Parliament, and Kiwis seem to like this. It is not at all clear that voters will give National the majority it would need to avoid a coalition.

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LABOUR'S MISTAKES  
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6. (C) Labour appears to have misjudged -- badly -- the number of Kiwis who feel they are less well off than they should be. Ironically, it's the Government's past fiscal prudence that has created its problems, and its recent moves to increase spending may have made things worse. The government's ills first began when its May budget failed to return any of its large surplus to taxpayers until 2008: the public was not impressed by Finance Minister Cullen's remarks that, "Too much jam now is likely to lead to only crumbs later." When it became apparent that voters were being lured by National's arguments that the country could well afford to "spend" some of the surplus on tax cuts, Labour responded over July and August with a number of new programs. The first -- to forgive all interest on student loans for those who remain in New Zealand -- gained the Government the support of younger voters, but these were most likely to vote for Labour or their allies the Greens, if they vote at all. The initiative at the same time may have alienated some of

the lower middle-class supporters who Labour needs to maintain as its core in order to win next week. One National party candidate in a Wellington suburb told the Charge that working class voters in the district were really angered that their tax money was to go to support "spoiled" students, who are to get the benefit whether they need it or not. Similarly, Labour's biggest gambit -- to greatly expand its "Working for Families" assistance and repackage it as "tax relief" appears to have missed the mark. Although Kiwis tend to view anyone with money as "greedy," just who has enough money is of course open to interpretation. In this case, Labour's initiative would for example do nothing for a couple with two children earning NZD 90,000 (about USD 64,000), who, facing rising housing costs and a relatively high cost of living, are unlikely to feel wealthy. The plan also ignores single people and the childless.

7. (C) Labour has also undermined its credibility since, having insisted just a few months ago that the cupboard was bare, it is resorting to relative profligacy today. The Government's claims that it "found" more money in the form of increased tax revenues does not seem convincing. Those who had accepted that sacrifices were necessary for the greater good are left scratching their heads, although at least some of these continue to believe that Government spending is best directed to the "neediest." Still others we have spoken to wonder why the Government did not propose these and other new programs now on offer before being faced with a close election.

8. (C) Confronted with National's successes on domestic policy, Labour has attempted to a) undermine Don Brash's credibility, and 2) raise fears that National has a secret, rightist agenda that includes ending the country's cherished nuclear policies. Neither has proved very successful to date. Brash is anything but slick, and has an odd formality about him. Labour's attempts to portray him as dishonest have backfired. When, for example, Brash said he had done badly in his most recent debate with PM Clark because he was a gentleman and didn't like to be too harsh with women, Labour assumed voters would take umbrage. Many did, but others wrote approvingly to the papers, noting that total gender equality is a bad idea. In a strange way, Brash's inept response showed the man is no liar: anyone good at hiding the truth would have done a better job of explaining himself. National has proven more vulnerable on the nuclear issue, but has stuck to its mantra that it would not initiate a change absent a national referendum, and only then if most New Zealanders want such a vote. Some voters have said that this proves National wants to scrap the policy -- how else would the issue of having a referendum come to the fore? But National's firm position, coupled with a recent foreign policy paper on its website that promises little change, has not given the opposition much new to draw on. We also suspect that in elections, New Zealanders are like most others in the world and will vote on domestic, not foreign, policy issues.

9. (C) Helen Clark has herself borne some responsibility for her party's decline in the polls. Always perceived as somewhat arrogant, she won no favors when she last week

dressed down an Air New Zealand pilot who announced over the intercom (wrongly, it turns out) that the flight she was to board was being delayed because she was trying to hire a charter plane instead. The media gave wide coverage to the fact it was the pilot's error, but those inclined to think of Clark as wanting special treatment because of her status found new grist for the mill. (The incident came on the heels of the trial of police officers accused of excessive speeding to get an allegedly unaware Clark to a flight last summer.) And while some may not care about Clark's demeanor per se, they may view her arrogance as a reminder of her party's tendency to back causes such as legalized prostitution and civil unions, which are favored by fringe groups and not "mainstream" Kiwis.

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WHAT HAPPENS NOW  
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10. (C) It's still anyone's race, though. In addition to the wide disparity in the polls, as many as 20% of voters remain undecided on their party vote. Many may make their decision on election day, or shortly before, and some may not vote at all. We predict that during this time the race will begin to look more Presidential, focusing more on Brash and National vs. Clark and Labour. Clark will continue efforts to raise doubts about Brash and National's agenda, including through sideswipes at the United States. This has already started: the PM said yesterday that U.S. tax cuts were to blame for Hurricane Katrina, and that cuts were bad for a nation's ability to maintain its infrastructure. (In general, since we reported Labour's anti-American tactics and our response (Wellington 566), the attacks have become less directed at us and more against National.) But we doubt the anti-American card will be enough to return Labour to a comfortable position, as voters will continue to look at domestic issues to make their decisions. Clark's swipes about Katrina, for example, are unlikely to be effective given that her government was widely criticized for its response to heavy flooding on the North Island last year. Labour may also try to court the Maori vote, as it will need all seven Maori seats to win. The Maori Party's incompetence (Ref B) may help Labour here.

11. (C) The real question will be whether National can continue to appear dominant in the polls without raising questions about its ability to form a government. So far, the role of smaller parties has appeared greatly diminished this year. This is the first year in recent memory where Labour and National have differed so much in their policies, giving voters a clear choice between them. The race between the majors is also close enough that voters may be more reluctant to "waste" votes on smaller parties this year. In addition, the majors have successfully co-opted many of the issues that traditional belonged to the smaller parties. The National Party has successfully used the law and order, tax, and immigration policies of ACT and New Zealand First, and garnered significant numbers of their constituencies. Labour has successfully made in-roads on the Greens' student constituency (notably with its student loan policy), and the leftist Alliance party has fragmented to near oblivion.

12. (C) Nevertheless, in the past most undecided voters have ended up voting for smaller parties, and if that remains the case this time National may lose out. During the campaign, ACT has been courting National, but the latter has come out more strongly against helping ACT leader Rodney Hide win an electorate seat, without which his party is unlikely to survive. National is wary that aligning itself with ACT's libertarian platform will cast National as the rightist party Labour claims it is, and is also reportedly angry at ACT's campaign tricks to gain National's support. (ACT Leader Rodney Hide almost literally backed Don Brash into a corner the other day to secure a handshake, captured by the media.) Meanwhile, United Future's Peter Dunne has indicated, following a widely-reported meeting he had with Brash yesterday, that United and National might campaign together. But he has also said he will talk about a coalition with either of the major parties, depending on who gets the most votes. Although Dunne's electorate seat is safe, assuring his Party's return to Parliament, United Future is currently only polling at 2%, which would probably not give National enough support to form a government without help from at least one other minor party. National has distance itself from NZ First, largely in an attempt to avoid reminding voters about the failure of the 1990s National-NZ Coalition government. National may, however, benefit from today's announcement that NZ First will vote on major issues with whichever major party gains the most votes. Stay tuned.

Burnett

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date:2005-09-13T05:10:00  
source:Embassy Wellington  
origin:05WELLINGTON704  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE153802  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000704

SIPDIS

STATE FOR G: U/S DOBRIANSKY, EAP/FO, AND EAP/ANP  
NSC FOR VCHA

E.O....

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000704

SIPDIS

STATE FOR G: U/S DOBRIANSKY, EAP/FO, AND EAP/ANP  
NSC FOR VCHA

E.O. 12958: DECL: 09/13/2015  
TAGS: TBIO, ECON, PREL, SOCI, NZ  
SUBJECT: NEW ZEALAND CONCERNED ABOUT AVIAN INFLUENZA THREAT

REF: A. SECSTATE 153802  
B. IIR 6 869 0040 05

Classified By: Charge D'Affaires David R. Burnett,  
for reasons 1.4(B) and (D)

1. (C) Summary: New Zealand is taking very seriously the threat of avian influenza, and an inter-ministerial group meets biweekly to discuss preparations. There are also numerous subgroups of officials who are strategizing on how the country would address the public health, economic, social, and other consequences of an epidemic here. New Zealand is coordinating closely with WHO, Australian officials, and others on flu preparations. Despite this work, an official heavily involved in the planning said that the country's ability to monitor the spread of avian flu elsewhere is limited, especially in those countries not known for accurate reporting. GNZ would welcome U.S. information (including intelligence) about outbreaks anywhere in the world. End Summary.

2. (C) On September 1, ADCM discussed New Zealand's avian flu strategy with Marlene Castle, External Assessments Bureau (EAB). EAB is located in the Prime Minister's office and is responsible for monitoring and analyzing world events for the PM and Cabinet officials. Castle is a chemical and biological weapons expert and has been following the avian flu epidemic for the last two years. She is also heavily involved in GNZ's contingency planning should a pandemic strike here, and regularly briefs the Prime Minister on the disease's trajectory. (Comment: Castle showed ADCM a returned copy of her August briefing memo; the PM had underlined several passages and had commented in the margins that the memo's contents had great implications for New Zealand. End Comment.) Castle said that since early this year, it had been more and more apparent to EAB that the avian flu could become a pandemic. An "Interdepartmental Pandemic Planning" group was formed in June and has met every two weeks since then.

3. (C) The interdepartmental group is coordinated by the Ministry of Health in close cooperation with the Officials Committee for Domestic and External Security Coordination (ODESC), comprised of senior GNZ officials from the Prime Minister's office and other ministries. EAB Director David Kersey has been seconded to ODESC for this purpose, and currently spends only 10% of his time at EAB. In addition to the overall group, there are a variety of subgroups looking at contingency planning in various sectors should an outbreak strike. These include border controls, education, social implications, etc. The group and its related subgroups include virtually every government department, including the Prime Minister's Office, Police, Fire service, Ministry of Foreign Affairs and Trade, Education Department, Labour Department, Civil Defence, Transport (civil aviation and maritime), Inland Revenue, and the Treasury.

4. (C) The groups have been instructed to plan for the worst-case scenario. The education group, for example, is looking at when and how to shut down all schools in New



Zealand. Others are looking how to maintain essential services such as telecommunications, information technology, energy, banking, the provision of food, and the continuation of non-flu related medical services.

5. (C) There is of course also a group developing a health plan to deal with the outbreak itself. The plan is based on WHO guidelines. Castle said that GNZ officials involved in the plan are in "constant touch" with WHO as well as Australian officials. (One Kiwi health official had just returned from Australia, Castle said.) GNZ also is looking to obtain enough antivirals to treat 20% of the population. They have half of this supply already, Castle said. GNZ officials are also looking with interest at the development of vaccines in the United States and Australia. Given that the vaccines will not be ready for some time, the government is focusing attention on how to stop the disease from entering New Zealand, restricting its spread if it does, and managing the situation if the outbreak spreads. Officials are also considering how to take care of New Zealand officials and defense forces who may be exposed to avian flu overseas.

6. (C) The "external" subgroup is also looking at Pacific Island governments' preparations for a possible pandemic, especially the Cook Islands and Nuie, which are self-governing in free association with New Zealand. Officials are also concentrating on Samoa and Tonga, given these island's strong connection with New Zealand.

7. (C) The planning group is developing a public education campaign, including a website that Castle said should be in place soon. Other steps are being considered, including pamphlets and the inclusion of information in phone directories. The aim is to educate without inducing panic. Castle estimated that the Government's planning was about 50% completed so far. The aim is to have all planning completed by late October or early November.

8. (C) Castle expressed concern that the reporting of disease incidence by Russia, China, Hong Kong, and countries in SE Asia is not accurate. She said GNZ would appreciate any information the United States could provide -- open source or otherwise -- about outbreaks in these and other countries. Castle said she has already discussed this and other avian flu-related issues with State Department officials, and has greatly appreciated this exchange. She said her monthly reports to the Prime Minister are already being provided to U.S. analysts through separate channels.

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Contact Information  
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9. (C) New Zealand's key senior contact on Avian Flu issues is External Assessment Bureau (EAB) Director David Kersey. The best working level contact is EAB analyst Marlene Castle. Although Kersey and Castle are both with the External Assessments Bureau, Kersey is working on avian flu issues in the Prime Minister's Department for most of the time. he can, however, still be reached via EAB. Emboffs are in

regular contact with both Kersey and Castle.

The External Assessment Bureau is located at:

Reserve Bank Building  
2 The Terrace  
Wellington

(tel) 64 4 915 2900  
(fax) 64 4 915 2940

Mailing Address is:

External Assessments Bureau  
PO Box 18099  
Wellington

Burnett

date:2005-09-19T19:43:00  
source:Embassy Wellington  
origin:05WELLINGTON721  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available. 191943Z Sep 05  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L WELLINGTON 000721

SIPDIS

DEPT FOR DS/ST/CMP - STEPHEN KLEIN, DS/IP/EAP, CANBERRA FOR  
ESO, BANGKOK FOR OIC RDSE ...  
▼ C O N F I D E N T I A L WELLINGTON 000721

SIPDIS

DEPT FOR DS/ST/CMP - STEPHEN KLEIN, DS/IP/EAP, CANBERRA FOR  
ESO, BANGKOK FOR OIC RDSE

E.O. 12958: DECL: 09/14/2015  
TAGS: ASEC, KSEO, NZ  
SUBJECT: REQUEST FOR TOP SECRET PROCESSING AND STORAGE

Classified By: CDA D.R.BURNETT, REASON 1.4 (C)

1. (C) Embassy Wellington requests authorization to process and store classified materials at the top secret level.
2. (C) Wellington CIWG met 15 September 2005 and agreed that it was in Post's best interest to be able to increase our processing and storage levels. Embassy Wellington currently has TS cleared American watchstanders who would ensure control of the processing area on a twenty four hour, seven days a week basis. Embassy Wellington meets all the physical security requirements for the processing and storage at the top secret level. Post expects to re-activate the MSG Detachment March 2006.

Burnett

date:2005-09-23T03:24:00  
source:Embassy Wellington  
origin:05WELLINGTON739  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:05SECSTATE173539  
□S E C R E T SECTION 01 OF 02 WELLINGTON 000739

SIPDIS

STATE FOR CA A/S HARTY, CA/VO/BIP (NEGAH ANGHA), INR/IC  
(TSC DEPUTY DIRECTOR JOSI...  
▼S E C R E T SECTION 01 OF 02 WELLINGTON 000739

SIPDIS

STATE FOR CA A/S HARTY, CA/VO/BIP (NEGAH ANGHA), INR/IC  
(TSC DEPUTY DIRECTOR JOSIE PANEDICK), EAP/FO, AND EAP/ANP  
NCTC/TIG FOR DAVID WIGMORE

E.O. 12958: DECL: 09/22/2015  
TAGS: CVIS, PTER, PINR, PGOV, PREL, NZ  
SUBJECT: NZ FOLLOW-UP: HSPD-6 TERRORIST LOOKOUT INFORMATION  
SHARING INITIATIVE

REF: A. SECSTATE 173539

B. STATE 158827

Classified By: Charge D'Affaires David R. Burnett,  
for reasons 1.4 (b) and (d).

1. (S) Post IWG agencies met to discuss Ref A and B. We also discussed the possibility of the terrorist lookout information sharing pilot with Conoff in Auckland. Agencies all agree that GNZ would be a good candidate for the proposed pilot project, and would likely be receptive should we make this request. If Washington decides to pursue this project, we recommend that, as a first step, Post raise the issue with Mary Anne Thompson, Deputy Secretary at the Department of Labour. Thompson is currently charged with overseeing much of NZ's immigration policy, including counter-terrorism measures. She is an invaluable behind-the-scenes Embassy contact. Thompson has worked as a staffer for two Prime Ministers and has in the past provided us with valuable insights about how best to sell U.S. policies within GNZ. She is also generally sympathetic with USG counter-terrorism policies in the region.

2. (S) Agencies also reviewed the questions provided Ref B, and offer the following preliminary answers. We should be able to provide more detailed information if and when we are instructed to approach GNZ on this issue:

A. (SBU) What, if any, arrangements already exist for the systematic sharing of terrorist lookout information with GNZ?

-- (S) Post Liaison officers, PE, and DCM all regularly share information with GNZ at Washington's request. GNZ regularly, and informally, shares information with CONS in Auckland at the working level. NSA and GCSB (NZ's NSA equivalent) also regularly share information. With the exception of NSA/GCSB exchanges, which are automated, all post/GNZ information is exchanged through person-to-person contacts.

B) Does the GNZ currently maintain unclassified lookout information on individuals based on terrorist-related information? Does the GNZ maintain classified or restricted lookout information on individuals based on terrorist-related information?

-- (S) Airlines maintain unclassified passenger lists. Customs maintains an unclassified database for use by Immigration's border control agents. The data includes tips for identification, and may also advise agents to contact authorities if a person in the data base is positively identified. Customs also maintains classified data bases.

C) If the answer to either or both question is yes, how is this information maintained? Is it consolidated in one database or are there multiple databases with this information? Are these databases automated?

-- (S) As noted above, there are separate databases, all of which are automated. The unclassified Customs/Immigration databases include unclassified instructions based on information contained in the classified Customs database. Many of the "tips" for identification included in the unclassified databases are based on information that post

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liaisons have provided to GNZ via the NZ Security Services (NZSIS). GNZ agencies are currently trying to improve their internal data sharing. Our Consular Section Chief notes that the data GNZ has provided the Consulate is usually of high quality and seems readily retrievable.

D) Which biographic elements are included in the GNZ's terrorist-related lookout system(s) (examples: name, date of birth, citizenship, passport number, mother's maiden name). Are biometrics, specifically fingerprints, associated with the lookout system(s)?

-- (S) All the referenced data points are included in GNZ's classified databases, assuming the agencies have that information. Most information is included in the unclassified databases as well. The classified databases

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also include individual's distinguishing marks. Although police have some biometrics (fingerprints) in their database, to our knowledge these are not included in the lookout system databases.

E) Which biographic and/or biometric elements on an individual are considered mandatory for the GNZ to use that information in the country's terrorist-related lookout

system(s)? What are the definitions and evidentiary standards used by the GNZ to determine whether an individual gets placed on the terrorist-related lookout system?

-- (S) Post is not familiar with GNZ procedures in this area. F) With the GNZ under which department or entities are the terrorist-related lookout systems maintained? What are the internal sharing arrangements? Does the host-country share terrorist information with other countries, i.e. Brunei and Singapore?

-- (S) See above for information regarding which agencies maintain lookout systems, as well as internal sharing systems. From time to time, GNZ officials have told us that they are sharing terrorist information with other countries, but we are not familiar with any formal mechanisms that may be in place to facilitate such exchanges.

G) How does the GNZ use terrorist-related lookout information in screening processes? For the screening of visa applicants? For screening at ports of entry? For internal law enforcement purposes? For any other screening purposes?

-- (S) GNZ uses its terrorist-related lookout information to screen visa applicants and applicants at the port of entry. Recently, GNZ missions abroad made a couple of high-profile immigration errors concerning former members of Saddam's regime. As a result, GNZ is in the process of changing its visa-processing system so that all visa decisions involving countries of concern will be adjudicated by GNZ officials in Wellington. (SBU) During the recent election campaign, GNZ officials said that 63 individuals had been barred entry into New Zealand over the past two years because they had been positively identified in GNZ lookout systems as security risks.

H) Which legal authorities guide the GNZ's use of terrorist-related lookout information?

-- (S) The Counter-terrorism Act of 2002, as amended, is the primary legislation guiding GNZ's counter-terrorism lookout data bases and related policies.

I) How do any of the GNZ's privacy laws or their equivalent influence the use of terrorist-related information?

-- (S) GNZ's counter-terrorism provisions have been criticized by some, including the Green Party, as being an infringement of privacy. However, the Attorney General sent a report to Parliament in 2002 that said nothing in New Zealand's primary Counter-terrorism legislation (The Counter-terrorism Bill 2002) appeared inconsistent with the New Zealand Bill of Rights Act 1990.

J) Does the GNZ have legal authorities or instruments to make terrorist-related lookout information accessible to other countries? Are there impediments that could inhibit making this terrorist-related information accessible to other countries? Does the GNZ have an equivalent entity to the Terrorist Screening Center?

-- (S) Given our intelligence-sharing relationship with New Zealand, we are not aware of any impediments to GNZ's sharing with us of any terrorist-related lookout information. As we have noted, such exchanges already take place. We are not familiar with NZ policies concerning exchanges with other countries. There is no GNZ equivalent to the Terrorist Screening Center, although as we noted above GNZ is making an effort to improve screening coordination among its various agencies.

Burnett

date:2005-09-30T02:50:00  
source:Embassy Wellington  
origin:05WELLINGTON758  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available. 300250Z Sep 05  
classification:SECRET  
reference:  
□S E C R E T WELLINGTON 000758

SIPDIS

STATE FOR EB/TRA, S/CT, CA/P/IP, DS/IP/EAP, DS/IP/ITA AND EAP/ANP

E.O. 12958: DECL: 09/29/2015 ...  
▼S E C R E T WELLINGTON 000758

SIPDIS

STATE FOR EB/TRA, S/CT, CA/P/IP, DS/IP/EAP, DS/IP/ITA AND EAP/ANP

E.O. 12958: DECL: 09/29/2015  
TAGS: PTER, ASEC, CVIS, PGOV, PINR, PREL, NZ  
SUBJECT: NEW ZEALAND ASKS ABOUT ACCESS TO TSA'S NO FLY LIST

REF: A. KONTOS-YAMAMOTO E-MAIL 9/28/05

- B. WELLINGTON 739
- C. STATE 173539
- D. WELLINGTON 718
- E. STATE 158827

Classified by: Charge d'Affaires David R. Burnett. Reasons: 1.4 (b) and (d).

1. (S) Summary: New Zealand Immigration is interested in possible access to the Transportation Security Administration's "no fly" list as a way to improve the country's border security. New Zealand law enforcement agencies already work closely with U.S. counterparts, and New Zealand Immigration views possible access to the no-fly list as an extension of that cooperation. Immigration's interest in the list is further evidence that the New Zealand government would be receptive to participation in the HSPD-6 pilot project on terrorist lookout information sharing (ref B). End summary.

2. (C) As requested in ref A, Embassy econoff met September 29 with Arron Baker of New Zealand Immigration to discuss a message he sent to the Department of Homeland Security (DHS) seeking information on the no-fly list. Baker, national manager of border security and compliance operations, said that Immigration proposed to use the list to screen passengers flying to New Zealand. Any individual who appeared on the list and was trying to enter New Zealand under a visa-waiver program would be told to apply for a visa.

3. (C) Baker would like to know more about the list, particularly what criteria are used to place a person on it. If a passenger were identified as on the list, he asked whether New Zealand Immigration could immediately contact TSA or a relevant U.S. office to discuss how to proceed and the reasons why the passenger was on the list. Baker would like to open formal discussions with the U.S. government on whether access to the list would be allowed and how it could be used by New Zealand.

4. (C) New Zealand wants to keep out individuals on the no-fly list for obvious reasons, Baker said. "If the U.S. considers them to be risks, then why are we letting them fly to New Zealand," he asked. His agency's interest in the list stems from a case in 2004, when Air New Zealand told Immigration that it had identified one of the passengers it had carried to New Zealand as on the no-fly list. After investigation, Immigration determined that the individual was a member of Hamas and had applied for permanent residency in New Zealand on the basis of what turned out to be a sham marriage. If Immigration had known about the individual's inclusion in the list, it would have denied him entry. Baker did not know whether the individual still is in New Zealand.

5. (C) Baker noted that New Zealand and U.S. law enforcement officials already cooperate well in enhancing transnational security. As an example, he said that under the APEC Regional Movement Alert List, Australia, New Zealand and the United States will be sharing data on lost and stolen passports. Immigration's border security officials and DHS contact each other directly on individual cases.

6. (U) Baker also pointed out that New Zealand uses a system similar to the Advanced Passenger Information System (APIS) that connects airline counters to New Zealand Immigration and allows for passenger screening at the time of check-in. (Note: The New Zealand Ministry of Transport has offered information and a demonstration on its Advanced Passenger Processing system to the U.S. government, per ref D.)

7. (S) Comment: Post recommends that we pursue discussions with the New Zealand government on access to the no-fly list, because we believe it would enhance NZ border security. New Zealand Immigration recognizes that important details would have to be worked out, including how to proceed when an individual is identified as on the list. Post also believes this interest in the no-fly list could be used to advance discussions with the New Zealand government on sharing screening information on known and suspected terrorist lookouts (ref C and E). Post awaits instructions on how the

interagency would like to proceed on these issues.

Burnett

date:2005-10-03T03:22:00  
source:Embassy Wellington  
origin:05WELLINGTON765  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
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☐ C O N F I D E N T I A L WELLINGTON 000765

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 10/02/2015  
TAGS: PREL, ECON, ETRD, EFIS, SENV, ...  
▼ C O N F I D E N T I A L WELLINGTON 000765

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 10/02/2015  
TAGS: PREL, ECON, ETRD, EFIS, SENV, NZ  
SUBJECT: NEW ZEALAND PRIORITIES AT PACIFIC ISLANDS FORUM

Classified By: Charge D'Affaires David R. Burnett,  
for reasons 1.4(b) and (d).

1. (C) New Zealand,s principal priority for the leaders' meeting of the Pacific Islands Forum (PIF) is finalizing the Pacific Plan, in which New Zealand is seeking support of a process of regional integration and cooperation and movement away from patron-client relationships between developed and developing members. The government,s other priorities include encouraging free trade and raising awareness of the threat of an avian flu pandemic.

2. (C) Poloff met September 27 with Niels Holm, Regional Deputy Director, Pacific Division, Ministry of Foreign Affairs and Trade (MFAT), to discuss New Zealand's priorities for the PIF,s October meeting. In addition to finalizing the Pacific Plan, Holm said his government hopes to promote regional trade. As part of that effort, GNZ has been monitoring negotiations between Forum Island Countries (FICs) and the European Union on Economic Partnership Agreements. While not opposing such agreements, GNZ seeks at least equally favorable trade treatment if agreements are reached.

3. (SBU) New Zealand,s additional priorities include maintaining support for the Regional Assistance Mission to the Solomon Islands (RAMSI) and raising awareness of avian influenza in the Pacific. FICs have no practical action plan to address the possibility of avian flu, Holm said, although there are general guidelines provided through the Secretariat of the Pacific Community.



4. (C) Holm reported that Italy and Israel have expressed interest in attending the Post Forum Dialogue. While the GNZ does not oppose their attendance, it will not advocate their participation.

5. (C) Prime Minister Helen Clark and whoever is the Foreign Minister will likely attend the meeting, Holm indicated. With PM Clark now working on forming a new government in the wake of September 17 elections, cabinet assignments are up in the air. There is a strong possibility that current Foreign Minister Phil Goff will be replaced as he takes on an increasingly domestic portfolio.  
Burnett

date:2005-10-13T02:13:00  
source:Embassy Wellington  
origin:05WELLINGTON792  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE187183  
☐ C O N F I D E N T I A L WELLINGTON 000792

SIPDIS

STATE FOR ISN/MNA AND EAP/ANP  
USUN FOR POL  
GENEVA FOR CD

E.O. 12958: DECL: 10/12/2...  
▼ C O N F I D E N T I A L WELLINGTON 000792

SIPDIS

STATE FOR ISN/MNA AND EAP/ANP  
USUN FOR POL  
GENEVA FOR CD

E.O. 12958: DECL: 10/12/2015  
TAGS: AORC, PARM, PREL, MNUC, CA, MX, NZ  
SUBJECT: 60TH UNFC: NEW ZEALAND RESPONDS TO DEMARCHE ON UNFC DRAFT RESOLUTION ON AD HOC COMMITTEES

REF: A. SECSTATE 187183

B. SECSTATE 185313

Classified by Charge d'Affaires David R. Burnett. Reasons:  
1.4 (b) and (d).

1. (C) Largely because of frustration over the lack of progress in the Geneva Conference on Disarmament, the New Zealand government supports the draft resolution in the UN First Committee that would establish Ad Hoc Committees under the UN General Assembly. However, New Zealand does not want the committees to replace the Conference on Disarmament (CD) and would welcome U.S. ideas for moving the CD forward.

2. (C) Post on October 6 delivered ref B points to the New

Zealand Ministry of Foreign Affairs and Trade (MFAT). The Charge on October 12 raised the issue with Simon Murdoch, MFAT's chief executive, during a discussion on how New Zealand sometimes sends negative signals to the United States. The Charge also raised the issue October 13 during his monthly lunch with the heads of the Canadian and Mexican missions here, stressing that if the Ad Hoc Committees were set up, the United States would not participate. The Mexican Ambassador (protect), who served six years in Geneva working arms control and disarmament issues, agreed that this initiative was a poor substitute for progress in the CD.

3. (C) Acting pol-econ chief on October 12 discussed the issue with Caroline McDonald, director of MFAT's disarmament division. McDonald noted that New Zealand representatives consulted with other governments on the issue on October 6 in New York and that Washington should be aware of New Zealand's position.

4. (C) McDonald said her government's support of the draft resolution stems primarily from frustration with the CD's lack of progress, in the face of global disarmament and proliferation challenges. She noted that the CD for the last eight years has been unable to agree on a work agenda, preventing key issues from being discussed. She also pointed to frustration over the lack of a major outcome from the Nuclear Nonproliferation Treaty Review Conference and over the UN High-Level Summit Document's failure to mention disarmament.

5. (C) New Zealand is not trying to replace or end the CD, McDonald said. The draft resolution, in fact, says that the Ad Hoc Committees would cease once the CD adopted a work program. The New Zealand government believes the U.S. government shares its objective to get the CD to address key disarmament and proliferation issues. Implying that New Zealand would not support the Ad Hoc Committees if the CD were making progress, McDonald said her government would welcome U.S. ideas for attaining our common objective of getting the CD to "get down to real work."

6. (C) McDonald also emphasized that New Zealand supports the need for the rule of consensus when substantive negotiations take place. However, in the CD, the need for consensus has prevented agreement on a work program, with procedural rules being employed that inhibit progress. Until that logjam is cleared, New Zealand sees the Ad Hoc Committees as a possible way for carrying forward discussions on the key disarmament and proliferation issues.

Burnett

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reference:05WELLINGTON635

☐ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000794

SIPDIS

STATE FOR D (FRITZ), EAP/ANP, EAP/EP, EAP/RSP, INR/EAP  
STATE PLEASE P...  
▼C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000794

SIPDIS

STATE FOR D (FRITZ), EAP/ANP, EAP/EP, EAP/RSP, INR/EAP  
STATE PLEASE PASS TO USTR-LCOEN  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA/LIZ PHU  
PACON FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 10/12/2015  
TAGS: PREL, PGOV, NZ  
SUBJECT: IN DC VISIT, NEW ZEALAND OFFICIAL TO SEEK USG  
VIEWS ON BILATERAL RELATIONSHIP, NUCLEAR ISSUE AND FTA

REF: A. WELLINGTON 635

B. WELLINGTON 452

Classified by Charge d'Affaires David R. Burnett. Reasons:  
1.4 (b) and (d).

1. (C) Summary: New Zealand Deputy Secretary for Asia and Americas John McKinnon will visit Washington from October 17 to 20. He will seek U.S. views on evolving regional security architecture and the potential for improving the U.S.-New Zealand relationship. McKinnon will acknowledge that all issues should be on the table in discussions of the relationship and, while there is no immediate prospect for New Zealand's repeal of its anti-nuclear legislation, he will want to hear why the legislation is still significant to the U.S. government. McKinnon also will seek a frank assessment of New Zealand's chances for free-trade negotiations with the United States. New Zealand remains concerned with its public face if it were to enter dialogue with the United States without knowing if a free-trade deal were a possible outcome. End summary.

2. (C) In a meeting October 12 with the Charge, Simon Murdoch, chief executive of the New Zealand Ministry of Foreign Affairs and Trade (MFAT), said that although the new government had not yet been formed, he knew that Phil Goff would remain as foreign minister. Moreover, Murdoch knew the government-in-waiting wanted to be seen as responding constructively to Ambassador Swindells' suggestion for an enhanced dialogue on the bilateral relationship, which he made both to the Prime Minister and in his July 4 speech (ref B). John McKinnon's visit to Washington is seen by the ministry as part of that constructive response. (Note: The Labour Party is negotiating with minor parties to form a government after winning the most votes in the September 17 elections. End note.)

3. (C) As his visit's main goal, McKinnon -- the ministry's senior official responsible for the U.S.-New Zealand relationship -- will explore whether a durable process can be

set up for discussing the bilateral relationship and what each partner can do to add value to that relationship, Murdoch said. He added that New Zealand wants a constructive relationship. While anti-American rhetoric from some Labour candidates during the election campaign might have suggested otherwise, New Zealand wants to think of itself as a friend to the United States.

4. (C) Murdoch understood that U.S. officials in Washington viewed the New Zealand government as making a serious effort in pursuing possible dialogue and were prepared to receive McKinnon on that basis. "We've gone down this track as realists, but what's significant is that we wish to get things on a different footing," Murdoch said. Whereas State officials had told New Zealand officials that McKinnon should not come to Washington unless he had something to say, Murdoch remarked, "We'll come with what we can say. It's not for us to determine whether we have enough." The Charge noted that Washington officials have a lot on their plates. He underscored the importance of McKinnon either making clear what New Zealand can do for an enhanced relationship or, at a minimum, coming away from the visit with recommendations to the new Cabinet on what it will take to keep Washington's attention.

5. (C) Acknowledging that the United States would want to include New Zealand's anti-nuclear policy in bilateral discussions, Murdoch said all issues would have to be on the table. McKinnon will ask USG officials why New Zealand's anti-nuclear policy remains a matter of importance and concern to the United States. McKinnon hopes to bring back an explanation that will register with his government's leaders, Murdoch said.

6. (C) However, Murdoch noted that repeal of the anti-nuclear legislation would not occur under the incoming government. While such action might have been possible before the September 17 elections, the campaign "sharpened" the issue and made a change unlikely, Murdoch said. He expects that when the government returns to business and he asks Goff which issues he considers to be mandated by his constituencies, the preservation of New Zealand's anti-nuclear policy will be among them. The Charge said he hoped this would not preclude the government from thinking about what it could do, if anything, short of repeal to meet U.S. concerns.

7. (C) Murdoch said that, in any dialogue, New Zealand will want to discuss our countries' common interests, particularly in the Pacific region with the security architecture changing. New Zealand is looking out for its own interests in trying to demonstrate its value as a contributor to the region's security and development, since it would be easy for larger powers to marginalize the small country. The Charge responded that it would be helpful for McKinnon to spell out that motivation -- that New Zealand is acting out of its interests rather than out of ideology -- during his visit. If he also could be specific about concrete measures that New Zealand might take in response to changes in regional security arrangements, the Charge said that, too, would be of interest.

8. (C) McKinnon will draw attention to New Zealand's contributions outside the region, including in Afghanistan. Murdoch said he will make the point that "somehow, our politicians have the sense that it doesn't seem to matter what we do, to (receive) constructive signals that we are valued." The Charge said that U.S. officials feel compelled to thank New Zealand officials for their country's contributions in Afghanistan at every meeting because there was so little else to discuss.

9. (C) Murdoch asked the Charge what other issues should be raised by McKinnon. The Charge suggested that, while it was clear that New Zealanders desire to have some distance from the U.S. government, each government needed to think about how much distance is necessary or useful, and why. Murdoch remarked that New Zealand is a relatively new country still defining itself in relation to the world. He pointed out that New Zealand and the United States collaborate closely in the sharing of intelligence and that they could build on that cooperation. The Charge warned that while such cooperation had grown rapidly, it would likely run up against limits imposed by the nuclear issue sooner or later.

10. (C) Finally, Murdoch said another objective of McKinnon's visit was to ascertain New Zealand's ability to obtain free-trade negotiations with the United States. The New Zealand government wants to know whether it is a serious prospect for a free-trade agreement and would not want McKinnon returning home without its status clarified. "We can take a candid comment on that," Murdoch said.

11. (C) New Zealand continues to believe what it was told by the Deputy Secretary when he was the U.S. Trade Representative: While the United States cannot commit to free-trade negotiations at this time, they have not been ruled out. Murdoch said New Zealand is also mindful of the USTR's recent announcement on four other countries being priorities for free-trade deals and of the closing window before trade promotion authority expires. New Zealand simply wants to know if it will be onboard the next sailing. The Charge responded that it would be worthwhile to seek a clear answer, but cautioned that the USG might not be eager to close the door, even if New Zealand preferred a closed door to the current uncertainty. He also urged New Zealand to consider whether some of its concerns might be better handled through bilateral investment discussions, especially if New Zealand were not in the queue for free-trade talks.

12. (C) Murdoch noted that his government needed to figure out how it would publicly manage the relationship if New Zealand proceeded with dialogue with the United States without the prospect of an FTA. In the meantime, he suggested that McKinnon's discussions be conducted under media and diplomatic radar. His government will describe McKinnon's visit as taking advantage of an opportune time to exchange views before the Pacific Islands Forum and the APEC summit. (Note: The Assistant Secretary and Prime Minister Clark are not scheduled to be at the Forum at the same time and are unlikely to be able to meet. The New Zealand government hopes the Secretary and PM Clark might meet during the APEC meetings. We did not encourage that hope. End

note.)

13. (C) Comment: John McKinnon is a smart, reasoned and pragmatic diplomat. His visit is an opportunity to provide New Zealand with a frank assessment of U.S. views on the bilateral relationship, the possibility of dialogue, New Zealand's nuclear policy and its chances for a free-trade agreement. The New Zealand government at times has had unrealistic expectations of the United States, which have contributed to the strain on our relationship. McKinnon's visit presents a chance to quell those expectations and tell it like it is.

Burnett

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origin:05WELLINGTON813

destination:This record is a partial extract of the original cable. The full text of the original cable is not available.

classification:CONFIDENTIAL

reference:05WELLINGTON806

□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000813

SIPDIS

STATE FOR D (FRITZ), EAP/ANP, EAP/EP, EAP/RSP, INR/EAP  
NSC FOR VICTOR...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000813

SIPDIS

STATE FOR D (FRITZ), EAP/ANP, EAP/EP, EAP/RSP, INR/EAP  
NSC FOR VICTOR CHA AND MICHAEL GREEN  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 10/18/2015

TAGS: PGOV, PREL, NZ

SUBJECT: NEW ZEALAND PRIME MINISTER ANNOUNCES NEW CABINET

REF: WELLINGTON 806

(U) Classified by: Charge d'Affaires David R. Burnett, for reasons 1.4(b) and (d).

Summary

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1. (C) New Zealand Prime Minister Helen Clark on October 19 unveiled a new Cabinet dominated by familiar faces, with veteran members of Parliament named to the top seven positions. None of the Cabinet assignments is particularly controversial. However, the one controversial choice -- the appointment of New Zealand First leader Winston Peters as foreign minister outside of Cabinet, announced October 17 -- continued to stir public debate. The naming of Phil Goff, the former foreign minister, to several externally-focused cabinet positions, including trade and defense, ensures his continued hand in foreign policy and, perhaps, a role in serving as a check to Peters. Meanwhile, Clark also signaled

a heightened concern for national security by also naming Goff to minister of defense, the first high-ranking Cabinet member in years to get that assignment. Annette King, who numbers among Clark's closest confidantes, becomes minister of police and the first-ever associate minister of defense. End summary.

Goff taking one for the team  
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2. (C) If Cabinet were an airplane, then Phil Goff must feel as if he were asked to exchange his first-class seat for one in coach. In relinquishing his prime foreign affairs portfolio to Winston Peters -- in what many assume was a trade for New Zealand First's essential support in forming a Labor-led government (reftel) -- Goff now takes on an array of lower status externally-oriented ministerial assignments: trade, trade negotiations (when the incumbent Minister Jim Sutton retires the portfolio at the end of the year following the Doha Round talks), defense, and disarmament and arms control. He continues as minister of Pacific Island affairs.

Yet still influential  
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3. (C) In explaining Goff's place in the new Cabinet, Prime Minister Clark asserted that Goff's vast experience and credibility in international relations would be invaluable in his new portfolios. Although his mandate no longer includes the formulation of foreign policy per se, he nonetheless will have a significant influence on external policies. Given that trade is essentially the load-bearing column of New Zealand's foreign policy platform, Goff's role in steering trade policy and trade negotiations enables him to continue exerting influence on important foreign policy issues.

4. (SBU) Cabinet is the final arbiter on foreign affairs matters, and Goff remains among the top five cabinet members. While Peters manages the foreign affairs portfolio, he will be absent from Cabinet unless asked. Thus, he may have little influence on its policy debates and decisions. One academic criticized the appointment outside Cabinet as sending a bad signal to the rest of the world on the importance that New Zealand attaches to its foreign affairs. Others questioned the appropriateness of appointing a foreign minister who has been known to oppose immigration, specifically of Asians.

A safeguard to Peters?  
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5. (C) Goff's capture of the other externally-oriented portfolios could indicate that Clark views Goff as a check or safeguard to prevent possible free-lance activity by Peters in his role as foreign minister. Goff has more experience than Peters in the conduct of foreign relations and the formulation of foreign policy. Nevertheless, Peters' position outside Cabinet leaves him unshackled to Labour's policies and agenda. Ultimately, as New Zealand First's leader, he has the ability to bring down the Labour-led government.

A better reception at Defense  
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6. (C) New Zealand defense officials will likely welcome Goff's appointment to the defense portfolio, replacing Mark Burton who becomes justice minister. Burton's time in charge of the portfolio was troubled by controversy over procurement problems and criticism for failing to maintain the country's defense capabilities. Goff enjoys greater credibility on global affairs and has a "safe pair of hands."  
The remaining distribution of portfolios  
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7. (C) The troublesome police portfolio has gone to Annette King, along with that of State Services that includes coordinating responsibility for race relations. Steve Maharey takes the education portfolio. As expected, Deputy Prime Minister Michael Cullen keeps the finance portfolio, but also takes charge of tertiary education. The new health minister is Pete Hodgson, who had been training for the role as an associate. Together with Goff, these top-tier ministers are widely recognized as the most accomplished.

8. (C) Cabinet's third-ranked minister, Jim Anderton -- leader of the Progressive Party, which is in coalition with Labour -- has been handed agriculture, biosecurity and fisheries. Trevor Mallard, formerly education minister, takes over the economic development portfolio, previously held by Anderton. Lianne Dalziel -- returning to Cabinet after a spell on the back benches -- is the new minister of commerce. At number 15, she is the highest-ranked of the new Cabinet ministers. There are five other new faces among Cabinet's 21 members.

9. (U) Other changes include Damien O'Connor, who previously was a minister outside Cabinet and is now the minister of corrections and minister of tourism. David Cunliffe, who was also a minister outside Cabinet, takes the immigration portfolio. Nanaia Mahuta is customs minister, and Clayton Cosgrove is the minister for building issues.

10. (C) The big mover into the Cabinet ranks is David Parker, who is one of the few Labour MPs with a legal background. Parker becomes energy minister, transport minister, attorney general and the minister responsible for climate change.  
Burnett

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source:Embassy Wellington  
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destination:This record is a partial extract of the original cable.  
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reference:05STATE195483  
☐ C O N F I D E N T I A L WELLINGTON 000848

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 10/27/2015  
TAGS: EAID, AEMR, ASEC, MASS, PGOV, ...  
▼ C O N F I D E N T I A L WELLINGTON 000848



SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 10/27/2015

TAGS: EAID, AEMR, ASEC, MASS, PGOV, PREF, PREL, PK, NZ, NATO

SUBJECT: NEW ZEALAND'S RESPONSE TO APPEAL FOR PAKISTAN

EARTHQUAKE ASSISTANCE AND TO MESSAGE ON NATO SUPPORT

REF: A. STATE 195483

B. STATE 194572

Classified by: Charge d'Affaires David R. Burnett. Reasons:

1.4 (b) and (d).

1. (U) Post on October 25 delivered the ref A demarche -- seeking New Zealand's contribution to earthquake relief and rehabilitation in Pakistan -- to the New Zealand Agency for International Development (NZAID). Jane Coster of NZAID reported October 28 that New Zealand had contributed NZ \$1.5 million (US \$1.05 million) for the relief effort, paid through the United Nations Development Program and the Red Cross.

2. (C) Post's defense attache on October 28 delivered the ref B demarche -- encouraging New Zealand's contribution to the NATO relief effort -- to Air Vice-Marshal David Bamfield, vice chief of the New Zealand Defense Force. Bamfield said his government would consider whether it could contribute. Separately, econoff alerted Coster to the NATO effort and the request that New Zealand consider participating in it.  
Burnett

date:2005-11-09T23:08:00

source:Embassy Wellington

origin:05WELLINGTON875

destination:This record is a partial extract of the original cable.

The full text of the original cable is not available.

classification:CONFIDENTIAL

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☐ C O N F I D E N T I A L WELLINGTON 000875

SIPDIS

STATE FOR IO/UNP AND EAP/ANP

E.O. 12958: DECL: 11/09/2015

TAGS: PHUM, PREL, NZ

SUB...

▼ C O N F I D E N T I A L WELLINGTON 000875

SIPDIS

STATE FOR IO/UNP AND EAP/ANP

E.O. 12958: DECL: 11/09/2015

TAGS: PHUM, PREL, NZ

SUBJECT: NEW ZEALAND ON UN THIRD COMMITTEE RESOLUTIONS, US VOTING PRIORITIES

REF: SECSTATE 204646

Classified By: Deputy Chief of Mission David R. Burnett, for Reasons 1.4 (b) and (d).

1. (C) Pol-Econ Counselor discussed reftel points with Val Meyer, Deputy Director of the UN, Human Rights, and Commonwealth Division at the Ministry of Foreign Affairs and Trade. P-E Couns said that she hoped New Zealand would support all the resolutions, especially those involving countries with which New Zealand has bilateral relations: Iran and North Korea. (FYI: New Zealand's general policy is to cosponsor human rights resolutions involving countries with which it has diplomatic or other closer ties, and to vote in favor of resolutions against others if the case presented warrants this. End FYI.)

2. (C) Meyer said that New Zealand would cosponsor the resolutions against North Korea and Burma, having bilateral relations with the former and involvement with the latter through ASEAN and NGOs. She said that New Zealand is still examining the Uzbekistan resolution text. GNZ had not yet seen the draft Turkmenistan resolution but would look at it seriously. GNZ may vote for both the Turkmenistan and Uzbekistan resolutions, but would be unlikely to cosponsor, according to Meyer.

3. (C) Meyer also said that the Government is "taking a close look at Iran." She added that normally New Zealand would cosponsor the election monitoring/democracy and corruption/human rights resolutions, but the NZ UN official charged with Third Committee issues is currently stretched a bit thin. Meyer anticipated that New Zealand would nonetheless vote in favor of both resolutions, and agreed that they are not controversial.

4. (C) Comment: New Zealand has diplomatic relations with Iran, and has recently come under criticism by some Kiwis for not having taken a strong stance against President Ahmadinejad's call for Israel to be "wiped off the map." When NZ was on the IAEA Board of Governors two years ago, Embassy successfully convinced the Government that PM Clark should criticize Iran over its nuclear activities, but we really had to push. End Comment.  
McCormick

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origin:05WELLINGTON876

destination:This record is a partial extract of the original cable.

The full text of the original cable is not available. 092311Z Nov 05

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□ C O N F I D E N T I A L WELLINGTON 000876

SIPDIS

STATE FOR EUR/ERA AND EAP/ANP

E.O. 12958: DECL: 11/09/2015

TAGS: ETRD, ECON, EFIN, ...

▼C O N F I D E N T I A L WELLINGTON 000876

SIPDIS

STATE FOR EUR/ERA AND EAP/ANP

E.O. 12958: DECL: 11/09/2015

TAGS: ETRD, ECON, EFIN, NZ, OECD

SUBJECT: NEW ZEALAND'S POSITION ON OECD SEC GEN SELECTION

REF: SECSTATE 204906

(U) Classified by Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

(C) New Zealand agrees with the United States and believes Jose Angel Gurria to be the best candidate for Secretary General of the OECD. While New Zealand also sees both candidates -- Gurria and Marek Belka -- as qualified, it considers Gurria as more capable. Its preference for Gurria is merit-based and not politically motivated. Post discussed reftel points on November 9 with Koro Dickinson in the Ministry of Foreign Affairs and Trade's Economic Division. McCormick

date:2005-11-10T03:40:00

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origin:05WELLINGTON880

destination:This record is a partial extract of the original cable.

The full text of the original cable is not available.

classification:CONFIDENTIAL

reference:05STATE158827|05STATE173539|05STATE200695|05WELLINGTON718|05WELLINGTON739|05WELLINGTON758

□C O N F I D E N T I A L WELLINGTON 000880

SIPDIS

STATE FOR CA/P/IP, EAP/ANP, DS/IP/EAP AND DS/CR/CIL  
SINGAPORE FOR MATT KING (ICE)

E...

▼C O N F I D E N T I A L WELLINGTON 000880

SIPDIS

STATE FOR CA/P/IP, EAP/ANP, DS/IP/EAP AND DS/CR/CIL  
SINGAPORE FOR MATT KING (ICE)

E.O. 12958: DECL: 11/09/2015

TAGS: PTER, ASEC, CASC, CVIS, PGOV, PREL, PINR, NZ

SUBJECT: NEW ZEALAND WANTS TO MOVE AHEAD ON HSPD-6  
INITIATIVE

REF: A. STATE 200695

B. WELLINGTON 758

C. WELLINGTON 739  
D. STATE 173539  
E. WELLINGTON 718  
F. STATE 158827

(U) Classified by Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (C) Summary: The New Zealand government remains eager to move quickly toward bilateral sharing of terrorist lookout information. To move forward, however, the government needs to know more about how the information it supplies to the United States would be used, details on how such an information-sharing system would work, and specifics on the technical requirements. New Zealand officials expressed hope that U.S. experts could visit Wellington soon to provide detailed information on the Terrorist Screening Data Base and how New Zealand could participate in the sharing of terrorist information. Post believes such a visit would be necessary to make progress toward an HSPD-6 agreement. End summary.

2. (C) As requested in ref A, post officers met November 7 with Mike McBurney, manager of the counter terrorism branch of the New Zealand Security Intelligence Service. McBurney confirmed his government's continued interest in the HSPD-6 terrorist lookout information sharing initiative. "We are happy to move as fast as the U.S. is happy to move," he said.

3. (C) McBurney said, however, that his government seeks additional information on the initiative to determine how it might be able to participate. His questions included: would the information that New Zealand provided ever be made public by the U.S. government; would the United States restrict the use of information it provided to New Zealand; who on each side would have access to the information and how much would be classified; and, would the source of the information be identified.

4. (C) His questions also focused on technical aspects of the Terrorist Screening Data Base (TSDB): Would New Zealand have to install a dedicated computer terminal, or would access be provided via internet? How much encryption would be involved; would it be commercial- or high-grade?

5. (C) In essence, McBurney said his government wants to move ahead on the initiative but, before it could do so, needs more details on what would be required of New Zealand and whether it has the technical capability to participate. He asked whether U.S. experts could visit Wellington to help provide such details and assess New Zealand's capabilities. A visit could be accommodated before Christmas or after the first two weeks of January.

6. (C) Meanwhile, McBurney said he was conferring on the initiative with other relevant New Zealand agencies, including New Zealand Customs, Immigration Service, Police, Government Communications Security Bureau and the Ministry of Foreign Affairs and Trade. All have expressed interest in exploring the initiative.

7. (C) As also requested in ref A, post officers met November

10 with Arron Baker, national manager of border security and compliance operations of the New Zealand Immigration Service. The officers discussed the information-sharing initiative and Baker,s request for possible access to TSA,s no-fly list (ref B). He was informed of the USG,s preference for sharing information under the HSPD-6 rather than through an ad-hoc sharing of the no-fly list. Baker supports his government,s preference for an agreement to obtain data from the entire TSDB.

8. (U) Post believes a visit by U.S. experts would help move this initiative forward and welcomes Department guidance on the next steps it should take.  
McCormick

date:2005-11-14T03:24:00  
source:Embassy Wellington  
origin:05WELLINGTON884  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05STATE194572|05STATE195483|05WELLINGTON848  
☐ C O N F I D E N T I A L WELLINGTON 000884

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 11/13/2015  
TAGS: EAID, AEMR, ASEC, MASS, PGOV, ...  
▼ C O N F I D E N T I A L WELLINGTON 000884

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 11/13/2015  
TAGS: EAID, AEMR, ASEC, MASS, PGOV, PREF, PREL, PK, NZ, NATO  
SUBJECT: NEW ZEALAND'S RESPONSE TO MESSAGE ON NATO SUPPORT

REF: A. WELLINGTON 848  
B. STATE 195483  
C. STATE 194572

(U) Classified by: Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (C) Post's defense attache on October 28 delivered the ref C demarche -- encouraging New Zealand's contribution to the NATO relief effort in Pakistan -- to Air Vice-Marshal David Bamfield, vice chief of the New Zealand Defense Force (ref A). In a letter dated November 2, Air Marshal Bruce Ferguson, chief of the New Zealand Defense Force, responded that New Zealand would be unable to provide a military contribution to the operations in Pakistan due to limited resources. The letter noted that the government was contributing in other ways, having pledged NZ \$1.5 million (US \$1.05 million) to be spent on shelter, medicines and other essential supplies (ref A).

2. (C) The letter also said, "New Zealand shares the concerns of the United States and NATO in the wake of the enormous destruction and suffering caused by this disaster. ... New Zealand recognises the substantial contribution the United States is making to the relief effort. The United States is always among the first to step up to help in these situations and your country's efforts in this relief effort are truly commendable."

McCormick

date:2005-11-16T00:51:00  
source:Embassy Wellington  
origin:05WELLINGTON891  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available. 160051Z Nov 05  
classification:CONFIDENTIAL  
reference:04WELLINGTON686  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000891

SIPDIS

STATE FOR EAP/ANP-DRICCI AND EB/TPP-ESAEGER  
STATE PASS USTR-LCOEN  
CO...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000891

SIPDIS

STATE FOR EAP/ANP-DRICCI AND EB/TPP-ESAEGER  
STATE PASS USTR-LCOEN  
COMMERCE FOR ABENAISSA/4530/ITA/MAC/AP/OSAO

E.O. 12958: DECL: 11/15/2015  
TAGS: EINV, ECIN, ECON, NZ, ETRC  
SUBJECT: UNINTENTIONALLY, NEW ZEALAND LAW IMPEDES SOME INVESTMENTS

REF: A. 04 WELLINGTON 686

B. 03 WELLINGTON 1247

(U) Classified by: Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (SBU) Summary: New Zealand legislation intended to tighten the rules on foreign ownership of land is having the unintended effect of restricting sales of businesses and properties. U.S. sellers of two large investments in New Zealand -- a poultry-farm company and a stake in a forestry business -- recently have had to contend with a new rule requiring that the government be offered a right of first refusal to purchase riverbeds on properties offered for sale to foreign interests. The requirement discriminates against foreign investment by favoring a less complicated sale involving a domestic investor. New Zealand government officials want to change the law but believe the newly formed weak coalition government, coupled with the public's sensitivity over land ownership by foreigners, will not allow them to do so. End summary.

2. (C) A last-minute addition to the Overseas Investment Act 2005 requires that sellers of land to foreigners offer any riverbed or lakes on their property to the government first. The act provides for a process for assigning value to the riverbed or lake, and the Minister of Conservation then recommends whether the government should buy it. The act sets no deadline for the minister's decision. That, coupled with the required land survey and evaluation of the value, leaves a seller facing lengthy delays, according to Annelies McClure (protect), manager of the Overseas Investment Office (OIO). Her agency makes decisions on foreigners' applications for substantial investments in New Zealand.

3. (C) The riverbed provision applies to waterways more than three meters wide. It already has affected two large investments since the act took effect in August. International Paper of Stamford, Conn., in August sold its 50.5 percent stake in a New Zealand forest products company, Carter Holt Harvey (CHH), to a New Zealand firm, Rank Group Investments Limited. The price was NZ \$2.50 per share, or a total of NZ \$1.6 billion (US \$1.1 billion). After meeting with OIO officials, International Paper's lawyers concluded that surveying the rivers on the company's New Zealand properties represented a formidable and time-consuming task. Absent the riverbed provision, McClure believes the company would have sought a foreign buyer and might have secured a higher price.

4. (C) Meanwhile, HJ Heinz Co. of Pittsburgh, Penn., has been trying to sell its New Zealand poultry subsidiary, Tegel Foods, since May 2005. Tegel, which has suffered from lower poultry prices, owns about 300 farms, including at least two with riverbeds. In October, Heinz offered to sell the riverbeds to the government. McClure said that the company now fears a lengthy delay as it awaits the government's decision, but that it may have little choice except to sell to a foreign buyer. There are only two other large poultry producers in the country, and if either one purchased Tegel, it would run afoul of anti-monopoly laws.

5. (C) McClure said government officials fear the riverbed provision will dampen foreign investment if potential investors expect difficulties in the future selling their property. She added that the provision, by making it tougher to sell to foreigners, also might prevent New Zealanders from getting the best price for sales of businesses involving land. The consequences have been contrary to the new law's intent, which was to arrest a slide in foreign investment as well as to keep iconic sites and shoreline out of foreign ownership.

6. (C) The government would like to fix the problem, McClure said. But Minister for Land Information Pete Hodgson, who has responsibility for the OIO, said the government probably would not touch this issue for at least another year, according to McClure. With a Labour-led government relying on support from three minor parties, Hodgson said the government would have to carefully pick its legislative battles. Amending the Overseas Investment Act is unlikely to be among them, especially since foreign ownership of land is

a highly contentious issue in New Zealand.

7. (U) For more than 30 years, the government has screened certain types of foreign investment. The legislation enacted in August 2005 reduced the scope of business deals requiring government review but tightened the screening of land purchases by foreigners (ref A). The OIO must give consent to foreign investments that would control 25 percent or more of businesses or property worth more than NZ \$100 million. Restrictions and approval requirements also apply to land, whose sale must meet a national interest test. Under the new rules, foreign purchasers of land may be required to provide management proposals and to report regularly on their compliance with the terms of the consent.

8. (C) The new law was a response to public concern about foreigners buying so-called iconic sites and coastal properties. The draft legislation initially required that sellers offer any coastal land (or "foreshore") to the government first. Lakes and riverbeds were added to that provision after controversy arose over advertisements for an American-owned fishing and hunting ranch that billed its rivers as "private," McClure said.

9. (C) Comment: Neither Heinz nor International Paper has approached the Embassy on this issue. The Embassy will continue to monitor the law's effect on foreign investment and, particularly, on U.S. investors.  
McCormick

date:2005-11-21T03:16:00  
source:Embassy Wellington  
origin:05WELLINGTON900  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:05STATE204250  
□S E C R E T WELLINGTON 000900

SIPDIS

STATE FOR NP, ISN, EUR, EAP/ANP  
TREASURY FOR OFAC  
NSC FOR STEPHENS

E.O. 12958: DECL: UPON KORE...  
▼S E C R E T WELLINGTON 000900

SIPDIS

STATE FOR NP, ISN, EUR, EAP/ANP  
TREASURY FOR OFAC  
NSC FOR STEPHENS

E.O. 12958: DECL: UPON KOREAN REUNIFICATION  
TAGS: KNNP, MNUC, PARM, PREL, EWWT, PHSA, KN, NZ  
SUBJECT: NEW ZEALAND RESPONSE ON DPRK FLAG OF CONVENIENCE  
ISSUE



REF: STATE 204250

(U) Classified by Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (S/REL NZ) Summary: The New Zealand government does not consider Maritime Mutual Insurance Association NZ (MMIA) to be an insurance company. Although MMIA is incorporated in New Zealand, the government says that it has advised the Japanese government that the company does not meet New Zealand's legal requirements for issuing insurance. The New Zealand government recognizes that it needs to change its law, which as now written does not allow it to halt MMIA's activities or withdraw its incorporation. The government says it will be unable to do so until 2007. End summary.

2. (U) Econoff delivered reftel points November 10 to Gavin Quigan of the Ministry of Economic Development's Insurance and Superannuation Unit and Bruce McCallum of the Ministry of Foreign Affairs and Trade's North America Division.

3. (S/REL NZ) Quigan stated that MMIA is not a bona fide insurance company under New Zealand law. The Insurance Companies (Deposit) Act 1953 requires insurers to post a deposit with the Public Trustee before they can undertake insurance business in New Zealand. The amount of the deposit depends on the type of insurance being offered, but generally is NZ \$500,000. MMIA has made no such deposit.

4. (S/REL NZ) Quigan said that the Japanese government, through its embassy in Wellington, has been advised that the New Zealand government does not recognize MMIA as a legitimate insurance provider. Quigan suggested that information might be sufficient for the Japanese to deny entry to North Korean-flagged ships relying on insurance provided by MMIA. He compared MMIA to three New Zealand-incorporated companies that are being prosecuted in the United States for selling insurance fraudulently. The New Zealand government has provided prosecutors with documents showing that the companies had not fulfilled New Zealand's legal requirements for transacting insurance.

5. (S/REL NZ) Quigan said the New Zealand government had virtually no ability to prevent MMIA from selling insurance overseas, even if fraudulently. It also could not shut down the company. Under the Companies Act 1993, companies face almost no restrictions to incorporate in New Zealand, beyond the payment of a NZ \$100 fee. The registrar of companies can remove a company from the registry only if it fails to file an annual return. That return is easy to fill out, requiring a listing of the company's addresses and directors, and can be submitted via e-mail. MMIA filed its last annual return on August 2, 2005. (The return can be accessed via the New Zealand Companies Office website, [www.companies.govt.nz/pls/web/dbssiten.main](http://www.companies.govt.nz/pls/web/dbssiten.main); search the register for company number 1521418.)

6. (S/REL NZ) Quigan said the government does not want the name of New Zealand misused in this way and will have MMIA in mind when drafting revisions to the Insurance Companies Act 1953. However, with consultations on the revision not

expected to begin until 2006, it is unlikely that an amendment would be enacted before 2007, Quigan said.

7. (S) Quigan said he had no information on the Korean Foreign Insurance Company. Meanwhile, the New Zealand Security Intelligence Service (NZSIS) has investigated MMIA. Post will report septel if NZSIS uncovered additional information about the company. MMIA's website is at [www.maritime-mutual.com](http://www.maritime-mutual.com).  
McCormick

date:2005-11-22T21:25:00  
source:Embassy Wellington  
origin:05WELLINGTON902  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000902

SIPDIS

STATE FOR D (FRITZ), EAP/FO (STEPHENS) AND EAP/ANP  
NSC FOR VICTOR CHA...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000902

SIPDIS

STATE FOR D (FRITZ), EAP/FO (STEPHENS) AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISA ELIZABETH PHU  
PACOM FOR J2/J233/J5/SJFHQ  
AIT FOR DAVID KEEGAN

E.O. 12958: DECL: 11/21/2015  
TAGS: PGOV, PREL, NZ  
SUBJECT: WHAT HONEYMOON? PM CLARK'S NEW COALITION SHOWS SOME STRAINS

Classified By: DCM DAVID BURNETT,  
FOR REASONS 1.4 (B) AND (D)

1. (C) SUMMARY: Less than two months into her new Government, the local press has quoted PM Clark's coalition officials as contradicting each other over foreign policy, notably whether or not New Zealand needs to repair its relations with the United States. (Foreign Minister Peters says yes, Clark and Defense Minister Goff say no.) Conflicting media signals are unusual from those under Clark's command, and reflect the unprecedented arrangement that has put opposition politician Peters nominally in charge of foreign policy. The reports come on top of a bad week for the PM that has seen her Finance Minister slammed for resisting the tax cuts recommended by the bureaucrats who work for him. But Clark is a master at management and is unlikely to lose control of her party or government any time soon. Meanwhile, the Embassy is taking seriously Peters' attempts to reach out to us, and will be looking for ways to leverage his efforts. END SUMMARY.

2. (C) Hints of trouble with Clark's new coalition began with New Zealand media reports that during his first trip to Australia as foreign minister, Peters had asked Australian Foreign Minister Downer for help in improving the US-New Zealand relationship. Peters denied asking for Downer's help, and claimed he had been misquoted by the Australian journalist who reported the story. Peters did, however, tell NZ reporters that that New Zealand should look to improve its relationship with traditional allies, including the United States. He highlighted as an opening former Ambassador Swindells' July 4 speech calling for a comprehensive discussion about the relationship. Clark promptly told the press that there is nothing in the US-NZ relationship that needs fixing.

3. (C) The story resurfaced again on the margins of the APEC meetings in Busan last week, when Defense Minister Goff reportedly told the press that Downer had asked him to explain who was speaking for New Zealand foreign policy. Peters, meanwhile, told the press he had explained his role fully to Downer. He also claimed to have asked Downer to help New Zealand in its relationship with the United States, and Downer was quoted in the media as having agreed. ("I'll definitely be putting in a good word for New Zealand during the course of this week with the Americans.") But this putative accomplishment was sidelined by Downer telling reporters that although he and Goff are good friends, he was "a bit surprised" to hear that Goff had told the NZ press about his inquiries. This admission also effectively drowned out Peters' later claims that he had had a good conversation with Secretary Rice.

4. (C) The NZ press, which has a testy relationship with Peters, promptly seized on Downer's questions to Goff as proof that the governing arrangement that leaves Peters out of Cabinet and free to criticize Labour on issues outside his portfolio is unworkable. For his part, Peters, who loathes the NZ press, has stormed out of press conferences and called the NZ Herald "treasonous" for having questioned his authority on foreign policy during the Busan meetings. (FYI: Peters also told Pol-Econ Couns earlier that the NZ press are all Marxists and will never report honestly on anything he does.)

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COMMENT  
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5. (C) It may be that tensions between Peters, Goff, and Clark are being overstated by the NZ media. For his part, after returning to New Zealand Goff disputed press coverage of his remarks, chalking the misreporting up to "bored journalists trying to justify their airfares." He denied any tension between himself and Peters, and said the media was "hounding" Peters, whom he classified as capable of handling the foreign affairs portfolio. Goff also claimed that he had told FM Downer that the Government's arrangement with Peters was akin to having his mother-in-law living nearby in her own apartment, in that he got along with her but it was important for everyone to have his or her own space.

6. (C) We believe, however, that there is genuine tension

between Peters and the rest of the Government. The coalition arrangement that leaves Peters free to criticize Labour on issues outside his portfolio is a recipe for problems, since areas such as defense, trade, and immigration are closely entwined with overall foreign policy. The grayer the areas of distinction, the greater the chance of conflict between Peters and his Cabinet colleagues -- especially Goff and PM Clark -- in the weeks and months ahead. Add to this structural tension Peters himself: as we have previously reported, he is mercurial and often difficult to get along with. National leader Don Brash recently told Pol-Econ Couns that he was not altogether sorry not to have been able to form a coalition government, because "Winston Peters really is a nutter." It will be entirely in Peters' character to push the Government on issues he cares about, and in a very public way. For his part, Goff may be positioning himself as the next Labour Party leader by attacking Peters, as the party caucus is reportedly livid that Clark made Peters Foreign Minister.

7. (C) PM Clark has been on travel, but has already begun to try to recast Peters' remarks, calling him a "moderate." She also claims that Peters is saying less on defense and trade issues than he had before joining the Government. Clark is a skilled manager, and it is unlikely that she will lose control of her Government or party any time soon over Peters' defections from the Labour line. Nevertheless, Peters' unpredictability will put even the Prime Minister's considerable spinning skills to the test. These first dust-ups are also coming at a difficult time for the PM: a Treasury report recently called on the Government to implement broad tax cuts, a policy Labour specifically rejected during the elections. The sudden death of Green Party co-leader Rod Donald has also cost Clark a pragmatic ally with both the Greens and the more leftist elements in her own party. Nor will she ever be able to sweep her Peters problem completely under the rug: National is keen to drive a wedge between Peters and the rest of the Government, and will use any chance to fan the flames. National MP (and former WTO Ambassador) Tim Groser told DCM that he, National Foreign Affairs spokesperson Murray McCully, and former diplomat John Hayes are caucusing regularly to discuss how to embarrass Peters, and through him, the Government.

8. (C) We believe that Peters is genuinely interested in improving bilateral relations with the United States, and during his introductory meeting with Ambassador McCormick last week he made clear this was a priority. (FYI: Peters purposely made sure that Ambassador McCormick was the first Ambassador he met with as Foreign Minister.) The Embassy will seek ways to leverage this interest, keeping in mind that the real reins of power on foreign policy will remain firmly vested with PM Clark and, to some extent, Minister Goff.

McCormick

date:2005-11-25T03:19:00

source:Embassy Wellington

origin:05WELLINGTON907

destination:This record is a partial extract of the original cable.

The full text of the original cable is not available.

classification:CONFIDENTIAL

reference:05WELLINGTON692

□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000907

SIPDIS

STATE FOR D (FRITZ), EAP/FO (STEPHENS)

AND EAP/ANP

NSC FOR VICTOR CH..

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000907

SIPDIS

STATE FOR D (FRITZ), EAP/FO (STEPHENS)

AND EAP/ANP

NSC FOR VICTOR CHA

SECDEF FOR OSD/ISA ELIZABETH PHU

PACOM FOR J2/J233/J5/SJFHQ

AIT FOR DAVID KEEGAN

E.O. 12958: DECL: 11/25/2015

TAGS: PGOV, PREL, NZ

SUBJECT: CO-LEADER'S DEATH LIKELY TO STEER NZ'S GREEN PARTY

FURTHER LEFT

REF: WELLINGTON 692

Classified By: DCM David R. Burnett,  
for reasons 1.4 (b) and (d)

Summary

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1. (C) New Zealand's Green Party is likely to move further left following the unexpected death of its relatively pragmatic co-leader Rod Donald. The Greens, who garnered about 5% of the party vote in September's general election, are in a confidence and supply agreement with the Labour coalition Government. Because the party's votes are not needed for Labour to form a Parliamentary majority, they have little real influence on Government policy. But if the current coalition collapses, for example because of a defection by Foreign Minister (and NZ First leader) Winston Peters, Labour might have to make concessions to the more radicalized Greens to form a new Government. This would hurt Labour's standing among more mainstream New Zealanders. End Summary.

2. (C) The death of Green Party co-leader Rod Donald is proving to be a decisive moment for the political future of the Green movement in New Zealand. Donald was a pragmatist who had a unique appeal across parties and to the wider electorate. He was the only Green who could communicate with business, and although companies often disagreed with him he did not frighten or anger them the way his fellow party members usually do. As reported reftel, Donald was also the only Green MP to reach out to the Embassy. As was made obvious following his shocking, sudden death from a rare myocardial virus on Nov. 19, even non-Green Kiwis favorably regarded Donald as

someone who lived by his principles. His consistently upbeat manner made a mark in this somewhat depressive society, particularly in contrast to his more dour co-leader, Jeanette Fitzsimons.

3. (C) The post-Donald Green Party is certainly not doomed, but it will almost definitely change its character. Despite the belief that personalities do not matter and that the Green vision and mission is bigger than any one advocate, the party under the next co-leader is likely to be more of a zealot than a pragmatist. Donald left the Green Party without an obvious successor. There are, however, three identifiable candidates for the co-leadership, who must be male under the Party's constitution. All are more radical and less pragmatic than Donald. Two, Keith Locke and Nandor Tanczos, are MPs. The third, Russell Norman, is the party's national campaign manager.

4. (C) Neither Locke nor Tanczos have the same sort of broader leadership appeal of Donald, appealing instead to the fervent core of loyal Green supporters. Locke lacks Donald's ebullience. A returning member of the Parliamentary Foreign Affairs Select Committee, Locke is a passionate leftist crusader with an incontrovertible and unwavering mistrust of United States foreign policy. He has, for example, been a loud and constant critic of the NZ Government's decision to send SAS troops to Afghanistan, claiming that NZ should not be supporting what Locke claims are US "war crimes" there. Tanczos, a half-Hungarian Rastafarian, was squeezed out of Parliament by the Greens' reduced party votes in the last election. He reentered Parliament to replace Donald. An amiable man, Tanczos is best known in New Zealand for his relentless campaign to legalize marijuana, which -- together with his dreadlocks -- has definitely detracted from his gravitas. (The marijuana stigma has also moved from Tanczos himself to taint the party as a whole, leading some Green Party officials to express frustration that the party is now automatically associated with the drug.) Tanczos' first public act since returning to Parliament has been to decry the decision of a South Island dairy to stop selling its milk in glass bottles.

5. (C) Russell Norman, the national campaign manager who does not sit in Parliament, is most frequently mentioned as the possible replacement for Donald. An Australian with a PhD in politics, Norman has Donald's enthusiasm but little of his pragmatism. He does, however, have organizational skills, a decided asset in a party traditionally weak in them. He also has broad Green experience in both New Zealand and Australia. Although selecting a co-leader from outside parliament would be unusual, it would not necessarily lack credibility with Greens themselves, who have always emphasized grassroots accountability.

The Greens: Little effect on policy under present circumstances

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6. (C) Despite Donald's best efforts, the Greens were unable to get their hands on the levers of power after the election. Under Donald, the Greens played a much more supportive role for Labour in 2005 and were explicitly clear in their willingness to form a coalition and have a place in Cabinet. Much to the distress of Donald personally, this did not happen. If anything, the Green influence on policy has weakened under this Government. Even if the post-Donald Green Party moves left, it will not have much, if any, effect on the political direction of the Government. There is little trust between the hard left of the Greens and the hard left of the Labour Party. Although there may be some synergy in areas of industrial relations and labor issues between the two, Labour's left remains skeptical of and nervous towards their Green counterparts, seeing them more as rivals than as colleagues.

But...  
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7. (C) If, however, NZ First leader Winston Peters defects (or is booted) from Labour's governing coalition and the arrangement collapses, PM Clark will only be able to form a new Government if she can demonstrate continued Green support, as she will have lost the seven NZ First MPs she has used to form a majority. (Indeed, a Labour Party official has told us that the Greens are Labour's "insurance policy" in case Peters breaks out of the coalition.) The now more-radicalized Greens would in this case be in a much stronger position to demand policy concessions, a seat in Cabinet, or both. This in turn could seriously undermine Labour's standing in the polls among more "mainstream" New Zealanders, a prospect that the opposition National Party would certainly exploit.

8. (C) Perhaps because there is no clear successor for Donald, the Greens are in no hurry to elect one, and recently announced they will not do so until the party's Annual General Meeting next June. The decision on who will replace Donald will be determined after the party decides the direction of its post-Donald policies. But their decision is very likely to be a bigger move to the hard left, as the biggest and most effective voice of pragmatism is no longer on the scene.  
McCormick

date:2005-11-25T03:34:00  
source:Embassy Wellington  
origin:05WELLINGTON908  
destination:This record is a partial extract of the original cable. The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05SECSTATE206992|05WELLINGTON704  
□ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000908

SIPDIS

STATE FOR OES/DR. DANIEL SINGER AND  
REBECCA S. DALEY, INR FOR LESTER ...  
▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000908

SIPDIS

STATE FOR OES/DR. DANIEL SINGER AND  
REBECCA S. DALEY, INR FOR LESTER AND BRUNETTE-CHEN,  
STATE FOR D (FRITZ), EAP/FO (STEPHENS),  
AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISA ELIZABETH PHU  
NSC FOR VICTOR CHA  
PACOM FOR J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/25/2015  
TAGS: TBIO, SENV, ECON, EAGR, EAID, PREL, NZ  
SUBJECT: NEW ZEALAND'S AVIAN AND PANDEMIC INFLUENZA  
PLANNING UPDATE

REF: A. SECSTATE 206992  
B. WELLINGTON 704

Classified By: Political-Economic Counselor Katherine Hadda,  
for reasons 1.4 (b) and (d)

1. (C) Summary: Since launching a government-wide effort in June, the GNZ has vigorously planned for the possibility of avian and pandemic influenza entering New Zealand. Under the coordination of the Ministry of Health (MOH), the Inter-sectoral Pandemic Group (IPG) of thirteen ministries and departments in November released publicly a comprehensive Influenza Pandemic Action Plan. In developing its national plan, the GNZ has consulted closely with Australia and WHO officials, and has sought to shore up its inability to produce human vaccines by securing an agreement with an Australia-based manufacture to provide priority access to a vaccine once it is developed.

2. (C) Beyond the vaccine weakness, New Zealand is well-positioned to execute its national strategy having mature animal and human surveillance programs, well-implemented vaccination administration programs, and having reviewed its legal authorities to implement quarantine and other social distancing measures. In October 2005, Prime Minister Helen Clark appointed veteran minister and scientist Pete Hodgson as Minister of Health, further signifying the high importance of pandemic influenza and other health issues to the GNZ. Embassy will provide a further update to this message following consultations with GNZ expert Marlene Castle next week. Castle was unavailable prior to the Ref A requested response deadline.  
End Summary.

Preparedness/Communication  
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2. (C) NATIONAL PLAN: The government of New Zealand in June initiated development of a comprehensive national plan to respond to avian and pandemic influenza, and released the plan publicly in early November. New Zealand is well-positioned to implement its national strategy. New Zealand's area of greatest weakness is that it does not have local capacity to manufacture human vaccines. The principal national planning document is available through the Ministry of Health at <http://www.moh.govt.nz/nhep>. The plan is expected to undergo continuing revision as a "living document," and is currently on its 14th version. Further planning documentation regarding animals is available through Biosecurity New Zealand at <http://www.biosecurity.govt.nz>.

3. (C) RELIABLE REPORTING: There is no reason to doubt the government's truthfulness in reporting the scope of any disease outbreak among people or animals. New Zealand has a mature public health surveillance system, including two programs specifically dedicated to monitoring influenza: (1) a general practice (GP) sentinel disease and virological surveillance system operates annually during the winter months recording the daily number of consultations that fit the case definition of an influenza-like illness and (2) an ongoing virological surveillance is carried out by designated virology diagnostic laboratories, and by the ESR virology laboratory. Data collected from these laboratories is reported nationally in the Virology Weekly Report.

4. (U) Biosecurity New Zealand, within the Ministry of Agriculture and Forestry's (MAF), manages the Animal Disease Surveillance program, including regular reporting of surveillance results and auditing of services purchased from contractors. In the last two years, almost 2,000 samples were collected from migratory waterfowl in the vicinity of arrival locations. No bird flu or highly pathogenic avian influenza viruses were isolated from any of these samples, or from the less intensive sampling that was conducted in previous years. Fifteen avian influenza viruses have been isolated and characterized in New Zealand over the past 15 years. All were non-pathogenic.

5. (C) Presently, public health surveillance reports for reportable diseases in humans are published on a weekly cycle. Reports for disease in animals are reported on a quarterly cycle. Greater frequency of reporting of disease among animals would contribute to greater transparency by providing more timely and thus more relevant information. New Zealand's national plan provides for increased animal surveillance once the pandemic enters WHO Interpandemic Period Phase 2.

6. (C) PRIORITY TO GOVERNMENT: Preparing for an avian flu pandemic ranks highly among government priorities. Staff from the External Assessments Bureau (EAB) located within the Department of the Prime Minister and Cabinet, have been assigned to avian influenza threat

planning. The Director, David Kersey, has been seconded to the Officials Committee for Domestic and External Security (ODESC) for this purpose, and currently spends only 10% of his time at EAB. The Ministry of Health (MoH), the agency leading intergovernmental coordination and planning through the Intersectoral Pandemic Group (IPG), has taken a "maximum credible event" approach to planning for avian influenza pandemic. Under this approach MoH models assume a pandemic wave in which 40% of the NZ population will become ill over an eight-week period with a 2% fatality rate (33,000 deaths in the eight-week period).

7. (C) It is difficult to conceive of the government placing higher priority on the issue. In October, Prime Minister Helen Clark appointed Pete Hodgson as Minister of Health. As the only scientist among the Labour-government's members, Hodgson is well-regarded for his management capability and subject-matter expertise. During the last term of government, Hodgson had ministerial responsibility for energy, fisheries, research & technology, and the Crown Research Institutes, and was the government's resident expert on climate change.

8. (C) KEY CONTACT: The Embassy's principal liaison with the government of New Zealand on avian flu issues is Marlene Castle, External Assessments Bureau (EAB). EAB is located in the Prime Minister's office and is responsible for monitoring and analyzing world events for the PM and Cabinet officials. Castle is a chemical and biological weapons expert and has been following the avian flu epidemic for the last two years. She is also heavily involved in GNZ's contingency planning should a pandemic strike here, and regularly briefs the Prime Minister on the disease's trajectory.

9. (U) REVIEW OF LAWS: As part of the Influenza Pandemic Action Plan, the GNZ is assessing the legal authorities applicable to its planned actions in response to each of the WHO-designated pandemic phases. Much of the specific legal authority it cited within the plan, and will be updated during subsequent plan versions.

10. (C) MULTILATERAL COOPERATION: New Zealand is working closely with the World Health Organization and the government of Australia. Castle indicates that GNZ officials have nearly "constant touch" with WHO and Australian officials. The government has recognized that New Zealand does not have the capacity to manufacture human vaccines, and has thus secured an agreement with an Australia-based manufacturer to get priority access to vaccines in the event of a future influenza pandemic. During an actual pandemic, particularly if the agreed supplier is incapable of supplying a vaccine, the government may seek assistance from Australia, the US or other countries for vaccine assistance.

11. (U) ANNUAL FLU VACCINES: New Zealand has a mature program for administering annual influenza vaccines, but does not have the local capacity to manufacture human vaccines. Instead annual influenza vaccines are purchased

from vendors in Australia, who formulate the vaccine with input from the governments of Australia, New Zealand, and South Africa and the World Health Organization. The vaccines are formulated for the Southern hemisphere winter and the flu season from April to September.

12. (C) PUBLIC INFORMATION: The planning group has begun to implement a public education campaign, including significant information now available on the Ministry of Health website cited paragraph 1 of this cable. Other ministries and departments have begun publishing information on websites including Biosecurity New Zealand and the Ministry for Economic Development. Other steps are being considered, including pamphlets. Information on whom to contact in case of a pandemic are now included in a prominent place in New Zealand phone directories. The aim of GNZ's outreach efforts is to educate without inducing panic. Local media has provided frequent coverage of avian influenza both globally and locally, and even in rural areas the public is well-informed although probably poorly prepared with provisional supplies and coping strategies.

Surveillance/Detection  
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13. (C) CAPABILITY TO DETECT AND SUBTYPE: New Zealand surveillance systems can effectively isolate and detect new strains of influenza both among people and animals, and New Zealand should be able to properly diagnose cases in short order. There is a relatively low level of endemic disease among animal species. Influenza viruses can be subtyped in country, principally by the government owned entity Institute for Environmental Science and Research Limited, as demonstrated during the 2004 flu season. During 2004, an influenza A substrain was first isolated in New Zealand; the virus was later determined to have originated in Southern China. The strain will be formulated into the 2005 seasonal flu vaccine.

14. (C) CRITICAL GAPS: New Zealand's greatest weakness appears to be its local inability to manufacture human vaccines.

Response/Containment  
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15. (C) STOCKPILES: The Government of New Zealand has acquired 855,000 doses of the antiviral oseltamivir (Tamiflu), sufficient to treat 21% of the population. MOH has further recognized the need for District Health Boards (DHBs) to consider the need to build their own supplies of anti-viral drugs, over above the levels held in the national stockpile.

16. (U) CULLING AND OTHER ANIMAL MEASURES: MAF has authority under the Biosecurity Act of 1993 to respond to organism incursions through control or eradication. Biosecurity New Zealand, a component of MAF, has included eradication/culling within it planning framework.

17. (SBU) QUARANTINE AND SOCIAL DISTANCING: Given the short-run lack of a vaccine and limited antiviral supplies, quarantine and social distancing measures are the principal means considered by the government for a future pandemic virus that enters New Zealand. These measures include: recommending that sick people stay home; advising the public against unnecessary travel; utilizing the powers of medical officers of health to cancel public events; closing child care facilities, schools and tertiary education institutions; removal and detention for individuals suspected of infection with avian influenza; compulsory treatment; authority to use other areas as a hospital or place of isolation; and use of police and defense forces to isolate infected areas and prevent travel to uninfected islands.

McCormick

date:2005-12-08T03:18:00  
source:Embassy Wellington  
origin:05WELLINGTON943  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:CONFIDENTIAL  
reference:05STATE218119  
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SIPDIS

STATE PLEASE PASS USTR - VESPINEL AND KHAUDA  
STATE FOR EB/TPP/IPE-SWILSON AND EAP/ANP-...  
▼ C O N F I D E N T I A L WELLINGTON 000943

SIPDIS

STATE PLEASE PASS USTR - VESPINEL AND KHAUDA  
STATE FOR EB/TPP/IPE-SWILSON AND EAP/ANP-DRICCI

E.O. 12958: DECL: 12/07/2015  
TAGS: ETRD, ECON, KIPR, NZ, WTO  
SUBJECT: NEW ZEALAND'S POSITION ON TRIPS-CBD ISSUE

REF: STATE 218119

1. (U) New Zealand will support the U.S. government's position in Hong Kong to block any attempt to include a negotiating mandate on the relationship between the TRIPS Agreement and the Convention on Biological Diversity (CBD) in the ministerial declaration.

2. (U) Post delivered reftel talking points December 6 to Reuben Levermore in the Trade Negotiations Division of the Ministry of Foreign Affairs and Trade. Levermore reported December 8 that the points mirrored New Zealand's position. The New Zealand government sees ongoing discussions as necessary for identifying and addressing issues related to the TRIPS-CBD relationship. It does not view negotiations as appropriate.

3. (C) The New Zealand government also is wary of the possibility that the EC may attempt to link this issue with an effort to extend protection of geographical indications, which fall in the same consultations as the TRIPS-CBD issue.  
McCormick

date:2006-01-16T23:41:00  
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reference:  
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E.O. 12958: DNG: CO 01/16/2013  
TAGS: PINR, PREL, NZ  
SUBJECT: LANGE'S LAST LAUGH

Classified By: Charge d'Affaires David R. Burnett; reasons 1.4 (B and D).

1. (C) Former NZ Prime Minister David Lange's private papers included a copy of the highly classified 1985-86 Government Communications Security Bureau annual report detailing its activities, including cooperation with the U.S. National Security Agency. According to an article in the January 15 Sunday Star-Times newspaper, the paper had been given permission by Archives NZ - and by the Labour Cabinet - to view the documents following Lange's death in August 2005. It is not clear if the Cabinet was aware that the papers included a GCSB document, but Cabinet Chief Executive Maarten Wevers told Charge January 16 that his staff should have

known the document was there and removed it from the archivable materials. Wevers said he was under instructions from duty Minister Jim Anderton to review Cabinet and GCSB procedures to determine how the lapse occurred and to make sure it never happened again.

2. (S) The Sunday Star-Times also excerpted memos to Lange from then Minister of Trade & Industry David Caygill and Lange's Chief of Staff John Henderson outlining conversations with the U.S. Ambassador at the time, covering his concerns that the anti-nuclear legislation had eroded trust in New Zealand, thereby threatening intelligence cooperation. The newspaper stressed the Ambassador's concern that if New Zealand were expelled from the "five-eyes" arrangement, the door would be opened for the United States to conduct intelligence gathering operations against the Kiwis. The Star-Times labelled the then Ambassador's language "a clear threat" and "bully tactics," even though the language used made clear that the Ambassador was raising a potential concern and did not know whether the aftermath of the anti-nuclear flap would result in expulsion of New Zealand from the SIGINT community.

3. (C) Comment: The Star-Times article is an embarrassment to the Government and to the Prime Minister personally, since she is the Minister charged with intelligence oversight. It raises questions about the Government's competence and its "non-aligned" credentials. The PM values the intelligence relationship very highly. It has ensured that New Zealand still has some access and influence in Washington while allowing Clark to maintain the Labour Party's public ambivalence about the U.S. at home. Maarten Wevers told Charge that Clark has instructed he and Minister Anderton to kill the story as quickly as possible, so that she does not have to face questions about the U.S.-NZ intelligence relationship during CDR PACOM Fallon's visit to New Zealand later this week. End Comment.

4. (C) Embassy will not address the intelligence relationship even on background. However, we do intend to background select journalists on our view of the former Ambassador's comments about the importance of trust, stressing the difference between an honest diplomatic exchange on matters of mutual concern and "bullying." A fairly accurate and sympathetic two-part docudrama on the ANZUS crisis has just aired over the past two weekends, and has created an appetite for discussion of the U.S.-New Zealand relationship (and the late David Lange's lack of veracity) which we would like to exploit while we can.

5. (U) Full text of the Sunday Star-Times article can be found at: <http://www.stuff.co.nz/stuff/sundaystartimes/>

Burnett

date:2006-01-26T01:51:00  
source:Embassy Wellington  
origin:06WELLINGTON67  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.

classification:CONFIDENTIAL  
reference:06SECSTATE4745|06SECSTATE4746  
□C O N F I D E N T I A L WELLINGTON 000067

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STATE FOR IO/UNP, EAP/ANP-DRICCI

E.O. 12958: DECL: 01/25/2016  
TAGS: PREL, ADKO, PHU...  
▼C O N F I D E N T I A L WELLINGTON 000067

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STATE FOR IO/UNP, EAP/ANP-DRICCI

E.O. 12958: DECL: 01/25/2016  
TAGS: PREL, ADKO, PHUM, KUNR, NZ, UNGA  
SUBJECT: NEW ZEALAND SUPPORTS MOST U.S. GOALS FOR UN REFORM

REF: A. (A) SECSTATE 4746  
B. (B) SECSTATE 4745

(U) Classified by: Charge d'Affaires David R. Burnett.  
Reasons: 1.4 (b) and (d).

1. (SBU) New Zealand concurs with most U.S. objectives for UN reform. Charge delivered refs A and B on January 25 to Caroline Forsyth, deputy secretary of the New Zealand Ministry of Foreign Affairs and Trade. Forsyth said that reforming UN management was a key priority for New Zealand, that all UN mandates should be reviewed, and that the new Human Rights Council should have the ability to consider country-specific resolutions. But New Zealand does not want to specify that a two-thirds vote be required to pass such resolutions, and it does not support automatic P-5 membership on the council.

Management reform  
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2. (C) Forsyth said giving the Secretariat the authority to shift staff positions and to redeploy resources to meet the UN's goals is in line with how New Zealand manages its public services. New Zealand was pleased to contribute to the compromise that set both a spending cap and a deadline for implementing the management reforms. Forsyth saw the extended deadline as providing time to encourage the Secretariat to sort out personnel and budget regulations and

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achieve compromises on reforms. But she predicted that the G-77 would hamper progress on the reforms.

3. (SBU) All UN General Assembly mandates should be reviewed, Forsyth said. While the issue needed to be handled sensitively, she added, the "deadwood" needed to be cleared away. Forsyth pointed out that some member states portray management reform and mandate review as attacks on the UN. She also noted the U.S. need for these reforms to be implemented to ensure Congressional support for the organization.

Human Rights Council

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4. (SBU) Forsyth cited progress on forming a Human Rights Council, but expected its creation would entail difficult tradeoffs. New Zealand prefers a smaller council. Forsyth said her government did not support the automatic inclusion of the Security Council's permanent members on the Human Rights Council, which, if the council were smaller, would "crowd out the rest of us." The Charge said that a smaller group would improve efficiency. He added that, while the United States is not seeking guarantees that it or other P-5 members be elected to the council, it wants members to have strong human-rights records. Forsyth said consensus had not yet formed, even among like-minded countries, on whether a two-thirds "supermajority" should be required to elect council members, and she warned that such a requirement could be a "two-edged sword" by not letting some members in.

5. (SBU) Forsyth said New Zealand wants the council to be able to address country-specific situations. But it opposes requiring a two-thirds majority for the passage of country-specific resolutions and instead would leave the issue to the council to resolve. The Charge expressed concern that if the council set its own rules for voting, the bar might be placed so high that no country could be taken to task for human rights abuses.

Other issues

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6. (C) New Zealand was disappointed that the Outcome Document did not include nonproliferation and disarmament goals, but it remained committed to building on the World Summit and improving the UN's operations, Forsyth said. Like the United States, New Zealand was pleased with the effort to establish a Peacebuilding Commission. While continuing to oppose the veto in the Security Council, New Zealand supports Japan's membership in an expanded council. But Forsyth did not expect council reform to occur anytime soon, and she predicted that the process of selecting a new Secretary-General would "not encourage boldness."

Burnett

date:2006-02-01T20:25:00  
source:Embassy Wellington  
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PACOM FOR ADMIRAL FALLON

E.O. 12958: DECL: 01/24/2013  
TAGS: PREL, MNUC, NZ  
SUBJECT: PACOM VISIT TO NEW ZEALAND

REF: 06 WELLINGTON 0041

Classified By: DCM David R. Burnett; Reason 1.4 (A and D)

1. (C) Summary: Admiral Fallon's January 20-21 visit to New Zealand came at a time of media interest in the bilateral relationship, sparked by a TV mini-series on the ANZUS breakup and public release of former Prime Minister David Lange's private papers (reftel). The Admiral met with Prime Minister Clark, Defense Minister Goff and Opposition Leader Don Brash, as well as with Chief of Defense Forces Bruce Ferguson and other Defence Force (NZDF) officials. He also toured the Devonport Naval Base and the First New Zealand Special Air Services Group. He and Prime Minister Clark talked with local media after their meeting. The meetings and media coverage of the visit focused welcome attention on the importance to New Zealand of its defense relationship with the United States and the need to think strategically about future cooperation. In his public remarks, Admiral Fallon gave no ground on the nuclear issue, but made clear the extent to which the United States was willing to work with New Zealand on issues of common interest in spite of that long-standing dispute. He urged New Zealanders to "challenge some of the perceptions we all take as bedrock," in the light of all the changes that have taken place in the world since the mid-1980s. End Summary.

2. (C) Admiral Fallon's January 20-21 visit to New Zealand could not have been timed better. The summer holiday season, a TV mini-series on the ANZUS breakup, and release of former Prime Minister David Lange's private papers (reftel) created an appetite for public discussion of the U.S.-NZ relationship. The visit was hosted by outgoing Chief of Defence Forces Bruce Ferguson, who is due to retire in April. Perhaps because of his lame-duck status, Ferguson was much less guarded in his comments than he has been in the past. He was particularly critical of the Labour Government's unwillingness to think creatively about how to restore the trust and credibility New Zealand has lost by Labour's handling of the anti-nuclear dispute. He confirmed that new

Defence Minister Phil Goff had been briefed on the negative impact on the NZDF of the anti-nuclear legislation and the U.S. Presidential Directive limiting U.S.-NZ military cooperation, noting in particular increasing difficulty in working with an Australian military that was regularly training and exercising with U.S. forces. Ferguson was also critical of the National Party's unwillingness to address directly the need to resolve the anti-nuclear dispute as a long-term national security issue.

3. (C) Defense Minister Phil Goff kicked off the political-level meetings, welcoming the Admiral, stressing the importance of the bilateral defense relationship and pointing to New Zealand's contributions to the War on Terror, including NZDF deployments to Afghanistan and support for the Proliferation Security Initiative (PSI). Admiral Fallon expressed U.S. appreciation for those contributions, noting that the NZDF's Provincial Reconstruction Team in Bamiyan provided a good general model for future PRTs and its SAS contingent had worked extremely well with U.S. counterparts. Goff said the Cabinet would decide by the end of February whether to extend the PRT beyond September 2006; he did not comment on further SAS deployments. Goff noted Senator McCain's comment that New Zealand should think about replicating its success in Bamiyan by heading a PRT in Iraq. The Minister said he told McCain that New Zealand was not averse to doing so once the security situation had stabilized. (Comment: Embassy believes the Bamiyan PRT will be extended even though such a relatively large deployment stretches the NZDF's increasingly limited human resources. Without it, New Zealand's small, scattered military contributions elsewhere would not be enough to maintain the NZDF's access, influence and reputation. If New Zealand were to engage in Iraq, it would most certainly have to disengage in Afghanistan. End Comment.)

4. (C) The Admiral said he saw potential to do more with New Zealand in a rapidly changing region. He urged Goff to look at how we could move forward, adding that, in his opinion, Washington was willing to do so, but needed to see signs that Wellington recognizes the extent to which the world has changed since the mid-1980s. Admiral Fallon underscored the importance of trust in bilateral relationships, and called on the GNZ to think of ways to rebuild the trust lost over the nuclear issue over the past two decades. He went on to outline a number of areas of mutual concern. We both need to encourage China to contribute to the world's stability and to work toward a cooperative, rather than competitive future, he said. The U.S. was engaging the Chinese at all levels, including military-to-military contacts. Another area to watch was Russia's continued backsliding under President Putin. Admiral Fallon also lauded New Zealand's efforts to shore up non-functional island states, adding that Kiwis are better attuned to those states than is the U.S. and clearly has an important role to play.

5. (C) The Minister agreed that the Chinese "charm offensive" in the region had potentially destabilizing effects, especially on some of the less stable island states. New Zealand was doing what it could, with Australia and other partners, to build governance capacity and ensure

long-term stability in the South Pacific. However, money spent on education, job creation, investment promotion or health care did not seem to have the same appeal to island state governments as "big ticket" Chinese-funded projects like sports facilities. He said the GNZ used every opportunity to engage the Chinese on this and other issues, and pointed to the large number of Chinese delegations, military and otherwise, that New Zealand had hosted over the past year. He also discussed New Zealand's views on the East Asia Summit process and disappointment over China's efforts to sandbag the EAS in favor of the ASEAN 3.

6. (C) On the nuclear issue, Goff said New Zealand's position was two-fold. The country has no need for nuclear power and is concerned over the long-term problems associated with the nuclear power industry. While the Government understands the science and relative risks of nuclear power, New Zealand depends heavily on its image as "clean, green and non-nuclear." He said two-thirds of New Zealanders don't want nuclear-powered vessels in New Zealand waters. The second issue is U.S. bullying. There is a widespread perception among New Zealanders that the U.S. wants to send nuclear-propelled vessels to New Zealand and is constantly pressing the Government to make that happen. The Admiral explained that the U.S. Navy has no operational need to send any kind of ships to New Zealand. Indeed, the only reason for doing so would be to exercise with the New Zealand Navy, at its request. He asked Goff what the GNZ might do to dispel some of the myths that had grown up around the dispute over the past 20 years. Goff said the whole issue had become a political "third rail" which even the opposition National Party would not touch. The Charge pointed out that, while the U.S. Government has done its best to address the bully myth directly and objectively, as soon as we show any success, someone stirs it up again for domestic political purposes. The problem is clearly one of New Zealand's own making and only New Zealand could begin to resolve it.

7. (C) Admiral Fallon and Charge then met briefly with Goff and Prime Minister Helen Clark, prior to a larger meeting with the Prime Minister and her staff. Clark began by apologizing for the inadvertent release to the media of a highly sensitive intelligence document in former PM Lange's private papers. She explained that neither the National Archives nor Cabinet staff had followed prescribed oversight procedures and said her Government had moved quickly to remove the document from public scrutiny. The Prime Minister stressed several times that there was no political motive behind the release of the document at a time when President Bush was facing considerable domestic pressure over NSA activities, and was clearly concerned that the White House might believe there was. She underscored the importance to New Zealand of continued intelligence cooperation both as an area where New Zealand could make a modest contribution and as a means of enhancing New Zealand's understanding of rapidly evolving events in the region.

8. (C) The PM noted that this was why the intelligence relationship had survived the dispute over New Zealand's anti-nuclear legislation relatively intact. She then gave a brief overview of where New Zealand is on the nuclear issue,

consistent with the points made by Goff. Admiral Fallon responded by noting how much the world has changed since the legislation had been enacted. He explained that the U.S. Government had periodically looked at its policy response to the legislation to see if it were still relevant, and continued to believe that it was, though minor modifications had been made, such as the restoration of high-level political contacts. He said that while no one expected New Zealand to return to ANZUS, there was significant scope for a broader, deeper strategic relationship between the U.S. and New Zealand if we could find a way to move beyond the current impasse over the anti-nuclear legislation. He repeated the comment he had made to Minister Goff that Washington was waiting for a sign from New Zealand acknowledging how much the world has changed since the mid-1980s. The Prime Minister fell back on the political "third rail" argument. Charge pointed out again that it was a third rail of the Government's own making and whenever the USG tried to reduce the sensitivity of the issue in New Zealand, something always seemed to happen to stir it up again. The PM replied with an embarrassed laugh, "Yes, like our election campaign."

9. (C) Staff from both sides then joined in, with Minister Goff excusing himself to attend a funeral. The Prime Minister welcomed Admiral Fallon, and repeated Minister Goff's assessment of the importance of the bilateral defense relationship to New Zealand. She noted that, despite the disparity in size and technology between our forces, New Zealand could still add value to the relationship, especially in the South Pacific. The Admiral thanked the PM for New Zealand's contributions to the War on Terror and to regional stability, especially through its work in the Pacific Islands Forum. Clark then gave a brief overview of New Zealand's views on regional security architecture, noting the multiplication of regional fora. The PM said this was not necessarily a bad thing. Noting that China and Japan were both present and polite to one another at the East Asia Summit and the APEC Summit, in spite of rising public tensions between the two, Clark opined that this was perhaps the real utility of having such meetings. The Prime Minister said she had told her Chinese counterpart that China's preference for limiting regional security debate to the ASEAN 3 was foolish in New Zealand's view, but said she expected Chinese attempts to manipulate or weaken the EAS would likely continue unabated. She said New Zealand was increasingly concerned about "unofficial" Chinese activity in the region, such as rising Chinese criminal activity in Papua New Guinea, worrying that the perpetrators might have links with some in the Chinese Government.

10. (C) PM Clark agreed with Admiral Fallon that recent Russian activity in East Asia had not been helpful. She said Russia's pressure on Ukraine over natural gas pricing had raised fears in the region that Russia would "play the energy card" similarly with China and Japan. In response to the Admiral's query on New Zealand's priorities in the South Pacific going forward, the PM said her Government was doing some strategic thinking on the contribution of primary and secondary education to economic and political stability in the Pacific Island States. She expected that New Zealand would increase its funding of scholarships and other

educational support over the next few years, though she ruefully admitted that such spending did not have the immediate impact on current governments that a Chinese-funded sports stadium might have. Still, said Clark, the long-term benefits of educational ties and the potential impact on employment for island youth made the investment worthwhile.

11. (C) Admiral Fallon and Prime Minister Clark then adjourned to a stand-up meeting with the media, where they were immediately asked if the nuclear issue had been discussed. Clark said it had, but the subject had not dominated the talks. She said there would not be a U.S. ship visit "anytime soon" but said that did not keep the U.S. and New Zealand from working together on "many, many other things." Admiral Fallon acknowledged that the nuclear dispute had been around for a long time, but said the world was changing rapidly despite our desire to have things the way they have been in the past. He said we all have a different view of security than we might have had back in the 1980s, adding that "the willingness to be open to discussion, to ...challenge some of the perceptions we all take as bedrock, might be in our best interests." Asked if he was indicating a softening of the U.S. attitude toward New Zealand's nuclear-free stance, the Admiral replied "This isn't about softening or hardening," and said the purpose of his visit was to get to know the leadership of New Zealand. The Admiral stressed the importance of mutual trust in relationships, playing successfully on a theme raised in former Ambassador Swindells' farewell speech, Ambassador McCormick's initial press conference, and a spate of recent editorials on the need for New Zealand to address the "trust issue" stemming from New Zealand's handling of the nuclear issue from the mid-1980s onward.

12. (C) Later that afternoon, Admiral Fallon and Charge met with National Party leader Don Brash to get his views on the issues discussed with Goff and Clark. Brash conceded that the National Party had not done enough to address the nuclear issue, but said there was little point in doing anything that would just be undone by the next Labour Government that came along. However, National was willing to engage in creative thinking on how to address U.S. concerns over the legislation and had formed a "ginger group" consisting of key political operative Murray McCully and former diplomats Tim Groser and John Hayes to work on how to enhance the bilateral relationship. Brash was eager to have Emboffs meet with them for further discussion. Charge said he had had a good meeting with McCully just prior to the summer holidays, and would meet with all three MPs later in January. Admiral Fallon welcomed Brash's openness to discussing the nuclear issue and its negative impact on the larger relationship. He said Washington was looking for signs that New Zealand was serious about closer ties and a more strategic approach to the relationship. Anything National could do to encourage such signs would be welcomed. Brash said he was planning a trip to Washington in April, and hoped he would be able to meet appropriate Administration officials.

13. (C) Comment: Admiral Fallon's visit added impetus to the ongoing public debate in New Zealand about what it should do to move from an ad hoc to a strategic relationship with the

United States. His comments on trust and on the need to rethink cherished views have played well in the media. They will no doubt increase public pressure on the Labour Government to give Washington some sign that it is serious about taking the relationship forward and addressing the underlying policy and trust problems that have limited the relationship for the past two decades. While neither Clark nor Goff gave any hint of creative thinking on the nuclear issue, they must deal with a Foreign Minister who has declared that a closer relationship with Australia and the U.S. are his top priorities, and a strong opposition party who is of the same view. Editorial comment on the "pointed exclusion" of Foreign Minister Winston Peters from the Admiral's schedule (we suspect the Minister would have been included if he had really wanted to be) has added to pressure on the Prime Minister to show publicly that she understands the importance of the U.S.-NZ relationship. We will do our best to take advantage of that.

14. (U) Admiral Fallon has cleared this message.

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2348 INFO RUCPDO/USDOC WASHDC 0028  
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COMMERCE FOR ABENAISSA/4530/ITA/MAC/AP/OSAO

E.O. 12958: DECL: 02/01/2016  
TAGS: ETRD, PGOV, PREL, NZ  
SUBJECT: NEW ZEALAND'S PM SORTS OUT MINISTERS' PORTFOLIOS

REF: 05 WELLINGTON 807

(U) Classified by: Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (C) New Zealand Prime Minister Clark has decided that Jim

Sutton, who on December 31 wrapped up his tenure as trade negotiations minister, will remain a minister of state inside Cabinet. Former Foreign Minister Phil Goff has taken over as trade negotiations minister. The prime minister provided Sutton with a face-saving way to be eased out of an important role in government, while not answering critics who questioned why she put out to pasture a seasoned and effective trade negotiator at a critical stage in the World Trade Organization talks.

2. (U) After the September 17 elections in which Sutton lost his electorate seat but returned to Parliament by virtue of his ranking on the Labour Party's at-large list, PM Clark designated Goff as the next trade negotiations minister -- a position that Sutton had held for six years. Clark on December 22 appointed Sutton as a minister of state, and the turnover in the trade negotiations portfolio was postponed to December 31 to allow Sutton to participate in the Doha Round negotiations in Hong Kong. In late January, Clark informed government ministers that Sutton would remain in Cabinet, a privilege not usually extended to ministers of state.

3. (C) The prime minister had given Goff the option of removing from his portfolio the responsibility for representing New Zealand at WTO talks, but he chose not to do so, according to an adviser. Goff -- who attended the WTO mini-ministerial in January in Davos, Switzerland -- also is the minister of defense, disarmament and arms control, Pacific Island affairs and trade.

4. (C) Sutton had lost touch with his electorate due in large part to his globe-trotting role as trade negotiations minister. At age 64, he is perceived to be in the twilight of his legislative career. There also is no love lost between the prime minister and Sutton, who in 1996 was one of five Labour MPs who asked Clark to step aside as party leader. Meanwhile, giving Goff the trade negotiations portfolio was seen as a means to compensate him for sacrificing his previous position as foreign minister, which went to New Zealand First leader Winston Peters as a prize for his support in forming the government (reftel).

5. (U) Sutton will focus on bilateral and regional trade issues, lead trade missions and back up Goff in the WTO talks.

6. (U) Biographies of Sutton and Goff can be found on Embassy Wellington's website on the classified intranet:  
[www.state.gov.gov/p/eap/wellington](http://www.state.gov.gov/p/eap/wellington).  
McCormick

date:2006-02-08T03:26:00  
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□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000102

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FOR EAP/EP-MMILLER AND EAP/ANP-DRICCI

E.O. 12958: DECL: 0...

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FOR EAP/EP-MMILLER AND EAP/ANP-DRICCI

E.O. 12958: DECL: 02/07/2016

TAGS: APECO, ECIN, ETRD, NZ

SUBJECT: NEW ZEALAND'S PRIORITIES FOR APEC 2006

REF: STATE 14967

(U) Classified by: Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (C) Rupert Holborow, New Zealand's senior official for APEC, said his government has identified key issues it would like APEC 2006 to address, but "without specificity" since it is waiting to learn about other APEC economies' priorities. Meanwhile, New Zealand sees APEC Senior Official Chairman Le Cong Phung as very capable, but is concerned that APEC 2006 may be "quieter" than in past years because an inexperienced Vietnam is the host. Holborow wondered whether Vietnam would have the confidence to drive the agenda and be "a bully at the end of the day," as often has been necessary to obtain economies' agreement. However, Holborow stressed he was not yet judging Vietnam's ability to host APEC. "It gives pause for thought," he said.

2. (U) In a meeting February 7, Holborow told Econoff that New Zealand's priorities for the APEC 2006 agenda would be:

A. WTO and the Doha Development Agenda. While New Zealand does not yet know what APEC might be able to do to move the Doha Round forward, New Zealand believes APEC can make a difference. Pushing for progress in the WTO remains New Zealand's top priority for APEC.

B. Commitment to develop model chapters and guidelines for free trade agreements and regional trade agreements by 2008. While some economies favor completing a chapter at a time, New Zealand would prefer that all chapters be tackled simultaneously and that a timeline be set for finishing them. Otherwise, New Zealand fears that the "easier" chapters would be dealt with first, and progress would stall over the tougher chapters.

C. Commitment to reducing trade facilitation -- or business transaction -- costs by 5 percent this year. New Zealand also would like an additional commitment to a 5 percent



reduction in 2007.

D. Enabling private sector development and improving the ease of doing business, including such issues as trade liberalization, trade facilitation and the regulatory environment. New Zealand and Canada have proposed a symposium, "Enabling Private Sector Development," for May 9-10 in Montreal, to coincide with APEC Business Advisory Council meetings. Senior officials will be invited, and New Zealand particularly hopes that U.S. Senior Official Michalak or Assistant USTR Cutler will be able to attend.

E. Work on an agreement on investment.

F. Structural reform. New Zealand and Japan are sponsoring a work plan through 2010. At the Third Senior Officials Meeting, New Zealand will sponsor a seminar on public sector governance.

G. Avian influenza and health issues. Mark Jacobs, director of public health, will represent New Zealand on the health task force.

H. Counter-terrorism. New Zealand supports Singapore's supply chain management proposal. New Zealand will contribute NZ \$200,000 (US \$136,160) to the Asia Development Bank for a project to harmonize aviation and security regulations in the Pacific. In addition, Holborow said New Zealand should soon sign the memorandum of understanding to participate in the Regional Movement Alert List System and be added to the communique by March 1.

3. (C) Holborow remarked that the U.S. achieved success in promoting its counter-terrorism initiatives in APEC last year by rolling the initiatives out early, keeping their number to a minimum and then "quietly thumping away" at gaining support for them.

4. (U) Holborow noted that Michalak, during his confirmation hearing January 31 before the Senate Foreign Relations Committee, identified as a U.S. objective for APEC the protection of the food supply against deliberate contamination. Given the New Zealand economy's dependence on agriculture, Holborow is particularly keen to learn what the U.S. has in mind in this area.

5. (SBU) Holborow will arrive in Hanoi for the Senior Officials Meeting on February 25. His office has asked EAP/EP for a meeting with Michalak. Meanwhile, the New Zealand Ministry of Foreign Affairs and Trade on February 7

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instructed its posts to seek information on APEC economies' objectives for 2006.

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E.O. 12958: DECL: 02/28/2013  
TAGS: PREL, MNUC, NZ  
SUBJECT: CDR CENTCOM VISIT TO NEW ZEALAND

Classified By: Classified By: DCM Ambassador William P. McCormick; Reas  
on 1.4 (A and D)

1. (C) Summary: General Abizaid's February 23-25 visit to New Zealand came one month after Admiral Fallon's visit amid high media interest in the bilateral relationship. The General met with Prime Minister Clark, Defense Minister Goff and Foreign Minister Winston Peters, as well as with Chief of Defense Force Bruce Ferguson and other Defense Force (NZDF) officials. He also toured some of the local Wellington sites and was received by a traditional Maori welcome ceremony upon arrival. There was a short photo opportunity with the Prime Minister prior to the meeting and a small media availability at the NZ Defense HQ. The General met with the NZ military service chiefs, participated in a government roundtable and gave the CENTCOM "Long War" presentation to several hundred NZDF personnel. Despite a minor flap over press arrangements before the visit, neither the PM nor other Kiwi officials tried to hijack the visit to claim all was well with the U.S.-NZ relationship. The Embassy considers this a victory. End Summary.

2. (C) General Abizaid's February 23-25 visit to New Zealand came on the heels of Admiral Fallon's visit last month. But unlike ADM Fallon, who is the regional U.S. commander for New Zealand and has operational responsibilities here, GEN

Abizaid's status as a guest in the PACOM AOR called for a much lower-key media stance. CENTCOM's visit was hosted by outgoing Chief of Defense Force Bruce Ferguson, who is due to retire in April. The General was introduced to and had meetings with the candidates vying for AM Ferguson's position -- Army Chief MAJGEN Jerry Mateparae, AF Chief AVM John Hamilton, Navy Chief RADM David Ledson, Joint Forces CDR MAJGEN Lou Gardiner and Vice CDF AVM David Bamfield.

3. (C) The meeting with Prime Minister Helen Clark went very well. Several days before the visit, however, the PM's Press Secretary stated PM's desire to do a full-on press conference

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after the office call with TV cameras, radio, etc. We pushed back with CENTCOM's request, noting that such high visibility would be inappropriate since the General was in NZ at the invitation of the NZDF and has no operational responsibilities in this region. After a few high-level phone calls it was agreed that there would be a photo availability prior to the meeting and no press conference. We were leery because the PM has previously used opportunities such as this for domestic political purposes or to claim the U.S. and New Zealand have completely moved beyond the anti-nuclear legislation disagreement. However, at the office call, the PM immediately ushered in the General into her office after the photo opportunity. The press did not wait in ambush after the meeting. (Comment: While negotiations over the media coverage got quite heated at times, this event shows that a firm stance by the Embassy will, in the end, be respected. End comment)

4. (C) After a brief welcome, the meeting started with the General thanking the PM for NZ's contribution to Afghanistan (PRT and Special Forces) and Iraq (Combat Engineers). He said the PRT in Bamyan is a good model to follow and the NZ troops were very effective in dealing with the locals. He pointed out that the new PRTs being established by the Australians and the Dutch (under NATO) will be challenged by the Taliban to test their resolve. The General also said the British troops soon deploying to Helmand Province would be challenged. Their opposition will most likely be drug lords, however, not the Taliban. Helmand Province is a prime poppy growing area and has, up to this point, remained relatively unchallenged by any authoritarian entity. The PM thanked the General for his comments and said that because NZ troops are a multicultural and diverse group and have deployed to places like East Timor and Bosnia, locals tend to like NZ troops. The PM then asked about the how attacks have changed. The General replied that in Afghanistan, the Taliban-Al Q'aida forces have shifted to a doctrine of IEDs, suicide bombers, and assassination of local government leaders because military-style attacks on U.S. military forces just don't work. The General also told the PM that the enemy foot soldiers and suicide attackers are not Arab -- they are mostly Pakistanis (Pashtuns or Punjabis). This differs from Iraq where significant portions are foreign Arabs. The PM asked if there was evidence of Taliban-Al Q'aida forces working on nuclear or biological weapons and the General responded Coalition forces found evidence of attempts to weaponize anthrax in the enemy's possession. That effort was

stopped but it was important to keep the enemy on the run so they couldn't regroup and develop other sinister weapons or tactics. He told the PM that we shouldn't underestimate the enemy's ability to survive and they may take harbor in uncontrolled areas of Somalia, Kenya and the Horn of Africa as well as Indonesia, Philippines and Southern Thailand. He reiterated to the PM that Al Q'aida must not be allowed to become "mainstream" and used the analogy of Hitler in the 1920s and 1930s. The PM said NZ has been pleased to provide military support and that she expected continued deployments of the PRT past the Sept 2006 deployment end date. That decision will be made soon by the government and she doesn't expect the U.S. government will be disappointed by the outcome.

5. (C) Defense Minister Phil Goff discussed many of the same issues with the General. Goff mentioned to the General (as he does with virtually all U.S. officials) that he had two nephews that were West Point graduates and felt a closeness to the U.S. Army. Goff told the General that he could expect a positive outcome on redeploying the PRT past Sept 2006 and was reasonably assured the SAS (Special Forces) would deploy again after regeneration. The 65 SAS troops returned to NZ in Nov 2005 and aren't expected to be able to redeploy in 2006 due to training, attrition and other internal NZ Army issues. The General told Goff that even though NATO is taking over deployments in parts of Afghanistan, the U.S. will continue to be the largest contributor to NATO forces. The General continued by saying that Pakistan will eventually be threatened by the Taliban so we need all the help available to stabilize the region. The General told Goff that patrol assets from NZ (P-3s or Frigates) were always welcome and definitely helpful. Goff responded by saying it was always a battle with the Finance Minister on deploying platform assets to that region but he would continue to press for this. When Goff asked about Iran, the General replied that the current Iranian administration is a difficult one to deal with and that we shouldn't take the Iranian President's comments lightly. As political pressure mounts on Iran, they will attempt distractions, but the more political pressure from more countries that is applied, the better the eventual outcome will be. The General was asked about possible civil war in Iraq due to the recent mosque bombing. The General said the leaders in Iraq are doing a great job trying to maintain the peace. Even Al Sistani was promoting calm. The General said there were many more people in Iraq who wanted peace and stability than want a civil war. The general then answered questions about Saudi Arabia, Oman, UAE and Hamas. Goff ended the meeting with the comment that NZ will watch the Israel-Palestine issue closely.

6. (C) General Abizaid then met with Foreign Minister Winston Peters. Peters started the meeting by saying his recent comments on the U.S. lack of recognition of NZ contributions in the South Pacific were "misread." Peters said that the South Pacific falls under the radar screen and recognition of NZ efforts were overshadowed by other world events. The General responded by defining CENTCOM's area of responsibility, which does not include the Pacific, and thanked New Zealand for the SAS and PRT deployments. Peters said the General's visit was significant in that it would let

New Zealanders know how important their contributions are in Afghanistan. Peters was told, as was Goff and the PM, that Afghanistan would take longer to fix than Iraq. Iraq, although unstable, has an economy and infrastructure that would enable rapid recovery once the government takes hold. Afghanistan has too many uncontrolled areas and a dismal infrastructure and would take much longer. The discussion ended with the General saying he hoped for international solidarity on dealing with wild-card Iran. That would be the only way to lead Iran down the right path.

7. (C) General Abizaid had a roundtable with various members from the Ministry of Defense and the Ministry of Foreign Affairs and Trade. Questions ranged from the spreading of Al Q'aida, to the big picture for counter-terrorism, to United Nations and NGOs, in addition to the questions addressed to the PM, DM and FM. The General told the group that we need to do better in tracking money flow, stopping Al Q'aida using U.S. internet servers for their use and curbing the ability of AQ to use Europe as a virtual safehaven for broad-based planning. The general told the group that not all NGOs are good...some ne'er-do-well organizations are able to inject their nefarious agendas into uneducated areas causing more problems. Pakistan is going through this, currently. The General also pointed out that international cooperation was paramount in counter-terrorism, in areas such as document control (passports, visas, etc), border control, preventing failed states before they happened, providing leadership for getting the job done rather than relying on the U.S. military as a hammer, and providing support, physical or moral, to those countries doing the hard work.

8. (C) A short (15-minute) press availability with the General was made to a group of three NZ journalists, hand-picked by the Embassy Public Affairs Assistant. The meeting went very well and the reports printed the next day in NZ media were straightforward and accurate.

9. (C) General Abizaid gave a 30-minute presentation to about 200 NZDF personnel, many of whom have served in Afghanistan or Iraq, and followed with a 30-minute Q and A period. The presentation was very well received, judging by the ovation at its conclusion. NZ civilians and press were not invited.

10. (C) There were three protestors at the airport (two of them Amcits) staging a small but loud (bullhorn) demonstration upon the CENTCOM aircraft's arrival. Small demonstrations were also located at the Embassy (one-person) and at NZDF HQ (approx 10 persons). All demonstrations were on the first day. There were no others on day two or on the General's departure on day three.

11. (C) Comment: General Abizaid's visit came at a time when 4-star visits to NZ have exceeded the average for the past few years. In the last 30 days alone, NZ has received three 4-star officers. The General's visit comes at a good time, however, as New Zealand is debating the redeployment of SAS Special Forces and the PRT, both in Afghanistan. The General, as well as Admiral Fallon last month, thanked New

Zealand for their contributions in world events ) contrary to what FM Peters stated early last week that the U.S. doesn't recognize NZ contributions in the Pacific. Nevertheless, gaining support for NZ troops to continue deploying to Afghanistan was successful and as the PM and DM indicated, the deployments will continue. Media exposure was not overdone and had the right tone and message. Lastly, at the Ambassador's and CENTCOM's request, PM Clark did a great job of not politicizing the visit, nor using media circuses for domestic political purposes that undercut U.S. interests. McCormick

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E.O. 12958: DECL: 02/28/2016  
TAGS: PREL, PGOV, NZ  
SUBJECT: EAP/ANP DIRECTOR KRAWITZ'S FEBRUARY MEETINGS IN  
NEW ZEALAND

Classified By: POL/ECON COUNSELOR KATHERINE B. HADDA  
FOR REASONS 1.4 B AND D

1. (C) Summary: Discussions during ANP Director Krawitz's February 8-11 visit to New Zealand addressed PRC activities in the Pacific, Pacific Island issues, regional stability, counter-terrorism, Antarctica, U.S.-New Zealand relations, bilateral military ties, and launch of a new U.S.-New Zealand Partnership Forum. Bilateral differences over New Zealand's nuclear law, while discussed, did not dominate the visit. Suggestions on how to improve bilateral cooperation led to

general agreement that more Washington visits by New Zealanders from all walks of life would do much to strengthen ties and improve relations.

2. (U) Key meetings were with Ministry of Foreign Affairs and Trade (MFAT) Deputy Secretary John McKinnon, Counter-terrorism/Security Policy Ambassador Dell Higgie, and Defence Ministry (MoD) Deputy Secretary Chris Seed. Other meetings included MFAT's directors for the Pacific Islands and Antarctic programs, Parliament Foreign Affairs Select Committee Chair Dianne Yates and Parliament Member Jill Pettis, National Party Foreign Affairs Spokesman Murray McCully, American Chamber of Commerce CEO Mike Hearn, Wellington Chamber of Commerce CEO Charles Finny, academics and journalists. End Summary

Bilateral Issues

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3. (C) Both sides agreed that despite differences, we can and should maximize cooperation in areas of common interest. Encouraging good governance in the Pacific Island States and expanding U.S. work-study programs for New Zealand students were examples. The New Zealanders accepted our point that, unlike the many Australian officials, politicians, business people, academics, even students who visit Washington and the State Department every year, relatively few Kiwis come to town or show interest. Most people with whom we spoke agree New Zealand would benefit from sending more visitors to Washington. They are also optimistic that the new U.S.-New Zealand Partnership Forum, planned for April, will be productive, and share the view that a broad cross-section of New Zealanders must participate for the forum to succeed. Phil Goff will lead the New Zealand delegation, in his role as Trade Minister (he is also defense minister). National Party leader Don Brash will also attend as part of a New Zealand Government-sponsored trip to the United States.

4. (C) MFAT's McKinnon called his recent Washington visit a success, expressed hope A/S Hill would visit New Zealand in March, and said Foreign Minister Peters may visit the United States soon. (Peters' office later said early July might be doable.) McKinnon said he is committed to making the U.S.-New Zealand relationship work, despite continued differences over the nuclear issue. Turning to trade, he said New Zealand officials know chances for getting an FTA with the United States in the near term are slim, but new Ambassador Roy Ferguson will continue to make the pitch, if a bit more quietly. McKinnon wants to see a U.S.-New Zealand Trade and Investment Framework Agreement meeting before much more time passes. Switching gears, he advocated for good contact and communication on peacekeeping, counterterrorism, defense, and Asian development issues. McKinnon expressed surprise, given our interest in East Asian Architecture issues, that U.S. officials had not attended the Singapore Global Forum conference on Asia and the Future. McKinnon stressed that there must be a U.S. voice in this, saying some countries wonder whether Washington has lost interest in the region. We assured him this is not the case.

China

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5. (C) MoD officials expressed concern that China-Taiwan resource and diplomatic competition contributes to political instability in Pacific Island nations. International Policy Division Director Paul Sinclair described Peoples Liberation Army (PLA) aid to defense forces in the region, especially to Tonga and Fiji, adding that the PLA outspends New Zealand by

wide margins in PNG. (Reportedly, PNG may transfer its Wellington Defense Attache position to Beijing.) Equally troublesome are reported PLA links to paramilitary forces in Vanuatu. Mod's Seed said PLA activities in the Pacific Islands pose real security problems for New Zealand. He added that New Zealand Forces have no direct dialogue with the PLA on this issue, because the PRC tightly controls military visits to New Zealand. These have declined from five or six to three visits a year.

6. (C) MFAT Americas and Pacific Island Director Riddell focused on how China's rapacious quest for natural resources undermines good governance, sustainable development, and environmental protection in Pacific Island states like PNG, Fiji, and the Solomon Islands. For island states like Kiribati, politics and excessive fishing are the issues. Riddell said China pushes to restrict Taiwan's participation in the new Regional Fisheries Management Organization.

7. (C) McKinnon reviewed East Asian Summit (EAS) issues and how New Zealand's, Australia's and India's presence counters Chinese efforts to control the EAS. He promised to keep us advised about how things go in the EAS.

Counter-terrorism

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8. (C) Counter-terrorism Ambassador Higgie said New Zealand is committed to the Proliferation Security Initiative (PSI) but frustrated by confusing signals from Washington. U.S. officials urge New Zealand to take part, even as U.S. policy requires waivers for U.S. forces when New Zealand forces are present. New Zealand would host a PSI exercise or planning meeting but fears embarrassment should the U.S. military decline to take part. We explained U.S. policy, including provisions for case-by-case waivers, adding that Washington agencies may later review waiver rules for PSI activities. We also made the point that overstating the significance of waivers or high-level military visits when such occur does not help New Zealand's case. Higgie then praised U.S.-New Zealand cooperation on the Container Security Initiative and on counter-terrorism capacity building in the Pacific. She said New Zealand screens Polynesian exports to the U.S. that transit Auckland (much does) and talked of possibly setting up in American Samoa a regional training center for Pacific Island customs officials. She stressed U.S. involvement is important. The President's appearance at the 2003 meeting of Pacific Island Leaders secured counter-terrorism buy-in in the region. So will the USD 1.5 million Washington gave the Pacific Island Forum to set up an anti-money laundering training center in Suva. If successful, this could be a pilot for similar U.S. assistance for customs training.



## Pacific Islands

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9. (C) MFAT officers called A/S Hill's planned March visit to New Zealand and his possible participation in a June event with Pacific Island States in Washington good ways to boost U.S.-New Zealand Pacific region cooperation. The June event could set the stage for the Pacific Island Leaders Conference, on hold until 2007. Promoting democratization in Tonga and rule of law in Fiji surfaced as other areas for cooperation. Pacific Affairs Director Riddell noted that Foreign Minister Winston Peters (winding up a successful visit to Fiji at the time) has a special interest in the region and close ties to many Pacific island leaders.

10. (C) Assessing other regional trouble spots, Riddell said the Regional Assistance Mission to the Solomon Islands (RAMSI) will have to remain for some time, although it is evolving from a law enforcement/pacification process to a capacity building/nation building process. Still, given all left to do, it is unclear when there will have been enough progress to begin holding senior officials accountable for their actions. Upcoming elections will be the first held in peaceful circumstances in some time. Riddell called PNG "deeply dysfunctional." She thinks Australia's institution-building initiative is failing. Ironically, the fact that PNG institutions are limping along rather than

collapsing makes things more difficult -- it's harder to repair than rebuild. AIDS is also approaching crisis proportions in PNG. One bright spot, Bougainville, which is finally coming out of its decades-long conflict, is promising if fragile. Recent elections went well, but financial fraud is on the rise.

## Antarctica

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11. (C) January 2007 kicks off Antarctic events related to the International Polar Year. The upgrade of New Zealand's C-130 fleet has decreased logistical support for the U.S. Antarctic program temporarily. Support will return to 12 flights a season in a few years. In late 2007, New Zealand will test a 757 refitted to carry passengers to the ice. This could free up cargo space in USAF C-17s. New Zealand test flew a P-3 Orion to the ice, opening up possibilities for the plane's use as a back-up for medical evacuation flights. Other plans for the P-3 include exploring how it might be used to assist scientific research. But MFAT's very enthusiastic Antarctic Director voiced some worries during the meeting. He said the lack of clear arrangements for addressing the effects of land-based tourism -- such as hotels on an Antarctic Treaty signatory's base -- will create problems if not addressed soon. More commercial fishing by non-treaty members, Chinese- and Togo-flagged vessels, for example, is also a concern. New Zealand, which is encouraging China to sign the Antarctic treaty, clearly considers it important to voice displeasure to flag-issuing states if "their" vessels are caught fishing illegally.

The Nuclear Issue  
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12. (C) The long-time U.S.-New Zealand dispute over nuclear law, the focus of a roundtable with local journalists, did not dominate. When the topic came up, the U.S. message was that we do not seek to dictate policy but will not redefine our definitions of "ally" and "friend" to suit New Zealand's domestic politics. Still, the question of nuclear power as an element of New Zealand's economic future led to some interesting exchanges. At an MFAT-sponsored lunch, academic Nigel Roberts said Kiwis are unlikely to come around to an acceptance of nuclear energy even though New Zealand will face energy shortages in the coming years. Kiwis will have to adapt to wind power and coal, energy generation methods that run counter to New Zealand's green image. John McKinnon believes young New Zealanders are even less likely than their parents to favor nuclear power. The most direct exchange about nuclear issues came during a meeting with the National Party's Murray McCully, who traveled from Auckland for a lunch meeting. McCully said his own party's recent decision to reverse position and support retaining the ban does not mean less interest in strong relations with the United States. National's thinking is that by removing this contentious issue from discussion, National would be better able to press the Government more forcefully to strengthen bilateral ties. As McCully put it, New Zealanders will oppose any effort to eliminate the anti-nuclear legislation, and National would only be "shooting itself in the foot" to push for change without public support.

Military Upgrades/Public Attitudes to Defense  
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13. (C) MoD officials gave details on defense upgrades that will fully motorize the army and improve naval command and control capabilities. New Zealanders see their country as being far from trouble spots. They continue to regard their military as an expeditionary force. MoD expects to continue this tradition of global deployments but anticipates having to do more in the Pacific, as transnational crime, China, and other regional threats increase. A telling statistic: New Zealand forces have deployed in the South Pacific on missions unrelated to disaster relief at least six times since 1990, compared to no military deployments in the previous 30 years. MoD expects this trend to continue, if not worsen. Recognizing the importance of law enforcement and related

missions in the region, New Zealand has backed away from the view that its military should only focus on its core mission.

14. (C) Academic Nigel Roberts said New Zealanders believe RAMSI plays a positive role in regional peacekeeping. They support New Zealand's participation because RAMSI is well run, and there have been no New Zealand casualties. MFAT Australia Director Bede Corry agreed: New Zealanders also supported actions in Bougainville, a larger operation, for the same reasons. New Zealand will be able to sustain its participation in RAMSI for some time because it involves a

mix of civilian and military assistance. Academic Jock Phillips added that Kiwis like to be seen as contributing to global military efforts, especially in peacekeeping roles, because, at times, this makes them feel morally superior.

McCormick

date:2006-03-05T21:45:00  
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destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available.  
classification:SECRET  
reference:05WELLINGTON900|06STATE204250  
□ S E C R E T WELLINGTON 000176

SIPDIS

STATE FOR NP, ISN, EUR, EAP/ANP  
TREASURY FOR OFAC  
NSC FOR STEPHENS

E.O. 12958: DECL: UPON KORE...  
▼ S E C R E T WELLINGTON 000176

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STATE FOR NP, ISN, EUR, EAP/ANP  
TREASURY FOR OFAC  
NSC FOR STEPHENS

E.O. 12958: DECL: UPON KOREAN REUNIFICATION  
TAGS: KNNP, MNUC, PARM, PREL, EWWT, PHS, KNAR, NZ  
SUBJECT: NEW ZEALAND REPORTS ON DPRK FLAG OF CONVENIENCE  
ISSUE

REF: A. 05 WELLINGTON 900  
B. STATE 204250

(U) Classified by Political-Economic Counselor Katherine B. Hadda. Reasons: 1.4 (b) and (d).

1. (S/REL NZ) A representative of Maritime Mutual Insurance Association NZ (MMIA) has told a New Zealand official that the company no longer insures North Korean vessels. The representative believes that the North Korean ships that had been insured by MMIA are now being insured by the South of England Protection and Indemnity Association (Bermuda) Limited.

2. (S/REL NZ) Paul Rankin, MMIA's Guernsey-based director, on March 2 told Gavin Quigan of the New Zealand Ministry of Economic Development's Insurance and Superannuation Unit that the "insurance tail" -- provisions that apply for a specified time after the insurance claims policy has been terminated -- of existing insurance contracts with North Korean ships will end March 31, 2006. When asked if he knew who now insures those ships, Rankin said he understood that the South of England Protection and Indemnity Association (Bermuda) was now the protection and indemnity insurer.

3. (S/REL NZ) Quigan said that Rankin apparently had been swayed by a claims dispute following what MMIA considered to be the intentional grounding of a North Korean vessel, in addition to damage to MMIA's reputation ensuing from negative publicity within the maritime insurance industry over the company's connection with North Korea. This information was provided by Bruce McCallum of the Ministry of Foreign Affairs and Trade's North America Division, reporting a conversation he had with Quigan.

4. (S/REL NZ) The New Zealand government does not consider MMIA to be an insurance company. The government says the company does not meet New Zealand's legal requirements for issuing insurance, although it is incorporated in New Zealand (ref A).  
McCormick

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☐ C O N F I D E N T I A L WELLINGTON 000182

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NSC FOR VICTOR CHA

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IO/FO, WHA/FO, STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 03/07/2011  
TAGS: PREL, UNSC, GT, VE, NZ  
SUBJECT: NZ WILL SUPPORT GUATEMALA FOR UNSC SEAT

REF: STATE 20173

Classified By: Political-Economic Counselor Katherine Hadda,  
for reasons 1.4 (b) and (d)

(C) Post discussed reftel points with the UN and Human Rights division at the Ministry of Foreign Affairs. Charles Kingston, an officer in the division, has confirmed that New Zealand will support Guatemala's candidacy for the 2007-8 Latin American non-permanent seat on the UN Security Council.

McCormick

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PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL...

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PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 03/21/2016

TAGS: PGOV, PREL, PBIO, NZ

SUBJECT: COOK ISLANDS HIGH COMMISSIONER SACKED FOR PLOTTING

REF: 04 WELLINGTON 1066

Classified By: Deputy Chief of Mission David Burnett,  
for reasons 1.4 (b) and (d)

Summary

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1. (SBU) On March 3, citing involvement in a plot to topple him from Government, Cook Islands Prime Minister Jim Marurai sacked Dr. Robert Woonton as High Commissioner to New Zealand. Marurai succeeded Woonton as Prime Minister in December 2004, and Woonton became High Commissioner as a political accommodation. While Marurai's government has averted a test of its confidence for now, a new threat is likely to emerge in July, when Parliament must convene to approve a new budget. End Summary

WQnton Sacked for Plotting to Topple Government

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2. (SBU) On March 3, Cook Islands Prime Minister Jim Marurai dismissed Dr. Robert Woonton as High Commissioner to New Zealand. Marurai told Radio New Zealand that Woonton, ousted Minister of Cultural Development Piho Rua, and Wellington-based property developer Tim Tepaki had attempted to bring down Marurai's Cook Islands First Party (CIFP)-led coalition government. Meanwhile, opposition leader Sir Geoffrey Henry claimed on March 2 that his Cook Islands Party (CIP) had the support of thirteen seats in the twenty-four member Cook Islands Parliament, as the result of the defection of two MPs from the governing coalition: Rua (an independent) and Upoko Simpson (CIFP). In 2005, Marurai had dumped Rua as Minister of Cultural Development and Tourism. Developer Tepaki is generally believed to favor CIP.

3. (C) At a March 3 press conference confirming the decision to sack Woonton, Foreign Minister (and CIP member) Wilkie Rasmussen explained, "In taking this decision, the Government of the Cook Islands believes that Dr. Woonton has not acted in the best interest of the Cook Islands, and as such no longer enjoys the confidence of Cabinet to continue in the capacity of Cook Islands High Commissioner to New Zealand." He continued, "The very nature of this appointment necessitates a position of political neutrality in both New Zealand and the Cook Islands." According to First Secretary Sonya Kamana (protect) at the Cook Islands High Commission, Woonton told her he had not done anything improper. However, Kamana confided to Poloff that Woonton should not have been as involved in politics as he was.

Instability represents more of the same  
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4. (U) While the sacking of Woonton has been characterized by the government and media as a "failed coup," the event is just the most recent sign of instability extending as far back as the June 1999 elections. Since becoming self-governing in 1965, there have been nine Cooks Prime Ministers: four of these since the Democrats came to power in 1999.

5. (SBU) Following September 2004 elections (see reftel), a series of petitions delayed a final outcome for three months, including one concerning then Prime Minister Woonton's narrow majority. After a recount, the high court ordered a by-election, and Woonton had to step down from office as Prime Minister. He was subsequently named High Commissioner to New Zealand after he declined to stand in the February 2005 by-election. After the election, the four-member Demo Tumu Party (now renamed Cook Islands First) joined independent Piho Rua and the CIP in an unstable parliamentary majority. Under the coalition arrangement, Jim Marurai became prime minister and the leader of CIP, Henry, was slated to take over the remaining two years.

6. (U) In September 2005, Marurai nullified the coalition with CIP after having ousted Henry and two other CIP ministers: Tom Marsters (Foreign Affairs) and Tupou Faireka (Justice). Although CIP moved into opposition, two CIP members remain as ministers in Government, Rasmussen (Foreign Affairs) and Teina Bishop (Outer Islands). Replacing Henry as Deputy Prime Minister, Dr. Terepai Maoate is the sole

representative of the Democratic Party in Cabinet.

What's Next?

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7. (U) FM Rasmussen said that there would be no repeat of the situation a couple of years ago when it took twelve months for the Woonton Government to appoint Sir Tom Davis as High Commissioner to New Zealand. In the meantime, First Secretary Sonya Kamana will serve as acting commissioner.

8. (C) Kamana confirmed to Poloff that Woonton intended to remain in New Zealand. However, Dr. Woonton, who was given three weeks to vacate his office, has since returned to the Cook Islands. Kamana claims Woonton, a pathologist, had gone to assist in a nine-year old murder case for which there was new evidence. (Woonton was previously associated with case.)

9. (U) On March 11, Marurai announced that the Parliament would not convene until June. The PM preempted critics by saying that his reasons were not political but operational. There are no bills presently before Parliament and the budget has not yet been completed. Critics suggest that by holding off on convening Parliament, Marurai is seeking to duck a "no confidence" motion against his Government. Parliament is not required to sit until July 1, when it must convene to approve the new budget.

New Zealand MPs drop in

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10. (C) In March, four MPs from the New Zealand Parliament's Finance and Expenditure Select Committee made a trip to the Cook Islands, where the members advised Cook Islands' Cabinet, other MPs and the heads of ministries on good governance and accountability with public money. The members included chair Shane Jones (Labour), Hone Harawira (Maori Party), Murray McCully (National, former chair) and Doug Woolerton (New Zealand First). Murray McCully said that the trip was a "serious undertaking" as some ministries, for example, had not filed "annual reports for a few years." McCully told Poloff that he has made eight or nine trips to the Cook Islands over the years, and is well-acquainted with the players. He said that there is an ongoing challenge between the older and younger members for leadership in the Cook Islands political parties. He told Poloff that, even though Marurai claimed to be confident he would remain Prime Minister, McCully "would not be surprised if there were a change in government."

McCormick

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□ C O N F I D E N T I A L WELLINGTON 000230

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STATE FOR EB/TPP/MTA-MBGOODMAN AND EAP/ANP-DRICCI  
COMMERCE FOR ABENAISSA/4530/ITA/MAC/AP/OSAO

E.O. 12958: DECL: 03/23/2016  
TAGS: ETRD, PGOV, PREL, NZ  
SUBJECT: GNZ AIMS TO COOL EXPECTATIONS FOR U.S. FTA

REF: A. WELLINGTON 40

B. 04 WELLINGTON 217

(U) Classified by Deputy Chief of Mission David R. Burnett.  
Reasons: 1.4 (b) and (d).

1. (C) Summary: The New Zealand government is preparing the public for the likelihood it will not attain free trade negotiations with the United States any time soon. After six years of pressing its case for such a deal, the Labour-led government has turned its attention to agreements in Asia. The government can be expected to attempt to immunize itself against domestic political criticism that its failure to secure an FTA is the result of Labour,s icy relations with Washington. If pushed, Labour will likely trot out any and all rationales for why an FTA is not in the cards to deflect any accusations that it is at fault. End summary.

Into the future  
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2. (C) Trade Minister Goff in a March 15 statement implied that, although New Zealand still desired a free trade agreement (FTA) with the United States, it probably would not get one. Goff pointed to the U.S. &strategy of negotiating with larger economies<sup>8</sup> and the limited time before Trade Promotion Authority expires. It is perhaps the first time that the government has shared with the public a realistic appraisal of its chance for FTA talks with Washington. An aide to Goff said the statement reflects the government,s recognition that it needs to lower the public,s expectations ) expectations that the government itself had fed until recently.

3. (C) An FTA with the United States had topped the Labour government,s foreign policy objectives since it came to power in 1999. But officials from the Ministry of Foreign Affairs and Trade have told post recently that they had



accepted the fact that an FTA was not in the works.

Why New Zealand wants a deal

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4. (U) Studies predict that, under an FTA, New Zealand's merchandise exports to the United States ) already New Zealand's second-largest export market ) would increase 51 percent. The New Zealand government's competitive envy at seeing Australia sign an FTA with the United States in May 2004 only fueled its desire for a similar pact. Its chief concern was that the U.S.-Australia FTA could draw down New Zealand exports to the United States, as well as draw off U.S. investment in New Zealand.

5. (C) New Zealand's hopes for improved trade still ride on the success of the Doha Round. (The Uruguay Round pumped an estimated \$6 billion into the New Zealand economy through additional export revenue and tariff savings.) But New Zealand is pursuing a &Plan B8 ) bilateral and regional trade agreements ) should the WTO talks fall apart. It has completed free trade deals with Australia, Singapore and Thailand. It has agreed to a four-way partnership with Brunei, Chile and Singapore, and it is negotiating FTAs with China, Malaysia and the ASEAN countries. New Zealand officials had hoped their pursuit of an FTA with China would stimulate U.S. concern and interest in starting talks with New Zealand on a trade deal (ref B).

6. (C) But the Labour government's desire for an FTA with the United States is now less a matter of economics and more a matter of domestic politics. The lack of an FTA with the United States makes the New Zealand government politically vulnerable to accusations by opposition parties that it has weakened ties with both Australia and the United States. An FTA would show New Zealanders that Americans are not disaffected by the Labour-led government, which is aware that it &soiled the waters8 since President Bush took office, said an international lawyer and former trade negotiator. Ironically, reaching an FTA with China could call the public's attention to the government's failure to achieve a U.S. agreement, as well as raise questions on whether New Zealand's economy would become dangerously dependent on a much larger, undemocratic PRC.

7. (C) Over the last six years, the New Zealand government has diligently recruited allies to its quest for an FTA. It rounded up backing in Congress, with 65 members signing up as "Friends of New Zealand8 supporting free trade talks. (Goff's March 15 statement was in response to a letter written by Senators John McCain and John Sununu encouraging the President to launch FTA negotiations with New Zealand.) It lobbied for and won U.S. business endorsement, partly through the United States-New Zealand Council. John Wood, who recently ended his term as New Zealand ambassador to the United States, even made the FTA the defining goal that would mark his success in Washington (and misled his Prime Minister over the likely odds the United States would agree to negotiations). Many New Zealanders consider the government's contribution of troops in Afghanistan and engineers in Iraq as part of the outreach aimed at bringing the United States into FTA negotiations.

But it has mixed feelings  
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8. (C) Insiders say that Prime Minister Clark has appeared sometimes testy in private, expressing exasperation over Washington,s failure to agree to FTA talks. The government is sensitive to being perceived as &begging8 and is aware that it has worn out its welcome with U.S. government officials on this issue, according to Goff,s aide.

9. (C) But there may be another reason for that testiness, said a trade economist who has advised the government on its trade policy. Lurking just under the surface is a "schizophrenia8 that comes from Clark,s innate discomfort with free trade and her preference, as a Labour idealist, for a government-interventionist approach to the economy.

10. (C) Moreover, PM Clark and others in her government worry about the concessions New Zealand might need to make to seal a free-trade deal. Among their concerns is a desire to preserve the government-run system for purchasing pharmaceuticals, according to the economist. Because of that desire, Heather Simpson ) the Prime Minister,s chief of staff, close confidante and a former health economist ) opposes the FTA talks. The New Zealand government would be hard-pressed to meet likely U.S. demands that it open the drug-purchasing system to greater competition and choice. That would be costly, and health care expenses already are the largest component of the New Zealand budget (ref A).

11. (C) The government also knows that U.S. dairy interests would defend their turf against New Zealand,s efficient competitors. New Zealand officials acknowledge that they stand to gain more from an FTA than the United States. With very few tariffs, the New Zealand market already is relatively open. Aside from increased access to the drug and telecommunications sectors and possibly a wider ban on parallel imports, the United States has little to gain.

The public,s response  
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12. (C) The New Zealand public accepts as an article of faith that a deal would boost the New Zealand economy. However, after so much talk over so many years, many New Zealanders have become jaded to the prospect, a university business professor said. Most of the domestic pressure for a U.S. FTA comes from a small section of New Zealand business ) notably, the dairy cooperative Fonterra. Most of the country,s businesses are small and rely little on exports. In addition, both the horticulture and meat industries are more frightened by the concessions that New Zealand might make than attracted by the benefits they might reap, an industry leader said. Only a muted public response, if any, is expected to the government,s scuttled hopes for an FTA.

13. (C) And, even if there were political repercussions, the Labour government can always shift the blame to the United States, the international lawyer said. Goff in his March 15 statement said, &The decision to negotiate an FTA however rests with the US Administration.8 The Labour government can blame its anti-nuclear policy and its opposition to the

war in Iraq as reasons why the United States will not engage in talks. Such explanations are likely to wash with New Zealand voters, many of whom hold strong anti-nuclear and anti-Iraq war views. (For this reason, EAP A/S Hill's public remarks that the United States will make its FTA decision on economic factors alone were well-timed and very useful.) In any event, the public largely holds the New Zealand government blameless for the lack of FTA negotiations, according to the lawyer. Labour's political opponents also need to tread carefully. The National Party is mindful that it may fare no better in securing an FTA should it win the 2008 election, a former diplomat said.

14. (SBU) However, if Australia reaps large gains from its FTA with the United States, public attitudes could change in New Zealand.

Comment

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 15. (C) In the near term, New Zealand government officials will continue to press us in private meetings for an FTA, but in a more low-key way. They also will continue to publicly call for FTA negotiations with the United States while at the same time lowering the public's expectations. Post believes we should stick with our current response, saying that the possibility of negotiations is not foreclosed. Keeping the option open gives us flexibility should circumstances change and make an FTA in our interest ) and deniability should the New Zealand government pin the blame on the United States.  
 McCormick

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 NSC FOR VICTOR CHA  
 SECDEF FOR OSD/ISA LIZ PHU

PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 03/27/2016

TAGS: PREL, PGOV, PHUM, NZ

SUBJECT: APPROACH TO NEW ZEALAND ON ISRAEL/JUSCANZ

REF: STATE 36771

Classified By: Ambassador William McCormick,  
for reasons 1.4 (b) and (d)

1. (C) Summary: As requested reftel, Ambassador McCormick and the Australian and Canadian High Commissioners called on Foreign Minister Peters to urge that New Zealand support Israeli membership in the Geneva JUSCANZ group. Peters promised to discuss the issue with Prime Minister Clark, and we are hopeful GNZ's position will change. As Peters is on travel again this week, Post will follow up with Foreign Ministry staff. End Summary.

2. (C) When post received reftel, Foreign Minister Winston Peters was on travel and our Australian and Canadian counterparts had not yet been issued instructions from their respective capitols. In order to get more background on GNZ's position, Pol-Econ Counselor quietly raised the issue on March 10 with Val Meyer, Director of the Human Rights Division at the Ministry of Foreign Affairs and Trade. Meyer said that New Zealand officials were making a stand as a point of principle. They view JUSCANZ as a group of "like-minded" countries united on Human Rights issues, and believe Israel is not sufficiently "like-minded", she said. NZ's Geneva rep has also reported that other JUSCANZ members were opposed to Israel's joining JUSCANZ, but as these members are from small delegations they haven't spoken up. (Meyer declined to name the countries.) She admitted that Ministers had given clear guidance to the Geneva rep that NZ should not continue to block Israel's admission if there is consensus among other JUSCANZ members that Israel should join.

3. (C) Meanwhile, DCM discussed our concerns with Hamish Cooper, Minister Peter's Private Secretary. Cooper pushed back a bit, but seemed very interested to learn that NZ was apparently isolated in its views.

4. (C) On March 25, the Ambassador called on Minister Peters, together with Australian High Commission John Dauth and Canadian High Commissioner Penny Reddie. The Ambassador raised the general issue of anti-Israel discrimination in the UN. Dauth, who has just come to Wellington following a term as Australia's UN Perm Rep in New York, gave a number of examples, including the UN Racism Conference in South Africa. The COMs also indicated that New Zealand is effectively standing alone in strongly opposing Israel's membership in JUSCANZ.

5. (C) Peters said he would discuss the matter with the Prime Minister. He implied he did not think New Zealand would have a problem with changing its stance. Post is hopeful we may see a change in the policy, although as Peters is now again on travel things may slip a bit. We will

continue to follow up with MFAT staff and report back on  
GNZ's decision once it is taken.  
McCormick

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PACOM FOR JO1E/J2/J233/J5/SJFHQ

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STATE FOR EAP/FO AND EAP/ANP  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 04/02/2016  
TAGS: PREL, PGOV, NZ, WS  
SUBJECT: SAMOA ELECTIONS: AUSTRALIA AND NZ PREDICT MORE OF  
SAME

(U) Classified by Political-Economic Counselor Katherine B.  
Hadda. Reasons: 1.4 (b) and (d).

1. (C) Summary: Officials of New Zealand's Ministry of Foreign Affairs and Trade (MFAT) and the Australian High Commission (Australian HC) in Wellington have been closely watching Samoa's elections. Both anticipate that a high number of election petitions and a large volume of candidates (especially independents) may delay official results for weeks to come. However a stronger than expected performance by the ruling Human Rights Protection Party (HRPP) suggests its ultimate victory, the outcome our Kiwi and Aussie contacts predicted before the race. While a couple of HRPP candidates holding high profile portfolios (justice and police) were apparently defeated by independent candidates, none of our contacts believe that the election outcome will substantially change their country's bilateral relationships with Samoa. End Summary.

2. (U) MFAT contacts say preliminary results put Prime Minister Tuilaepa Aiono Sailele Malielegaoi and his HRPP Party firmly in front with 29 seats (46.2% of the vote),

extending its 24-year hold on power in the 49-seat parliament. The main opposition Samoa Democratic United Party (SDUP) claimed 11 seats, with independents claiming eight. One seat in Faasaleleaga No. 3, remains in a draw between an HRPP and SDUP candidate.

3. (C) While the HRPP has managed control of the Samoa government for more than two decades, MFAT officials note that Samoa elections have historically resulted in a 30 to 50% turnover in MPs. Much of this turnover has been between members of HRPP, since in Samoa's 42 electorates more than one member of the same party may contest a seat. For example, five members for the HRPP and three members of the SDUP contested in Faasaleleaga No. 1 electorate. (Like several electorates, Faasaleleaga No 1, also has two electorate seats.) The only other seat that has not been preliminary called is Faleata East, where both candidates come from HRPP.

4. (C) Further complicating election arithmetic is the sheer number of candidates: 211 for 49 seats. HRPP fielded more than a third of candidates, with 78. As MFAT officials note, this high volume dilutes the vote count among each candidate. A candidate challenging election results in his or her district needs only to have received half the number of votes that the putative winner received. As each of the many candidates tend to receive few votes, this is a relatively low threshold. In the 2001 election cycle, the resolution of 10 election petitions delayed official election results for two weeks. Both Australian HC and MFAT officials predict a longer election delay this cycle, as a number of affidavits had been filed even prior to the election and the court system is poorly positioned to manage an increased volume. However, MFAT believes that HRPP will remain on top, especially since several of the close races have SDUP candidates only slightly ahead of their HRPP opponents.

5. (C) MFAT officials also noted that independent candidates are an important, third factor for predicting the final election outcome. In the 2001 elections, a dozen independent candidates won seats -- roughly 25% of parliament. Candidates are not bound to their party alignment until they are sworn in as MPs, meaning that a large number of independents could continue to hold sway over the balance of power. However, this year preliminary results show only eight seats falling to independents. They may therefore play a less significant role in the formation of government this time around. MFAT officials also expect to see several independents join the ranks of HRPP in the coming days and weeks.

McCormick

date:2006-04-13T05:36:00

source:Embassy Wellington

origin:06WELLINGTON288

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2656 INFO RUCNSTF/TERRORISM FINANCE PRE NOTIFICATION COLLECTIVE  
RUEHBY/AMEMBASSY CANBERRA 4378 RHEHAAA/NATIONAL SECURITY COUNCIL

WASHDC RUCNDT/USMISSION USUN NEW YORK 0047 RUEATRS/DEPT OF TREASURY  
WASHDC

classification:SECRET

reference:06STATE39886|06STATE40313|06STATE40404|06STATE41362|06STATE50398|06STA  
TE56381

□S E C R E T WELLINGTON 000288

SIPDIS

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E.O. 12958: DECL: 04/12/2016

TAGS: EFIN, ETTC, KTFN, PREL, PTER, NZ

SUBJECT: TERRORISM ...

▼S E C R E T WELLINGTON 000288

SIPDIS

SIPDIS

E.O. 12958: DECL: 04/12/2016

TAGS: EFIN, ETTC, KTFN, PREL, PTER, NZ

SUBJECT: TERRORISM FINANCE: JI-4 PRENOTIFICATION: NEW

ZEALAND'S RESPONSE

REF: A. STATE 56381

B. STATE 50398

C. STATE 41362

D. STATE 40404

E. STATE 40313

F. STATE 39886

(U) Classified by Acting DCM Katherine B. Hadda. Reasons:

1.4 (b) and (d).

1. (S) The New Zealand government has decided to co-sponsor a request to the UN 1267 Sanctions Committee to list four Jemaah Islamiyah (JI) leaders: Abu Bakar Ba'asyir, Gun Gun Rusman Gunawan, Taufik Rifki and Abdullah Anshori (ref C and F).

2. (C) Taha McPherson of the Ministry of Foreign Affairs and Trade's Security Policy Division informed post April 13 of the decision made by the government's ministers. McPherson said the decision also would be conveyed to New Zealand's UN mission and to the Australian government. Australia's High Commissioner in New Zealand, John Dauth, on April 11 met with Ministry officials and urged them to co-sponsor the submission to the UN committee.

3. (C) McPherson noted that the delay in the request to the UN committee (ref B) gave New Zealand officials the time they needed to run the issue through their interagency process. Particularly since New Zealand co-sponsored the UN request to designate JI itself, the officials considered from the beginning the co-sponsorship of the JI leaders' listing to have merit, McPherson said. He added that the month taken to respond to our request for co-sponsorship (ref F) reflects New Zealand's cumbersome interagency process.

4. (C) Post is especially grateful to Treasury for providing

additional information that helped the New Zealand government officials reach their decision.  
McCormick

date:2006-04-20T05:46:00  
source:Embassy Wellington  
origin:06WELLINGTON298  
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WASHDC IMMEDIATE 2670 INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 0306  
RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 4380 RUEHPB/AMEMBASSY PORT MORESBY  
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RHHJJAA/JICPAC HONOLULU HI IMMEDIATE RHEHAAA/NATIONAL SECURITY COUNCIL  
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classification:CONFIDENTIAL  
reference:06PORTMORESBY170|06WELLINGTON298  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000298

SIPDIS

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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP  
NSC FOR VICTOR CHA...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000298

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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISA LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 04/20/2016  
TAGS: PGOV, PREL, BP, NZ  
SUBJECT: GNZ REACTION TO SOLOMONS UNREST

REF: A. WELLINGTON IIR 6869 0061 (NOTAL)  
B. PORT MORESBY 170

Classified By: Charge d'Affaires David Burnett,  
for reasons 1.4 (b) and (d)

1. (C) Summary: New Zealand officials believe the situation in Honiara has calmed down, especially given the presence of stepped up RAMSI and local police security presence. But GNZ worries about future flashpoints, such as the upcoming inauguration of PM Rini. They also fear a possible spillover affect to the ethnic Chinese communities in other Pacific Island nations. One possible upside to the Solomons situation, GNZ believes, is that it may impel China and Taiwan to look more seriously at the negative effect of their actions in the region. New Zealand officials continue to look seriously at a long-term approach to the China/Taiwan factor, and would like to remain in contact with us as they do.  
End Summary.



2. (C) New Zealand today began to send 30 police and 25 soldiers to the Solomons Islands, to help RAMSI and local police efforts to stabilize the situation there. Prime Minister Clark noted to the NZ media that the additional forces, sent to assist New Zealand's current contingent of 82 police and soldiers will send " a very clear signal" to rioters. The Ministry of Foreign Affairs and Trade (MFAT) has also advised Kiwis to avoid all non-essential travel to the Solomons. The Government has so far stopped short of urging the 200 New Zealanders in the Solomons to leave, but has said that military flights would be available to anyone wishing to do so. All Kiwis in the Solomons are believed to be safe, although three NZ Policemen (and 17 Australian officers) were injured quelling the riots.

3. (C) Heather Riddell, Director of MFAT's Pacific Division, said the problems stemmed from the fact that the Solomons' Prime Minister is elected by successful MPs, "so democracy ceases to work well." In other words, votes are bought. As does Ref B, GNZ believes that Charles Dausabea's backers had a lot to do with rousing the crowds, as he was seen lurking around some of the outbreaks. His party's MPs were also able to leave Parliament even as PM-elect Rini and most MPs were held there. Riddell says that rioters burned down the Honiara supermarket (Wings) belonging to Rini financial backer Tommy Chan. Most of Chinatown and many other ethnic Chinese businesses are in ashes as well.

4. (C) With the arrival of additional Australian military and police adding to a visible security presence, things are calmer now, says Riddell. But Rini is due to be sworn in as early as today, so GNZ is monitoring the situation closely. Riddell, whose most recent foreign posting was Honiara, says that she fears the situation could flare up again. She was personally shocked that the resistance to Rini was so determined, as normally protesters "get excited and then go home." This unrest has lasted for days.

5. (C) Riddell says it is not clear how long the reinforcements would have to remain in Honiara. The next step will be to get through the inauguration and get the government rolling again. Once things are stable, RAMSI and the local police will investigate how the trouble started. Over the shorter term, GNZ is trying to assess the damage to the food supply in the Solomons, given that so many stores were destroyed. Most people have gardens, but there may be shortages of rice and other staples. GNZ will determine whether any assistance may be needed.

6. (C) Over the longer term, this episode has obviously created a real setback for the credibility of public security, and the balance between security needs and nation building will have to be reassessed, says Riddell. She predicted another period of instability and uncertainty could arise when Rini selects his Cabinet, and indicated that some victorious MPs are unsavory characters.

7. (C) GNZ has not yet done a detailed assessment of the

anti-Chinese sentiment unleashed in the riots, but fears that the problems could spread to other ethnic Chinese in the region. Riddell said that GNZ officials would have raised general concern over China's actions in the Pacific Islands during Premier Wen's recent visit to Wellington, but not any specific examples. GNZ is, however, continuing to work on a strategy for addressing the role of China and Taiwan in the region. Riddell says GNZ continues to see the need for a constructive dialogue with Beijing and Taiwan, and the problems caused for the Chinese community in the Solomons may give a way in.

8. (C) During A/S Hill's March visit, NZ officials said that FM Peters would like the Pacific Islands to engage China and Taiwan as a group. But Riddell said that if the recent PRC-hosted forum in Fiji was any example, this approach was unlikely to be successful. She described the gathering (close hold) as "a lecture accompanied by laptops and some financial sweeteners." What will be effective, she said, is if the Pacific Island Governments become disquieted enough to press the issue. But as China now provides at least half of the assistance to the Islands, the governments are in a difficult position.

9. (C) Riddell nevertheless believes that a number of issues, including obviously the Solomons but also the problem of illegal logging in Papua New Guinea, are pushing the problem of China/Taiwan to a head. Devising an effective strategy in response remains a critical priority for GNZ, and Riddell says MFAT would like to consult closely with post as they move ahead.

Burnett

date:2006-05-16T23:27:00  
 source:Embassy Wellington  
 origin:06WELLINGTON379  
 destination:VZCZCXYZ0000 PP RUEHWEB DE RUEHWL #0379/01 1362327 ZNY  
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 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0264 RUEHGV/USMISSION GENEVA PRIORITY  
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 PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY  
 classification:CONFIDENTIAL  
 reference:06WELLINGTON234  
 ☐ C O N F I D E N T I A L WELLINGTON 000379

SIPDIS

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STATE FOR D (FRITZ), EAP/FO, IO/SHA, NEA/IPA, AND EAP/ANP  
 NSC FOR VICTOR CHA...

▼ C O N F I D E N T I A L WELLINGTON 000379

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STATE FOR D (FRITZ), EAP/FO, IO/SHA, NEA/IPA, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/16/2016  
TAGS: PREL, PGOV, PHUM, NZ  
SUBJECT: GNZ REMAINS COOL TO ISRAELI JUSCANZ PARTICIPATION

REF: A. WELLINGTON 234

B. STATE 36771

Classified By: Charge D'Affaires David R. Burnett,  
for reasons 1.4 (b) and (d)

1. (C) As noted Ref A, Ambassador McCormick and his Australian and Canadian counterparts met with Minister Peters in late May to urge that New Zealand support Israeli membership in the Geneva JUSCANZ group. This followed representations by other Embassy officers at lower levels. Minister Peters promised GNZ would consider the Ambassador's request, but because the Minister was on official travel for much of the past two months, it took a while for GNZ to give us their formal response.

2. (C) On May 9, Minister Peters sent the Ambassador a letter noting that New Zealand would not oppose any consensus to admit Israel into the group. He then adds that as of now, New Zealand does not believe that consensus exists.

In other words, GNZ's position has not changed.

3. (C) We understand that our request was reviewed at very senior levels, including by the Prime Minister. While the result is disappointing, the silver lining (if there is one) is that Minister Peters also says that he has instructed the NZ Permrep in Geneva to handle this issue personally. That might help, as we understand through oblique references from our counterparts here (and from Ref B) that the working level representative in JUSCANZ is the NZ official who has insisted that NZ is not isolated on this issue. Presumably the Permrep will be more honest in his appraisal, and he has been given a direct line on the issue to Minister Peters.

3. The full text of the letter is as follows:

Begin text:

Dear Ambassador

You called on me with your Australian and Canadian colleagues to ask that New Zealand withdraw its opposition to Israel's membership of the JUSCANZ human rights group in Geneva.

The government has considered very carefully the points you made at that meeting and in your talking points.

New Zealand has sympathy with the view that every UN member has the right to participate in UN activities on the same basis as other member states and to do that has to be part of an electoral group. For that reason, as you know, New Zealand has supported Israel's temporary membership of WEOG in New York, on the basis that it does not constitute a precedent for automatic membership of WEOG groups in other locations.

It is important to be absolutely clear about the government's position concerning the JUSCANZ human rights group in Geneva. New Zealand would not oppose any genuine consensus that might emerge for Israel to be admitted to that group. My understanding is however that such a consensus does not at this point exist.

In view of the significance of this matter to your countries, I am instructing the new New Zealand Permanent Representative to United Nations in Geneva to follow this issue closely himself and to report to me on any developments. At the same time your senior diplomatic representatives in Geneva should feel free at any time to raise with Mr. MacKay any issues they might have on this or any other policy positions of New Zealand as they relate to the Geneva environment.

It is essential especially as the new Human Rights Council gets up and running that there is the closest cooperation between New Zealand and countries like yours with which we share so many interests in common.

Yours sincerely

///s///

Rt Hon Winston Peters  
Minister of Foreign Affairs

End text.  
McCormick

date:2006-05-18T05:05:00  
source:Embassy Wellington  
origin:06WELLINGTON384  
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0460 RHHMUNA/CDR USPACOM HONOLULU HI  
classification:CONFIDENTIAL  
reference:06APIA40|06WELLINGTON253  
☐ C O N F I D E N T I A L WELLINGTON 000384

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DEPARTMENT FOR EAP/FO AND EAP/ANP  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12...

▼ C O N F I D E N T I A L WELLINGTON 000384

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DEPARTMENT FOR EAP/FO AND EAP/ANP  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/17/2016  
TAGS: PREL, PGOV, NZ, WS  
SUBJECT: SAMOAN GOVERNMENT: NEW ZEALAND AND AUSTRALIA  
ASSESS CABINET

REF: A. APIA 40  
B. WELLINGTON 253

Classified by Charge d'Affaires David R. Burnett. Reasons:  
1.4 (b) and (d).

1. (C) Summary: Officials for New Zealand's Ministry of Foreign Affairs and Trade (MFAT) and the Australia High Commission in Wellington continue to follow closely the implications of Samoa's March 31 general election. Both recognize the potential for improved governance following the announcement of Cabinet assignments on April 21, but are concerned about the law and order portfolios. End Summary.

2. (U) Samoa's Electoral Commissioner on April 13 announced official polling results from Samoa's March 31 general election. The Human Rights Protection Party (HRPP) retained control of government by gaining 35 of the 49 seats. The Samoan Democratic United Party (SDUP) holds ten seats, with the remaining four seats going to independents. On April 21 the GOS announced Cabinet assignments (see ref A).

3. (C) Prime Minister Tuilaepa Aiono Sailele Malielegaoi appointed five new ministers, former Speaker Toleafoa Apulu Faafisi, Niko Lee Hang, new female MP Gatoloaifaana Amataga Alesana Gidlow, Unasa Mesi Galo and Taua Tavaga Kitiona Seuala. Two former ministers, Palusalua Faapo II (Communications and Information Technology) and Hans Joachim Keil (Commerce, Industry and Labor), were not re-appointed to Cabinet. MFAT says that in Keil's case, there had been speculation that his reduced electoral support in the two-seat Individual Voters constituency would work against his inclusion in Cabinet. MFAT also believes Kiel was affected negatively by press on Samoa's WTO accession proceedings, published proximate to the election.

4. (C) The former ministers of justice and police were not reelected, and both MFAT and the High Commission expressed particular concern about the law and justice sector, especially basic law enforcement capabilities and the ability to prosecute criminal cases and bring them to trial. Controversial former Speaker Toleafoa Apulu Faafisi (Toleafoa) is now Minister for Police, Prisons and Fire Services. According to the Australians, key Apia-based sources describe Toleafoa's appointment as disappointing. During the last term of government, Toleafoa was regularly accused of favoring the Government during his time as Speaker, resulting in a complaint by SDUP Deputy Leader

Asiata Saleimoa Vaai to the International Parliamentary Union. A longtime HRPP stalwart, Toleafoa was more recently accused of using heavy-handed tactics at the village level during the election, according to MFAT. Neither MFAT nor Australia expect Toleafoa to perform strongly and it is likely the Prime Minister will directly oversee key aspects of the portfolio. The absence of a capable minister in the portfolio may impede the reform process.

5. (C) Deputy Prime Minister Misa Telefoni Retzlaff lost the prestigious Cabinet post of Finance Minister to Niko Lee Hang, who topped the poll in the 2006 election in the Individual Voters candidacy. While somewhat surprising that Lee Hang was elevated to this leading position, his assignment reflects the confidence that PM Tuilaepa places on his accounting and business qualifications, according to MFAT. Lee Hang is a chartered accountant. The Deputy Prime Minister picked up the Trade and Tourism portfolio.

6. (C) After holding the education, sports and culture portfolio for fifteen years, Fiame Naomi Mataafa was appointed as Minister for Women, Community and Social Development. The prior minister retired from Parliament. Fiame is well-regarded locally and has considerable influence, but MFAT says the women's affairs portfolio is significantly under-funded and effective progress will be challenging. Fiame is also responsible for the Public Service Commission and the Ombudsman's Office. The Australian High Commission sees Fiame's appointment as a positive outcome for public sector reform and good governance objectives.

7. (C) The only other woman Cabinet minister, new MP Gatoloaifaana Amataga Alesana Gidlow (Gatoloai), was appointed Minister of Health. Replacing the controversial former Health Minister and current Party Whip Mulitalo Sealiimalietoa Siafausa Vui, Gatoloai is the daughter of former Prime Minister Tofilau Eti. The Australians described the reassignment of Mulitalo as another positive move for

governance. Mulitalo remains the subject of persist rumors that he played a leading role in ongoing corruption scandals in the Health Ministry. According to the Australian High Commission, Mulitalo's appointment as Minister for Communication and Information Technology is drawing valid criticism that HRPP's abuse of the government-owned media is likely to continue.

8. (SBU) Faumuina Tiatia Ligua was moved from the esteemed public works portfolio to the natural resources and environment portfolio. In his previous role as Public Works Minister, he ironically was often in confrontation with the Ministry of Natural Resources and Environment.

9. (C) Comment: Samoa is as the Kiwis are fond of saying, "a bright spot in the Pacific." But as their and the Australians' analyses show, the country will have its share of challenges in the months ahead. End Comment.  
Burnett

date:2006-05-19T04:56:00  
source:Embassy Wellington  
origin:06WELLINGTON387  
destination:VZCZCXYZ0012 OO RUEHWEB DE RUEHWL #0387 1390456 ZNY CCCCC  
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WASHINGTON DC IMMEDIATE RUEHC/SECSTATE WASHDC IMMEDIATE 2799  
classification:CONFIDENTIAL  
reference:06STATE78792  
□C O N F I D E N T I A L WELLINGTON 000387

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DOE FOR S-1 S-2 AND NA-1: BROOKS/AOKI/FREMONT  
NA-20: BAKER/BLACK  
NA-23: TUR...  
▼C O N F I D E N T I A L WELLINGTON 000387

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DOE FOR S-1 S-2 AND NA-1: BROOKS/AOKI/FREMONT  
NA-20: BAKER/BLACK  
NA-23: TURNER/CHACEY  
STATE FOR EAP/ANP, EUR/RUS, AND EB/ESC

E.O. 12958: DECL: 05/19/2016  
TAGS: ENRG, PARM, OTRA, RS, KNNP, TRGY, NZ  
SUBJECT: MOU WITH NEW ZEALAND REGARDING ZHELEZNOGORSK POWER  
PLANT

REF: STATE 78792

Classified By: DCM David R. Burnett,  
for reasons 1.4 (b) and (d)

1. (U) On May 18, 2006, PolCouns shared the revised MOU and talking points provided reftel with Deborah Panckhurst of the Ministry of Foreign Affairs and Trade's (MFAT) Disarmament Division. Panckhurst said that she has also been in contact with DOE's Mike Stafford about this issue. MFAT will respond to our changes once the Ministry lawyer involved with the MOU, Caroline Bilkey, has reviewed it.

2. (C) Panckhurst said NZ officials are concerned they will face public and opposition criticism if they cannot visit a taxpayer-funded assistance project. DOE has provided some indication that other donors have accepted similar restrictions, but additional information would be very helpful.

3. (C) We have also told Panckhurst that Embassy is willing to approach opposition parties at the highest levels as needed, to urge that they not make a political issue of this important project.  
McCormick

date:2006-05-24T22:38:00

source:Embassy Wellington  
origin:06WELLINGTON398  
destination:This record is a partial extract of the original cable.  
The full text of the original cable is not available. 242238Z May 06  
classification:CONFIDENTIAL  
reference:06STATE76257  
□C O N F I D E N T I A L WELLINGTON 000398

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DEPARTMENT FOR EAP/ANP DRICCI

E.O. 12958: DECL: 05/23/2016  
TAGS: PINR, KAWC, NZ  
SU...  
▼C O N F I D E N T I A L WELLINGTON 000398

SIPDIS

DEPARTMENT FOR EAP/ANP DRICCI

E.O. 12958: DECL: 05/23/2016  
TAGS: PINR, KAWC, NZ  
SUBJECT: NEW ZEALAND ATTENDANCE AT CONFERENCE ON GENOCIDE  
AND ATROCITIES PREVENTION  
REF: STATE 76257

(U) Classified by Political-Economic Counselor Katherine B.  
Hadda.  
Reasons: 1.4 (b) and (d).

1. (U) This is an action message -- see para 4.
2. (C) On May 15, Poloff delivered reftel invitation to Valerie Meyer; Deputy Director; United Nations, Human Rights, and Commonwealth Division, Ministry of Foreign Affairs and Trade (MFAT). Meyer responded that representatives from her division would not be able to attend, but that she would relay the invitation to Gerard van Bohemen, MFAT's International Legal Advisor.
3. (C) On May 21, van Bohemen responded saying that Legal Division will likewise find it difficult to attend the conference, but requested further clarification about the conference before making a final decision.
4. (C) Post requests Department assistance in responding to the following questions from van Bohemen:
  - What will be the focus of the conference discussion? Is it legally-focused or is it looking to establish some kind of early warning system?
  - Is the intention to focus on avoiding the social and economic circumstances that might give rise to such atrocities?
  - If a Wellington-based GNZ official is unable to attend, would representation from NZ's Embassy in Washington be acceptable?



McCormick

date:2006-05-25T04:45:00  
source:Embassy Wellington  
origin:06WELLINGTON405  
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IMMEDIATE 0141 RUEHLI/AMEMBASSY LISBON IMMEDIATE 0043 RUEHGP/AMEMBASSY  
SINGAPORE IMMEDIATE 0419 RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE  
RHHJJAA/JICPAC HONOLULU HI IMMEDIATE RUCNDT/USMISSION USUN NEW YORK  
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classification:CONFIDENTIAL  
reference:06CANBERRA779  
☐ C O N F I D E N T I A L WELLINGTON 000405

SIPDIS

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STATE FOR D (FRITZ), EAP/FO, EAP/MTS, EUR/WE, EAP/ANP, AND  
PM/ISO  
NSC FOR V...  
▼ C O N F I D E N T I A L WELLINGTON 000405

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STATE FOR D (FRITZ), EAP/FO, EAP/MTS, EUR/WE, EAP/ANP, AND  
PM/ISO  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/25/2016  
TAGS: PGOV, PREL, ASEC, TT, NZ, AS  
SUBJECT: NEW ZEALAND ON STANDBY FOR EAST TIMOR

REF: A. CANBERRA 779

B. DILI 254

Classified By: DCM DAVID R. BURNETT,  
FOR REASONS 1.4 (b) and (d)

1. (C) GNZ officials are deciding what support New Zealand will provide to E. Timor now that the Timorese government has officially asked for help. In the morning of May 25, NZ Defense Force (NZDF) Assistant Chief for Strategic Commitments and Intelligence, Brigadier Warren Whiting, told DATT and Pol-Econ Chief that NZ's Defense Attache and Ambassador to Dili were joining Australia's high-level delegation to discuss command and control, tasks, and terms of engagement with GOT. GNZ officials are meeting regularly throughout the day, and Foreign Minister Peters, Defense Minister Goff, CDF Mataparae, New Zealand's Deputy High Commissioner and Defense Attache in Canberra are all also in

close contact with their Australian counterparts. GNZ was also anticipating a statement from the UN Security Council later today.

2. (C) Whiting, who was joined by Col. Mike Thompson, Director of Strategic Commitments, said that the Timorese had been far more specific about what they wanted from the Australians and the Portuguese than from New Zealand, Malaysia, and Singapore. He said that the UN rep in Timor had recommended mostly police intervention, and Portugal was sending about 125 gendarmes. But Australian officials think this is more of a military than police operation, and GNZ agrees. Whiting said that in any case, Australia and New Zealand do not have para-military forces.

3. (C) Whiting and Thompson said that NZ has two C-130s on stand-by that can be moved immediately as needed to help transport NZ and/or Australian troops. They said that GNZ assumes the situation has moved from an evacuation of noncombatants (NEO) to a military operation. GNZ has also upgraded its travel advisory for E. Timor, although there are no Kiwi tourists known to be there, nor does the NZ Embassy in Dili have many dependents. There are about 40-49 New Zealanders in the country, but as they are more or less embedded -- for example doing NGO work -- they are apparently in no hurry to leave.

4. (C) As far as GNZ can tell, there appears to be no threat to foreigners in E. Timor. Much of Dili appears to be operating as normal and although there have been fire fights between groups, they have not been widespread. There is no risk getting to the airport, and commercial flights are still available. GNZ is concerned, however, that foreigners could end up being in the wrong place at the wrong time.

5. (C) GNZ has offered to assist Singapore and other "approved" foreign nationals in Dili, including allowing them to assemble at the NZ Embassy if needed.

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source:Embassy Wellington  
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classification:CONFIDENTIAL  
reference:06WELLINGTON298|06WELLINGTON406  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000406

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NSC FOR VI...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000406

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STATE FOR D (FRITZ), EAP/FO, EAP/ANP, AND PM/ISO  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/25/2015  
TAGS: PGOV, PREL, NZ  
SUBJECT: NZ UPDATE ON THE SOLOMONS

REF: WELLINGTON 298

Classified By: DCM David R. Burnett,  
for reasons 1.4 (b) and (d).

1. (C) Summary: GNZ officials report that a May 19 meeting between New Zealand Foreign Minister Peters, Australian Foreign Minister Downer, and Solomon Island officials was "difficult." However, the Solomons PM was much more conciliatory during a separate meeting with Peters on May 23. Most Solomon Islanders seem to support RAMSI, but GNZ thinks more needs to be done to educate the local population about RAMSI's work. NZ officials believe PM Sogavare is in a difficult position, and they are trying to deliver a firm message without making things hard for the moderates in his Cabinet. Meanwhile, NZDF predicts a NZ platoon will be in the Solomons at least until the end of the year, although NZ police should be down to pre-election levels by mid-June. End Summary.

2. (C) Peters and Downers had actually scheduled their visit to the Solomons about two months ago, presuming this would be a good time to meet the new government. The timing had been changed slightly to May 19, not because of the recent unrest in the Solomons (reftel), but because of Peters desire to be present in Parliament when the Government unveiled its budget on May 18. When the visit was originally planned, Peters had intended to stay in the Solomons a day longer than Downer, who left after a day. However, the budget-related change meant that Peters missed the return commercial flight so he stayed on until May 22. During the three-day solo visit, in addition to the second meeting with Sogavare Peters met with the Foreign Minister, Governor General, and Opposition leader. He also visited Western Province and Malaita.

3. (C) Marion Crawshaw, an NZ Ministry of Foreign Affairs and Trade (MFAT) official who accompanied Peters, told Pol-Econ Couns that Solomons PM Sogavare was a lot more tempered in his remarks during his May 22 meeting with Peters than he had been in a larger meeting with Australian FM Downer, Solomons FM Patteson Oti and others just three days before. Crawshaw, who is Director of MFAT's Bilateral Pacific Division believes this is because Oti was not at the second meeting. RAMSI principals who had met with Sogavare had found him similarly constructive, she said, but found it had been hard to get the meeting via Oti. She said whereas

at the first meeting PM Sogavare and FM Oti had talked about the need for a RAMSI exit strategy, when Sogavare met with Peters alone he said "exit strategy" meant that RAMSI would leave one day, once its job was done.

4. (C) GNZ officials actually have some sympathy for Sogavare, Crawshaw said. He is under a fair amount of pressure from the moderates in the Cabinet, but also needs the votes of both Ministers who are in prison (Charles Dausabea and Nelson Ne'e) to stay in power. Although others in GNZ consider Sogavare to be corrupt, Crawshaw says she has seen no evidence that he is "seriously in the till," although she added that it seems no Solomons politician is completely honest. Rather, she believes the PM's biggest problem is that he very much wants to be Prime Minister and is willing to ally with some very dishonest people to hold onto the post. Crawshaw says that during a five minute one-on-one with Peters on the margins of their meeting, Sogavare apparently said that he was relying on RAMSI, Australia, and New Zealand "to give us sanity."

5. (C) For this reason, GNZ and the Australians are working through how to provide some tough messages to the Solomons while at the same time supporting the moderates in the Cabinet around Sogavare. Crawshaw said that during Peters' meetings and tour of the Solomons, people were generally supportive of RAMSI. However they, and even PM Sogavare seem unaware of all the work that RAMSI is actually doing. For example, the PM said there was a need for "capacity building" so that responsibility can be passed along to the Solomon Islanders. But he was apparently not aware that much capacity building was already in place, such as by the many Australian Finance Ministry staff who have rotated through Honiara. Crawshaw said that GNZ needs to do a better job to help publicize RAMSI's work, both in the Solomons and among NGOs in New Zealand.

6. (C) Peters also stopped in Papua New Guinea on his way back from the Solomons, where he had a good meeting with PNG Foreign Minister Namaliu. Crawshaw said Peters was pleased that PNG is apparently sending the right message to the Solomons Government, and one that tracks closely to Australia's and New Zealand's:

- RAMSI is a package and can't be cut up.
- GOS has the responsibility to ensure the right things happen.
- Good governance is fundamental.
- The economic situation in the Solomons is dire and must be addressed.

7. (C) DATT and Pol-Econ Couns also discussed GNZ's Solomons contributions with NZDF officers Brigadier Warren Whiting, Assistant Chief for Strategic Commitments and Intelligence, and Colonel Mike Thompson, Director for Strategic Commitments. Both confirmed that New Zealand will as early as next week draw down their police presence in the Solomons to pre-election levels, from about 64 to 35. The military drawdown will be slower, however. The 125 NZDF personnel now there will be reduced to about 40 by mid-late June. Before the elections, Australia, New Zealand, Papua New Guinea, and

Tonga rotated through 1 platoon each. Now, both Australia and New Zealand have standing platoons there, and the others are rotating through. Whiting said the command arrangements still need to be worked through. He anticipates that the expanded force will be in the Solomons at least until the end of the year, if not longer.  
McCormick

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NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/26/2016  
TAGS: MARR, MOPS, PREL, NZ  
SUBJECT: DEMARCHE ON MANAS AIRFIELD

REF: SECSTATE 81543

Classified By: DCM DAVID R. BURNETT,  
FOR REASONS 1.4 (B) AND (D)

1. (C) On May 23, Pol-Econ Counselor and DATT shared reftel demarche with Chris Seed, Deputy Secretary of Defence. PE Couns also separately conveyed the demarche to Matthew Paterson, Policy Officer in the Security Policy Division at the Ministry of Foreign Affairs and Trade (MFAT).

2. (C) On May 25, Paterson told PE Couns that as an originating member, New Zealand continues to take OEF very seriously. GNZ also remains grateful to the United States

for the logistical support it has provided for New Zealand's participation, as well as for the potential air cover and evacuation support that NZ fortunately has not needed to date. For this reason, New Zealand would be happy to support our request.

3. (C) New Zealand has no diplomatic mission in Kyrgystan, which is covered out of NZ's Embassy in Moscow. The new NZ Ambassador to Russia, Christopher Elder, has not yet presented his credentials to the Kyrgyz Government, and MFAT is considering combining the presentation (which has not yet been arranged) with the request on our behalf regarding Manas Airfield. Paterson also said MFAT believes that as NZDF had deployed a C-130 at Manas during the initial stages of OEF, New Zealand still has useful contacts there. Peterson cautioned that no matter what strategy MFAT ultimately pursues, GNZ has found it can take a while to arrange meetings with Kyrgyz officials, as New Zealand has few significant interests in Kyrgystan. He promised to keep PE Couns advised as to GNZ's progress.

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DOE FOR S-1 S-2 AND NA-1: BROOKS/AOKI/FREMONT  
NA-20: BAKER/BLACK  
NA-23: TURNER/CHACEY  
STATE FOR ISN/CTR MIKE STAFFORD, EAP/ANP, EUR/RUS, AND  
EB/ESC

E.O. 12958: DECL: 06/02/2016  
TAGS: KNNP, ENRG, PARM, OTRA, TRGY, NZ  
SUBJECT: UPDATE ON MOU WITH NEW ZEALAND REGARDING  
ZHELEZNOGORSK POWER PLANT

REF: WELLINGTON 387

Classified By: Political-Economic Counselor Katherine Hadda,  
for reasons 1.4 (b) and (d)

1. (C) Deborah Panckhust, officer in the Ministry of Foreign Affairs and Trade's (MFAT) Disarmament Division, says that MFAT lawyers have now approved the U.S. draft text for the Zheleznogorsk MOU. However, the MOU must now be approved by Foreign Minister Winston Peters and Defense Minister Phil Goff. As they had already approved the agreement in principle, Panckhurst is optimistic that they will give their OK within the week.

2. (C) Panckhurst said that GNZ is mindful that they must spend the proposed funds by June 30, the end of New Zealand's fiscal year. She is hopeful the agreement can be approved and signed in time.

McCormick

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reference:06WELLINGTON451  
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STATE FOR EAP/FO, EAP/ANP  
PACOM FOR J2/J233/J5/SJFHQ  
INTERIOR FOR DAS COHEN

E.O. 12958: DECL: 06/08/2016  
TAGS: PREL, NZ  
SUBJECT: INITIATING A DIALOGUE: NEW ZEALAND ACTIONS IN THE  
PACIFIC AND OPPORTUNITIES FOR COOPERATION

(U) Classified By: Deputy Chief of Mission David R. Burnett,  
for reasons 1.4(b) and (d).

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Summary

1. (C) Ministry of Foreign Affairs and Trade (MFAT) officials say New Zealand's main areas of concern in the Pacific are governance, economic stability and security. New Zealand is revising its approach to and strengthening engagement with Pacific Island countries (PICs), and is coordinating more with other countries with interests in the region (notably the European Union, France, China and Japan). MFAT suggests increased information sharing about what the United States and New Zealand are doing in the Pacific, improved coordination in regional fora (especially the Pacific Island Forum Post-Forum Dialogue), and greater dialogue in the management of Pacific fisheries as three potential areas for U.S.-New Zealand cooperation. End summary.

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Initiating a Dialogue on Shared Pacific Interests  
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2. (SBU) On June 1, DCM and Emboffs met with representatives of MFAT for a high-level discussion about New Zealand's activities and interests in the Pacific. Deputy Secretary Alan Williams led the New Zealand side, accompanied by Dell Higgie, Director of the Security Division; Heather Riddell Director of the Pacific Division; Marion Crawshaw, Deputy Director of the Pacific Division (Bilateral Relationships); and Niels Holm, Deputy Director of the Pacific Division (Regional Relationships).

3. (C) Williams said he was struck by EAP Assistant Secretary Hill's "unrequited appetite about what New Zealand is doing in the Pacific." New Zealand and the U.S. once held regular, documented conversations on respective activities in the Pacific, but Williams said New Zealand turned off that dialogue when budget cuts constrained resources. Williams is eager to resume contact and invited Emboffs to meet with him and the Pacific Division every five to six weeks. DCM Burnett agreed this would be helpful, noting that often our exchanges have been crisis (e.g. Solomons and Papua New Guinea) or event driven (Samoan elections) rather than proactive.

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Areas of Concern: Governance, Economic Stability and Security  
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4. (C) Williams said MFAT's Statement of Intent, which outlines GNZ's overarching foreign policy goals, highlights the agency's goal of redefining engagement in the Pacific to promote regional stability and development and reduce risks to New Zealand's security and trade. He also noted that the Pacific Islands rated second only to sub-Saharan Africa for poor performance on the Millennium Development Corporation's indicators of development.

5. (C) On governance, Williams is concerned about undemocratic trends in the so-called "Arc of Instability" encompassing Melanesia, and referred to the region as "close



as we come to failed states in our region." He recognized that while New Zealand's provision of targeted development and good governance assistance to the region was expanding, weak institutions and political instability continue to pose risks. New, more active approaches by Australia and New Zealand are needed, including in the Regional Assistance Mission in the Solomon Islands (RAMSI).

6. (C) Crawshaw reported that New Zealand is (in the last eight or nine months) moving past the post coup environment in Fiji. New Zealand is watching with interest as the Prime Minister puts together Fiji's first multi-party cabinet. While not expecting the arrangement to last, MFAT views the process as a positive step toward building cross-party relationships that will later contribute to stable governance.

7. (C) While New Zealand's concerns in Melanesia are

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principally about governance and security issues, in Polynesia, the worry is about the lack of economic development, demographic challenges, the threat of HIV/AIDS, and land ownership issues. MFAT said the quality and nature of the interventions made by external partners are critically important to prosperity and stability in the region: a bit more cultural sensitivity, including the need for buy-in by host governments, is definitely needed.

8. (C) "We're even facing the winds of change with long-standing Polynesian partners," Williams said, among whom "even the most successful and best governed countries are having problems with law and order such as in Tonga, which is the last of the feudal monarchies." "The king is ailing in a New Zealand hospital," Williams continued, "and we're expecting rapid and intensive change." Williams explained that with a large population of Pacific Islanders in New Zealand (especially Polynesians), "Pacific issues quickly become domestic issues." Thus New Zealand is necessarily deeply involved in Tonga reform discussions, while flirting delicately with the bounds of interference. New Zealand concerns in Micronesia are similar to those of Polynesia. While GNZ acknowledges that its engagement with Micronesia is less robust, it also realizes that Micronesia is a critical partner for regional economic stability, particularly for sustainable fisheries.

9. (C) As GNZ revises its engagement with the Pacific, it is adopting a listening approach in which New Zealand "has some humility that we don't have all the answers." Riddell highlighted the difficulty of promoting good governance where institutions of democracy might be incompatible with cultural structures (e.g. Solomons and Papua New Guinea) where there is not a strong sense of statehood, and where loyalties are at the sub-state level (such as provincial governments) or to particular institutions (such as the police). (NB: Andrew Ladley, Director of the Institute of Policy Studies, School of Government, Victoria University of Wellington -- a legal scholar focusing on democracy in Pacific -- has similar views. Ladley asserts, for example, that election processes

in many Pacific countries are based on deeply ingrained patron-client relationships and institutionalized bribery. Legislators do not seek reelection to office but rather treat their terms in office as one-time opportunities to loot government coffers and reward friends, Ladley said, resulting in high legislator turnover -- more than 80 percent in Papua New Guinea and between 60 and 70 percent throughout the Western Pacific.)

10. (C) Riddell said in these fragile democracies, there are obstacles to good governance on both the demand and supply side. People do not demand democratic governing structures because they've never had them. On the supply-side, these countries are "coming toward the end of their post-colonial generation and we're not seeing the next generation." The DCM said because cultural institutions are breaking down, traditional processes are not in place to supply the next generation of leaders. Williams said GNZ is using its Pacific Partnership visitor program to address the leadership gap by, for example, bringing provincial governors from the Solomon Islands to New Zealand to experience New Zealand's system of governance first hand.

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Economic Stagnation  
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11. (C) The MFAT participants lamented limited economic progress in the region. Beyond fisheries and Papua New Guinea's mineral resources, Niels Holm, Deputy Director of the Pacific Division said, the region has few natural resources on which it can rely. MFAT recognizes that trade and economic growth is not proceeding quickly enough to respond to population growth in the Solomons and other Melanesian countries. The MFAT officials were not all doom and gloom, noting that a number of countries (even Papua New Guinea) are showing better growth than at any time over last 20 years and that regulatory reform in countries such as the Cook Islands and Samoa appear to be yielding real economic returns.

12. (C) Holm said the PICs share a number of disadvantages,

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such as low skills, limited natural resources, poor communications links, and rapidly declining or expanding populations. Despite the PICs' inclination to respond to these challenges individually, they would benefit from collective action, particularly for problems such as bird flu and security. The Pacific Island Forum should pull back from a bias towards policy implementation by individual governments and instead focus on defining regional policy and achieving buy-in, Holm said.

13. (C) Pacific nations are plagued by low levels of capital where governments, often the only modern institutions, are hampered by problems of culture (such as land tenure issues) and tend to excessively regulate so that "even panhandlers need a license," Holm said. Despite the fact that fisheries

are the only significant natural resources in the region, Pacific nations still operate on the "Olympic principle of the first one out gets the fish" and not the principle that sustainable fisheries is "not about managing fish but managing the fisherman," said Holm. While he noted that it was important to harmonize donor effort and minimize conflict between New Zealand, Australia, United States, China, Japan and the European Union, regional cooperation is mostly about recognizing "interdependence and promoting self-reliance and a business friendly environment."

14. (C) Expressing frustration with the Pacific Agreement on Closer Economic Relations (PACER) and the Pacific Islands Countries Trade Agreement (PICTA), Holm said, "until we have a regional trade framework that works, we're going to have a problem with economic stability in the region." (NB: Vince McBride, Executive Director of the Pacific Cooperation Foundation and a retired New Zealand diplomat with extensive development experience in the Pacific, separately told Poloff that a gross Pacific Island trade imbalance in favor of Australia and New Zealand needs correction for the longer term viability of the economies of Pacific Island Countries (PICs).)

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Security Concerns and Capacity Building  
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15. (C) On security, Higgie highlighted the PICs' acute capacity issues with meeting international counter-terrorism obligations, and said the PICs believe the international community has imposed obligations without adequate consultation. Higgie said in fact there had been coordination with the PICs' UN missions, but that they suffer from the same type of capacity issues that afflict PICs in general (e.g. dearth of skilled personnel, insufficient financial resources, weak communications infrastructure, and -- in some cases -- lack of political will). The international community needs to consider whether it will "modulate" CT requirements to address these very real capacity issues, she added.

16. (C) The Pacific Islands Forum (PIF) Working Group on Counter-Terrorism (WGCT) held a regional CT tabletop exercise (Exercise Ready Pasifika) in Suva in November 2005. During the debriefing portion of the exercise, PICs representatives identified as a weakness the general lack of national frameworks for counter-terrorism. Recognizing the capacity issues faced by the PICs, Australia offered to draft a template; New Zealand further suggested drafting an "all hazards" plan, believing that it would achieve better buy-in. Interestingly, some PICs wanted to develop stand-alone CT plans, believing that global best CT practice requires a separate plan. They did see the plans as a de facto audit tool for other action plans, such as hurricane response, however. Other PICs responded that if they faced a real problem, they would just call on New Zealand or Australia. Higgie said she responded "fine, but have you investigated the law to see if the legal authorities are there? Can we attach Status of Forces agreements? Are there opt in/opt out clauses?" Williams added that PIF meetings had migrated to

a perspective of asking how to meet national needs within a regional framework. "After all, we are ourselves a Pacific Island country," he said.

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Opportunities for Cooperation

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17. (C) Williams said he shared USG interest in bilateral cooperation in the Pacific, and said GNZ has also been revising its programming language to note the importance of working with the EU, Japan, and China. For example, he said, over the last six months, GNZ has increased its level of diplomatic interaction with the European Union, asking that it not ignore the Pacific in favor of Africa. GNZ has also told Japan its interests in the region should be broader than just the International Whaling Commission (IWC). On June 21, New Zealand will host a high-level Chinese diplomat to discuss Pacific regional cooperation.

18. (C) "France has been sending signals about where it wants to be involved -- in police training and intelligence," said Williams. In May, the heads of mission from France's Pacific posts met in New Zealand. During that visit, they also met with GNZ officials to discuss mutual interests.

19. (C) "Can the region be all that it can be without U.S. involvement?" asked Williams rhetorically. "There's a lot we could and should be doing" Williams continued. For example, a Pacific Island Forum review team is investigating how to improve the quality of the dialogue from the regional architecture: the PIF, the Post Forum Dialogue and the multiplicity of other regional fora. "We need better choreography so that Chris Hill has time to talk to leaders." When the review team visits Micronesia, U.S. assistance suggesting contacts would be helpful, Williams added.

20. (C) Williams offered to provide a revised Pacific strategy paper (an "environmental scan" as he called it) submitted to Cabinet earlier this year, which summarizes GNZ's activities in the PICs. DCM Burnett said that the Embassy would see if Washington could provide a similar document from our sub-PCC process. Williams said his Pacific Division should share relevant reporting with the Embassy, and recommended scheduling a regular meeting every five to six weeks with Emboffs and the Pacific Division to discuss recent events and explore possible areas of cooperation. Williams also welcomed the opportunity for a high-level policy discussion, noting that he intended travel to Washington later in the year, and that he would be happy to swing through Hawaii.

21. (C) Pol-Econ Couns recalled A/S Hill's interest in New Zealand's use of trust funds for delivering official development assistance (ODA). Williams said that New Zealand is increasing its use of trust funds in Tuvalu, Niue, Tokelau, and would share more information on their use.

22. (C) Williams also asked to what extent the U.S. Coast Guard remains engaged in fisheries management in the Pacific, noting that New Zealand and France are discussing possible exchange of data within the FRANZ cooperative arrangement. Williams asked how the U.S. and New Zealand exchange fisheries-related satellite data. He noted that as New Zealand rolls out its new multipurpose vessels, it could be useful to discuss New Zealand's role in patrols of Pacific fishing areas.

23. (C) Comment: Sydney Morning Herald columnist Peter Hartcher, in an article picked up by the June 12 Dominion Post, warned that if Australia and New Zealand do not want to see places like East Timor "lapse routinely into chaos" and "become a permanent dependency," they need to revise their engagement with the Pacific and avoid a "moral hazard" where Pacific governments find their incentives toward good governance and economic development reduced by offshore arbiters of law and order and providers of financial assistance. As we move forward cooperating with Australia and New Zealand on Pacific Island issues, we will need to explicitly address this issue.  
McCormick

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DEPARTMENT FOR EAP/ANP DRICCI

E.O. 12958: DECL: 06/14/2016  
TAGS: PHUM, PREL, NZ  
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DEPARTMENT FOR EAP/ANP DRICCI

E.O. 12958: DECL: 06/14/2016  
TAGS: PHUM, PREL, NZ  
SUBJECT: NEW ZEALAND RESPONSE: HUMAN RIGHTS COUNCIL DEMARCHE  
  
REF: SECSTATE 94561

(U) Classified By: Political-Economic Counselor Katherine Hadda,  
for reasons 1.4 (b) and (d)

1. (C) On June 13, Poloff delivered reftel points to Valerie Meyer, Deputy Director of United Nations, Human Rights & Commonwealth Division, Ministry of Foreign Affairs and Trade

(MFAT). On June 14, Meyer responded that GNZ agrees with the U.S. position in general, particularly that the agenda should focus on establishing effective processes and mechanisms and avoid setting a negative tone that could become an entrenched element of the Human Rights Council. GNZ does not intend to sponsor any country specific or thematic resolutions. They believe that country resolutions, if introduced, may in some cases be helpful. Meyer said this seems similar to the USG view that country situations should be included as part of the agenda if they regard technical assistance and emergency concerns. However, GNZ does have some concern that "talking about country specific resolutions at all could resurrect all the old debate," added Meyer.

2. (C) GNZ "strongly views that the Sub-Commission should be disestablished," said Meyer. She noted keen interest in the fact that the Sub-Commission's budget had been four times larger than the Human Rights Commission itself, saying that GNZ is interested in seeing the funding fully returned to the Office of the High Commission.

3. (C) Meyer had little to say on the Declaration of Rights of Indigenous Peoples, except to note that she understands that U.S. and New Zealand missions in Geneva are in close contact on this issue.  
McCormick

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0479 INFO RUEHC/SECSTATE WASHDC 2905  
classification:CONFIDENTIAL  
reference:06WELLINGTON451|06WELLINGTON461  
☐ C O N F I D E N T I A L WELLINGTON 000462

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DEPARTMENT FOR EAP/ANP AND EAP/PD

E.O. 12958: DECL: 06/15/2016

TAGS: PREL...

▼ C O N F I D E N T I A L WELLINGTON 000462

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DEPARTMENT FOR EAP/ANP AND EAP/PD

E.O. 12958: DECL: 06/15/2016

TAGS: PREL, NZ, XV

SUBJECT: NZAID: APPROACH TO AID IN THE PACIFIC

REF: A. WELLINGTON 451

B. WELLINGTON 461

(U) Classified By: Political-Economic Counselor Katherine Hadda, for reasons 1.4 (b) and (d)

1. (C) On June 16, Poloff met with Craig Hawke, Director, Pacific Group, New Zealand's International Aid & Development Agency (NZAID) to discuss GNZ's official development assistance (ODA) and to explore opportunities for U.S.-New Zealand cooperation in the region. Hawke said the Pacific is an "over-aided region, and that the last thing the Pacific needs is another aid project." Rather, Hawke suggested, U.S. weight and influence would be more useful promoting policy dialogues. "Australia and New Zealand are seen as neighbors," Hawke added, "and the U.S. can add its voice as an external, neutral party -- especially given its global perspective on governance and human rights."

2. (SBU) When GNZ established NZAID as a semi-autonomous agency four years ago, Hawke said its two primary goals were elimination of poverty and a focus on development in on the Pacific. New Zealand's ODA is centered substantially on 18 countries, with 11 of those in Melanesia and Polynesia. NZAID is mainly pursuing programs to strengthen governance, achieve broader-based economic growth, and improve education and health.

3. (SBU) In the last three years, GNZ has increased its ODA allocation to the Pacific by 50%, to NZD 173 million (USD 109 million) as of the 2005/06 program year. This Pacific allocation represents 55% of total ODA (up from 45% three years ago). The primary target of increased spending are programs for income generation, rural livelihoods, investing in infrastructure for the poor, trade and economic cooperation, fisheries, and regulatory reform, Hawke said.

4. (C) Hawke noted that NZAID's goals for the Pacific are largely consistent with those of the Ministry of Foreign Affairs and Trade (MFAT). However, Hawke noted that MFAT and NZAID had differing but complementary views on security objectives in that MFAT is focused on physical security (e.g. border management, port container security) and NZAID is more concerned with "human security" (e.g. socio-economic security concerns centering on conflict prevention, squatter settlements, natural resource management, environment management, and disaster mitigation and response).  
McCormick

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STATE FOR EAP/FO; EAP/ANP; AND ISN/MNSA  
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GENEVA FOR CD  
USUN FOR POL

E.O. 12958: DECL: 07/03/2016

TAGS: MNUC, PARM, PREL, KNNP, CDG, PGOV, NZ

SUBJECT: NZ SUPPORTS IMMEDIATE FMCT NEGOTIATIONS, BUT...

REF: STATE 92033

Classified By: DCM David R. Burnett,  
for Reasons 1.5 (b) and (d)

1. (C) New Zealand supports immediate negotiations on a fissile material cut-off treaty (FMCT) and could accept the US-proposed mandate as the basis for talks, according to Caroline McDonald, Director of the Disarmament Division at the Ministry of Foreign Affairs and Trade (MFAT). McDonald told Pol-Econ Couns that GNZ believes we'd convince other CD partners to engage in talks if 1) we engage with other Conference on Disarmament (CD) partners on substantive discussions (as opposed to negotiations) on the other three core CD areas, and 2) if we reject an explicit Western Group endorsement of the US mandate in favor of informal, cross-regional outreach. McDonald stressed that NZ strongly agrees with our objectives and differs only on tactics. PE Couns reminded McDonald that the U.S. supports all CD objectives but regard the potential for terrorist and rogue states to acquire nuclear weapons as the most urgent threat to world security.

2. (C) The following is a GNZ non-paper drafted by NZ's Geneva mission that summarizes GNZ's position. McDonald also shared notes from the recent presentation by NZ's Geneva rep, Don MacKay, at the UNIDIR seminar, in which he made clear that GNZ favors the destruction of all fissile materials, not just a moratorium on production.

3. (C) Begin non-paper text:

New Zealand Non-Paper on FMCT

-- New Zealand strongly supports the immediate commencement of negotiations on a fissile material cut-off treaty (FMCT).

-- New Zealand could accept the US-proposed mandate as the basis for the commencement of those negotiations. During negotiations, New Zealand would expect to address all issues



relevant to a FMCT, including scope and verification.

-- New Zealand does not believe that explicit joint Western Group endorsement of the US mandate at this stage would be helpful in achieving the commencement of negotiations in the Conference on Disarmament (CD).

-- A strong Western Group push in support of the US mandate within the CD's current fragile negotiating environment could be interpreted as an isolationist (FMCT-only) approach and could further entrench regional group blockages in moving towards the adoption of a programme of work; a prerequisite for the commencement of negotiations.

-- We note that a large number of Western Group members share this concern, and are similarly opposed to group endorsement of the US mandate at this stage.

-- We see the best way to proceed as to work on a cross-regional outreach in informal bilateral and small group settings in order to get buy-in from all regional groups. It is clear that a solution to the CD's deadlock will require a mechanism that allows all four of the CD's core issues to be dealt with in a manner appropriate to each subject.

-- We sense that there is scope for a successful resolution of the programme of work stand-off in a formula which would comprise negotiations on a FMCT whilst continuing focused discussions on PAROS, nuclear disarmament, and negative security assurances.

-- We share the US assessment that there is increased flexibility and momentum amongst the CD's membership. We need to think laterally about how best to turn that flexibility onto concrete progress. An agreement which meets our objectives on FMCT negotiations whilst allowing other countries to buy in to the process by encompassing other core issues within a discussion framework would preserve the national security concerns of all States and has the best potential to enable the CD to recommence substantive work.

End text of non-paper.

4. (C) Comment: GNZ's long-standing belief that we and other nuclear states should commit now to destroy our nuclear weapons is well known and has created some friction with us in the NPT. But we regard GNZ's offer of support for the FMCT and the non-paper as a genuine attempt to be

constructive, not a back-door means to get us talking on the elimination of our nuclear stockpile and related materials.  
End Comment.

McCormick

date:2006-07-06T02:42:00

source:Embassy Wellington

origin:06WELLINGTON507

destination:This record is a partial extract of the original cable. The full text of the original cable is not available.

classification:CONFIDENTIAL

reference:

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STATE FOR D (FRITZ), EAP/FO, EAP/K, AND EAP/ANP  
NSC FOR VICTOR CHA  
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▼ C O N F I D E N T I A L WELLINGTON 000507

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STATE FOR D (FRITZ), EAP/FO, EAP/K, AND EAP/ANP  
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SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 07/06/2016

TAGS: PREL, PGOV, NZ, KN

SUBJECT: FOREIGN MINISTER PETERS CONDEMNS N.KOREA MISSILE  
TESTS

Classified By: Pol-Econ Counselor Katherine Hadda,  
for reasons 1.4 (b) and (d)

1. (C) On July 5, Foreign Minister Peters issued a strongly-worded statement condemning North Korea's missile tests. David Taylor, Director of the North Asian Division at the Ministry of Foreign Affairs and Trade (MFAT) says that Peters rang the Ministry from his official travels in Hungary to express his concern about the tests and order the statement be issued. Taylor said that when GNZ's Ambassador to North Korea, Jane Coombs, presented her credentials in Pyongyang two weeks ago, she bluntly told President Kim Yong Nam that N.Korea should step down from its plans to test the missiles and should return to the six-Party talks. He responded that it was his country's sovereign right to do tests and that many other countries do the same without complaints being made. GNZ believes Coombs was the last foreigner to speak with Kim before the tests.

2. (C) Taylor said that Coombs, who is based in Seoul, is now liaising closely with the South Korean government. Taylor, who visited Pyongyang 6 times during his own stint as Ambassador in Seoul, said that the N.Koreans are "like children" in their need to get attention but are usually good at calculating risk. In this case, however, GNZ is unclear on what is motivating them, and are particularly nonplused that the N.Koreans did not even issue any warnings before the missiles were launched. GNZ is watching the UN discussions on the tests, and is ready to make statements as appropriate. Taylor said that NZ's mission in New York had provided a copy of Minister Peters' statement to Ambassador Bolton.

3. (U) The following text is drawn from Peters' statement; a complete text can be found at [www.mfat.govt.nz](http://www.mfat.govt.nz):

"North Korea was advised clearly that missile testing would be seen as a provocative step. These tests fuel concern about North Korea's behavior, adding to ongoing worry about its nuclear programmes and dismay that it has not rejoined

the Six Party talks.

"New Zealand's Ambassador conveyed our concerns in plain language when she met with President Kim Yong Nam recently.

"North Korea is paranoid about its security, but this action -- against the sound advice of its neighbors and the wider international community -- can only do further harm to its already tarnished reputation and may well lead to discussion in the United Nations Security Council.

"I very much hope North Korea will step back now from taking any more rash steps. Pyongyang should go back to the Six Party talks as that is the only vehicle that can provide step-by-step progress towards an improved security situation, the removal of its nuclear weapons programmes and unlock desperately needed development assistance funding."

McCormick

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reference:06WELLINGTON451|06WELLINGTON462  
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E.O. 12958: DECL: 07/11/2016  
TAGS: PREL, NZ, CH, XV  
SUBJECT: CHINESE/NEW ZEALAND TALKS ON PACIFIC ISLAND ISSUES

REF: A. WELLINGTON 462  
B. WELLINGTON 451

(U) Classified By: Acting Deputy Chief of Mission Katherine  
B. Hadda, for reasons 1.4 (b) and (d)

Summary  
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1. (C) As part of a first round of New Zealand-China Pacific Consultations, PRC's Assistant Minister of Foreign Affairs He Yafei visited New Zealand in June. According to New Zealand's Ministry of Foreign Affairs (MFAT), He said China recognizes New Zealand's "very important" role in the Pacific region, wants to coordinate its efforts in the region with GNZ at the policy level, and supports the Pacific Plan. There was frank discussion "between friends" on the China-Taiwan rivalry in the region, which MFAT says will continue to complicate its future engagement with China in the South Pacific. End summary.

2. (C) As part of a five-country tour of the South Pacific (Australia, Cook Islands, Samoa, New Zealand, Fiji), He Yafei, one of three Assistant Ministers of Foreign Affairs of the People's Republic of China, visited New Zealand from June 20 to 22. The visit was a follow-up to the visit of Premier Wen Jiabao to the region in early April, and involved consultation on bilateral, Asian region and Pacific region issues. MFAT says AFM He's meeting with Alan Williams, Deputy Secretary at MFAT, and other GNZ officials focused on China's Pacific Island foreign and aid policy objectives and included frank discussion about China's and Taiwan's role in the Pacific.

#### China's Pacific Island foreign and aid policy

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3. (C) AFM He characterized China's policy in the Pacific as promoting regional coherence and economically and socially-sustainable development. As a developing country, China understands the difficulties that Pacific Island countries (PICs) face, which are similar to its own, He said. MFAT says He took note of the Pacific Plan objectives, and recalled China's 2005 commitment to give USD 1.25 million in 2006 and 2007 to Pacific Plan programs. Chinese aid focuses on projects that positively affect peoples' daily lives, such as infrastructure and public facilities, he said. In addition to a number of high-profile projects, there are many smaller ones, involving agriculture, hydroelectricity and solar energy. Generally the recipient governments are responsible for identifying project proposals. Chinese companies usually carry out the contract work.

4. (C) He said China had announced its commitment to the five main areas of cooperation agreed to at the China-Pacific Islands Economic and Development Forum in April: trade and investment; agriculture, forestry and fish; tourism; transportation; and capacity building. The PRC also announced 3 billion yuan (USD 375 million) in soft loans for PICs over the next three years and committed to train 2,000 people, including government officials and those involved in economic sectors such as energy, telecommunications, fisheries and health. These programs will cover all Pacific Island Forum (PIF) members, whether or not they have diplomatic relations with China. In November, China's Ministry of Foreign Affairs will hold a second training program for PIC diplomats (approximately 2-3 per country) and a training program in China for Pacific journalists. China is willing to coordinate aid efforts on a policy level with New Zealand, said He, who added that cooperation at the project level would be too difficult.

5. (C) The NZAID rep at the meeting told He that GNZ has increased its aid resources to the Pacific by 45% over the last three years (including tripling aid to Papua New Guinea, the Solomon Islands and Vanuatu). GNZ allocates 55% of its overseas development assistance to the Pacific (Ref A). Deputy Secretary Williams told He that Pacific Plan objectives will only be reached if the partners in the region work together. AFM He said China was open to coordinating with other donors and making programs more complementary.

China and Taiwan in the South Pacific: It's All "Their" Fault  
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WELLINGTON 00000536 002 OF 003

6. (C) AFM He warned of the "dangers of Taiwan dollar diplomacy," saying that "Taiwan was very much into corruption" and alleging that Taiwanese bribery in the Solomon Islands was a major reason behind recent unrest. He cited an example from Vanuatu, where Taiwan allegedly asked Prime Minister Vohor to forge signatures to bring about a vote of no confidence. He claimed Taiwan officials had also invited Micronesia's Speaker to Taiwan to try to influence him. AFM He also brought up the summit that Taiwan plans to hold with PICs in September 2006, to which he claimed New Zealand and Australia would be invited. (FYI: MFAT tells us GNZ has not received an invitation. End FYI.)

7. (C) Williams reiterated that GNZ's One China policy is deeply embedded, but observed that the China-Taiwan issue could have negative connotations for the region. Reinforcing the message delivered by NZ Foreign Minister Winston Peters the day prior, Williams added that New Zealand does not tell PICs what to do as they are sovereign nations that make their own decisions. GNZ does tell the PICs to identify where their long-term interests lie, however. Williams told He that at an informal retreat held at last year's meeting of the Forum Regional Security Committee in Auckland, senior PIC officials said some PIC ministers felt there was advantage to playing China and Taiwan off each other.

8. (C) MFAT says He claimed this was "very unfortunate" and misguided, but said the Taiwan issue is a test China applies to its foreign relations that provides the political basis for long-term relations. If PICs believed that they could gain more money by exploiting the sensitivity of the issue, they would be mistaken. Everything would be off the table. One of He's delegation added that smaller countries were "easier to buy off" through putting money in leaders' pockets, and claimed Taiwan had used checkbook diplomacy to keep nations such as the Solomon Islands in the fold.

9. (C) Williams told He there is an association between small states and weak governance. Some PICs were even facing a question of whether they could remain viable as nation states. Williams explained to the PRC side that New Zealand is starting to make more use of trust funds under the control of boards in New Zealand. NZAID told He that the PICs which recognize Taiwan, with the exception of Palau, suffer from

the poorest governance, least stability, and weakest economic outlook in the region.

10. (C) According to MFAT, He told Williams that while China is patient on the Solomon Islands and the question of diplomatic relations, it hopes that New Zealand "would tell the (Solomon Islands), as you do others" that its was in their long-term interest to develop relations with the PRC rather than the province of Taiwan. Williams responded that building quality governance is essential, but that NZ would continue to be guided by the principle that it is up to the PICs to make the sovereign choice about whether to recognize the PRC.

Comment

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11. (C) MFAT believes that the Chinese are genuinely interested in increased interaction with New Zealand on Pacific policy. They say a second round of consultations is planned for Beijing, either in conjunction with New Zealand-China Foreign Ministry Consultations in November 2006 or separately in early 2007. MFAT sees the Taiwan issue as the predominant force behind China's involvement in the region. MFAT further believes that China is looking to New Zealand to play a more active role in reducing Taiwanese influence in the region. In MFAT's view, this expectation is likely to complicate the bilateral relationship between New Zealand and China, and potentially GNZ ties to the PICs as well.

12. (C) MFAT also says that GNZ will continue to deliver the message to China, PICs and others that development partners need to work in coherent tandem toward quality, long-term governance and development outcomes. MFAT will also continue its dialogues with other large regional partners, such as its recent meetings with Emboffs and heads of mission from France's Pacific posts (Ref B). MFAT is also speaking to Taiwan about the implication of the island's assistance to

WELLINGTON 00000536 003 OF 003

the Pacific. NZAID's Pacific Group Director, Craig Hawke, went to Taipei two weeks ago to deliver "a stern message," according to MFAT. End comment.  
McCormick

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PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 08/01/2016  
TAGS: PGOV, NZ  
SUBJECT: REPORT ON LABOUR MP SCANDAL SETS OFF MAELSTROM

REF: WELLINGTON 195, WELLINGTON 220, WELLINGTON 577

Classified by: Acting DCM Katherine Hadda,  
for reasons 1.4 (b) and (d)

Summary  
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1. (C) A report on a scandal involving Labour MP Taito Philip Field threatens to become another thorn in the Government's side. The report cleared Field of the main allegation but raised serious questions about his behavior as a MP. The opposition National Party claims that this and other questionable activities by Labour MPs prove that the Labour administration is corrupt. With efforts to raise another inquiry thwarted, the Nats are proposing a rare motion of no-confidence on the Speaker of the House. While Labour is sloughing off National's campaign as a cynical means of securing votes, even some Labour MPs believe Prime Minister Helen Clark is reluctant to censure Field more severely because she needs to secure his vote in the party's finely balanced parliamentary majority. The PM's position is unlikely to cost her political support, however. Field is a Pacific Islander who is very popular in his own constituency, and he has been cleared of illegal activities. End Summary

One more Labour MP scandal  
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2. (SBU) Taito Phillip Field is the latest addition to a lengthening list of Labour MPs accused of inappropriate behavior (Refs A and B). Field, a 12-year MP of Samoan descent, is accused of using cheap labor on his house in Samoa in exchange for helping a Thai couple with immigration to New Zealand. In early 2005, Field, then the Associate Minister of Justice, asked the then Associate Immigration Minister Damien O'Connor to direct the Immigration Service to grant the couple a New Zealand work permit if they left the country and applied for it from Samoa. Field did not inform O'Connor that the couple not only lived in Field's house in Samoa but also worked on it at wage that was well below accepted rates. In September 21, 2005, Auckland lawyer Noel Ingram was appointed by the Government to

investigate the immigration allegations leveled at Field.

The investigation findings satisfy no one

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3. (SBU) On July 18, 2006, the long-awaited 156 page Ingram Report was released. It cleared of Field of the main allegation of conflict of interest as a Minister. Ingram found no evidence Field told the couple he could influence the final decision regarding their visa application, and no evidence they were influenced by the fact Field was a Minister.

4. (SBU) The report, however, raised concerns about Field's judgment and behavior as a MP, and outlined a litany of questionable practices he committed. These included grossly underpaying the couple (who appeared to be working out of gratitude or sense of obligation) and pressuring witnesses not to talk with the media. The report also revealed that the New Zealand Immigration Service was keeping tabs on Field.

Labour supports Field - out of duty or expedience?

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5. (SBU) Field's Labour colleagues continue to dutifully back Field in public. Yet, one Labour MP revealed to Post that he and his caucus colleagues are appalled at Field's actions. Field claims he has been vindicated by the report and says when the time is right, he will put his name forward to return to Cabinet (he was stood down from his ministerial posts in 2005 in response to the allegations). However, Prime Minister Helen Clark is reluctant to bring Field back into the fold, at least in the short term. She has said that he "has a lot of work ahead of him before" she grants his wish.

National smells an opportunity

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6. (SBU) The National Party says the report is nothing more than a cover-up. National's Immigration spokesman, Lockwood Smith, says the report is not conclusive, in part because key witnesses refused to participate (Ingram was not given the power to compel witnesses to give evidence). National say this latest scandal involving a Labour MP is evidence that the Labour administration is corrupt (a term used very infrequently in New Zealand politics).

7. (SBU) National's initial response was similar to those after previous Labour MP indiscretions. It sought to connect Clark directly with the scandals in an effort to stain her by association. This, National hopes, will undercut her authority and shrink her high personal polling. However, to date there is little evidence to show

that this tactic is working. Clark's personal poll ratings have in fact climbed in recent months, whereas National leader Don Brash's has slid (Ref C). National also called for a full commission of inquiry without success.

8. (SBU) National then asked that the Speaker of the House, Margaret Wilson, to refer Field to Parliament's powerful Privileges Committee, which has the powers of a court. Wilson rejected National's request. She argued that the report's findings fall outside the Parliamentary contempt provisions, even the one that deals with behavior reflecting bad behavior on the institution of Parliament.

9. (SBU) Technically, Wilson is correct. Yet, National and many analysts have criticized Wilson's narrow interpretation of the rules as doing a grave disservice to the integrity of the institution of parliament and the reputation on those who serve in it (Ironically, previous calls for a MP code of conduct beyond the bounds of parliament have received only lip service support by MPs).



Outcome is a rare no-confidence motion on the Speaker  
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10. (SBU) Angered by Wilson's ruling, National lodged a motion seeking a near unprecedented vote of no-confidence in her as Speaker. The motion was easily blocked by Labour, which only needed one vote to do so. A successful vote would have removed Wilson from the Speaker's chair but would not have affected the balance of the House as Wilson would simply return to being a normal MP. The gesture, however, would have been highly embarrassing for Labour.

11. (SBU) Although a vote was not allowed to take place, a Labour MP close to Clark has told Post that the Government took this motion of no-confidence extremely seriously and will allocate Government time in Parliament for a debate on it. The MP nevertheless says the Government regards the motion as a "desperate act" by National to keep in the issue in the public spotlight. He asserts that National's move "cheapens the no-confidence convention".

National still determined to pursue Field  
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12. (SBU) With other tactics having failed, National is now seeking to get a special select committee to hold an inquiry into Field's dealings. However, their effort is likely to be thwarted by parliamentary rules that prevent a committee other than the privileges committee from inquiring into the private conduct of a MP except with leave from the House, which in this case is unlikely to be granted. National is running out of procedural options. In what is likely to a final throw of the dice, it may seek a general inquiry about an aspect of the case, such as immigration visas, and make frequent inferences to Field. This would ensure that the case remains in the public eye.

Comment  
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13. (C) It's in National's self interest -- in the face of slumping poll ratings -- for keeping this case alive. This issue is, however, unlikely to increase the opposition's standing in the polls. But even if voter support for Labour has remained the same, many Kiwis seem to sympathize with National's claim that Clark will do anything to protect her slim parliamentary majority. Some contrast Field's treatment with that of MPs who mis-stepped earlier in Clark's tenure and who were virtually all forced to resign. It seems plausible that Field would not have escaped greater censure by the Labour caucus or wider party if the Government had a bigger majority in Parliament. But given the finely balanced nature of her current parliamentary majority, Clark needs Field's vote. End Comment.

McCormick

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□ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000599

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PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 07/31/2016

TAGS: PREL, NZ, TN

SUBJECT: GNZ VIEWS ON TONGA'S POLITICAL REFORM FOLLOWING  
DEATH OF CHAMPION

- REF: A. SUVA 215
- B. SUVA 28
- C. SUVA 100
- D. 05 SUVA 613
- E. SUVA 222
- F. WELLINGTON 451
- G. SECSTATE 120947

(U) Classified By: Acting Deputy Chief of Mission Katherine  
B. Hadda, for reasons 1.4 (b) and (d)

Summary

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1. (C) With a vocal domestic population of 40,000 ethnic Tongans, the GNZ has monitored with interest the deaths of Tongan Prince Tu'ipelehake and Princess Kaimana in a July 5 car accident in the United States. GNZ views the death of the Prince as a blow to the political reform process in Tonga. However, NZ officials are unsure whether the reform process will proceed to further democratic reform or will fade with the death of one of its strongest champions. The expatriot Tongan community and GNZ have been closely engaged in the Tongan political reform for several years, as FM Winston Peters discussed with the Secretary during his July visit to Washington. End summary.

Death of Tonga's Champion for Political Reform: GNZ's Views

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2. (U) New Zealand officials reacted with strong concern and genuine sadness to the death of Tongan Prince Tu'ipelehake and Princess Kaimana, killed in a car accident south of San Francisco on July 5. As part of an ongoing political reform consultation process, the Prince and Princess were in the United States to meet with ex-patriot Tongans. Their consultation visit followed a similar consultation visit to New Zealand in June.

3. (SBU) New Zealand officials had been quietly working with the Prince to help bring constitutional and political change in the Kingdom of Tonga. According to contacts at the New Zealand Ministry of Foreign Affairs and Trade (MFAT), when the Tongan government conceded large wage increases at the end of the six-week strike in 2005, it also conceded to a process for examining the possibility of political change through the National Committee on Political Reform (NCPR). Both the Australian and New Zealand Governments provided generous funding for the Committee's work, which began in earnest in February 2006 and, according to MFAT, had gained widespread acceptance in Tonga. The Prince also consulted with the Tongan Community in New Zealand in mid-June, before making similar trips to Australia and the United States.

4. (SBU) MFAT believes the work of the NCPR will be completed, and anticipates its final report in August or September. The head of the Tonga Advisory Council in New Zealand, Melino Maka, who was in Tonga at the time of the Prince's death, told the New Zealand High Commission there that he hoped Tu'ipelehake's death would cause more Tongans to put aside their petty differences and work more co-operatively toward the common goals espoused by the Prince. However, when the Prince was in New Zealand in June, the factious Auckland Tongan community did not act cooperatively to facilitate the Committee's consultations. According to MFAT, the Committee's work is almost complete, but that it will be for others to carry the findings forward to the next phase.

5. (C) But MFAT concedes progress could be slow. Deputy Director of MFAT's Pacific Division, Marion Crawshaw, says, "More has been done in the last two years than in the last 50 years. It may take a few years, but they've got the shoreline stuff sorted out, and while there was concern about the economy 18 months ago, the Minister of Finance has his got his hands firmly around that." She estimates that substantive political reform within 5 years is a probability.

6. (C) Although overseas Tongans are officially outside of its remit, MFAT also hopes the Prince's death will unite the often fractious expatriates. Ma'anaima Soa, Parliamentary staffer to Minister of Pacific Island Affairs Phil Goff and Associate Minister Winnie Laban, separately gave us a more pessimistic readout about the Tongans in New Zealand. She noted that the competing groups had conducted separate memorial services for the Prince and Princess at places

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throughout Auckland and greater New Zealand. Moreover, she expressed sincere doubt that the reform movement would withstand the death of Prince. He was the "heart" of the movement without an heir apparent, she said.

Pacific Issues as New Zealand Domestic Issues  
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7. (C) As MFAT Deputy Secretary Alan Williams told Emboffs in June (Ref F), in New Zealand "Pacific issues quickly become

domestic issues." The Pacific population in New Zealand is 6.2 percent and is growing quickly. Most Islanders are in the Auckland region, including high concentrations in the electorates of Prime Minister Helen Clark and Minister of Pacific Island Affairs Phil Goff. Associate Minister of Pacific Island Affairs (and ethnic Samoan) Winnie Laban's electorate in a Wellington suburb also has one of the highest concentration of Pacific Islanders in New Zealand.

8. (C) When Williams spoke of Pacific issues becoming domestic issues, he had in mind the specific case of political transition in Tonga. At over 40,000, the Tongan diaspora here accounts for about 40 percent of all the world's Tongans, according to GNZ. About 78 percent of them live in Auckland.

9. (U) Until recently, King Taufa'ahau Tupou IV had been residing at his Auckland home, the site of periodic anti-monarchy protests over the last year and of August 2005 property damage and bomb threats coincident with the public service strike in Tonga. On July 1 of this year, a Tongan democracy activist's car burst into flames when he drove into the gates of the residence. (The King was still in the Auckland residence but was unhurt. He soon returned under heightened security to his 88th birthday celebrations to Tonga.)

#### New Zealand's engagement in Tonga's Political Transition

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10. (C) It's therefore understandable that New Zealand takes a special interest in Tonga, and that Wellington's actions reverberate in Nuku'alofa. When New Zealand's Parliamentary Foreign Affairs Select Committee in 2004 initiated an inquiry into New Zealand's relationship with Tonga, it sparked debate amongst New Zealand's MPs, as well as between loyalist and democratic factions of New Zealand's Tongan diaspora. The final report contained seventeen recommendations, most related to development assistance toward capacity building and good governance initiatives involving the New Zealand Agency for International Development (NZAID).

11. (SBU) Among hotly debated issue were freedom of the press and comparisons of Tonga to Zimbabwe, and the trade gap between New Zealand and Tonga. The then Acting Prime Minister of Tonga, Clive Edwards, condemned the inquiry as "patronizing and a breach of sovereignty," and asked, rhetorically, where else the GNZ had made inquiries in the Pacific. The Commonwealth's special envoy to Tonga, Sir Douglas Graham said, "An aggressive inquiry may make Tonga's rulers less willing to embrace democratic reforms." The Tongan Government declined the approaches of New Zealand's Foreign Affairs Select Committee to discuss the inquiry. (The Committee's full report can be found at [www.clerk.parliament.govt.nz](http://www.clerk.parliament.govt.nz).)

#### Comment

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12. (C) FM Peters visited Tonga in March, and when he met with the Secretary on July 19 he highlighted GNZ's effort to introduce democracy to Tonga (Ref G). (Ironically, before Peters was named as Foreign Minister his party, NZ First,

criticized the 2005 Parliamentary report on Tonga as "interference by New Zealand into the affairs of another country.") While GNZ's primary Pacific concern remains with Melanesia, particularly its ongoing commitments through the Regional Assistance Mission in the Solomon Islands (RAMSI), it recognizes that it is facing the winds of change with long-standing Polynesian partners.

13. (C) While MFAT is optimistic that real democratic reforms will be achieved in Tonga in the longer term, it remains unclear as to how the movement will respond to the death of its champion, Prince Tu'ipelehake, in the near term. GNZ officials will remain actively engaged in the process due to their deep commitment to Pacific issues and because of the active and sizable Tongan diaspora in New Zealand. GNZ

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efforts to encourage reform in Tonga will be largely kept from public view, and will most likely rely on sustained capacity building and good governance initiatives promoted through NZAID. End Comment.

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classification:CONFIDENTIAL

reference:06WELLINGTON406

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PACOM FOR JO1E/J2/J233/J5/SJFH...

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STATE FOR EAP/ANP AND OES/OA

PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 07/31/2016

TAGS: SENV, EFIS, IWC-1, PREL, ETRD, NZ, XV

SUBJECT: PACIFIC ISLANDS BETRAY NEW ZEALAND OVER WHALES

REF: WELLINGTON 406

(U) Classified By: Acting Deputy Chief of Mission Katherine B. Hadda, for reasons 1.4 (b) and (d)

Summary  
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1. (SBU) GNZ feels betrayed by Pacific Island countries (PICs) that voted in support of the pro-whaling lobby at the 58th Annual Meeting of the International Whaling Commission. But New Zealand officials say that rather than entering into an aid battle with the pro-whaling lobby they intend to remain focused on the elimination of poverty in the region by promoting good governance and building institutional capacity. Meanwhile, GNZ is looking ahead for better IWC outcomes, and hopes to continue cooperation with USG officials towards that end. End summary.

2. (SBU) Poloff recently discussed with Ministry of Foreign Affairs and Trade (MFAT) officials GNZ views on whaling and Pacific Island countries following the 58th Annual Meeting of the International Whaling Commission (IWC), held last June in St. Kitts and Nevis

Pacific Islands betray New Zealand  
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3. (U) The Acting Director of MFAT's Environment Division, Christine Bogle, said that PICs helped the pro-whaling lobby defeat conservationists when 33 member states voted in favor and 32 states against the St. Kitts and Nevis Declaration. The St. Kitts declaration called for an end to the moratorium on commercial whaling, stated that the moratorium runs counter to the 1946 International Convention for the Regulation of Whaling (ICRW), and accepted that whales are consuming huge quantities of fish and threaten the food security of coastal nations.

4. (U) While the declaration lacks force without backing by 75 percent of member states, both GNZ and the New Zealand public felt betrayed when all six PIC members of the IWC voted in favor of the declaration: Kiribati, Republic of the Marshall Islands, Nauru, Republic of Palau, Solomon Islands and Tuvalu. (FYI: NZ is currently contributing to peacekeeping efforts in the Solomons. End FYI.) In a June 19 press release, NZ's Minister of Conservation Chris Carter (an Assistant Commissioner to the IWC and GNZ's lead negotiator) said that "these countries have let down their neighbors in the Pacific, many of whom have established whale sanctuaries to protect marine life in their waters. New Zealand has often gone the extra mile for many of these Pacific nations and today they have not reciprocated."

5. (SBU) All of the PICs were co-sponsors to the St. Kitts declaration, and as a group took a strong pro-Japan position on four other votes. The Solomons abstained on two votes (introducing secret ballots and allowing Japanese coastal communities to hunt whales), and Kiribati and Tuvalu each abstained on one vote (Japanese coastal whaling and elimination of Southern Ocean Whale Sanctuary, respectively). Bogle said that leaders from four of the PICs, the Solomons, Tuvalu, Kiribati and Nauru, had previously informed Carter that they would not vote in favor of overturning the moratorium.

6. (U) The Opposition National Party was quick to criticize the Government, with Foreign Affairs spokesperson Murray McCully saying that Carter should be removed as lead negotiator, and that the "defection" of key Pacific states was the result of a "half-hearted, insufficiently focused New Zealand aid strategy in the Pacific." "We should be having a very focused conversation about the International Whaling Commission and other items as part of a total relationship package," McCully said. New Zealand's Foreign Minister Winston Peters countered saying that "binding aid to the compliance of Pacific countries with the policies and procedures of donor countries is the exact thing we are trying to get rid of."

Future strategy toward the Pacific Islands  
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7. (C) MFAT has directed its overseas posts to discuss with Pacific Island governments the outcomes of IWC, but has not

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received any responses to date, said Bogle. GNZ will approach the departments of conservation in PICs and will express its disappointment with the voting and suggest support for conservation through whale-watching. GNZ sees whale-watching as an important vehicle for the pro-conservation lobby.

8. (SBU) But as Minister Peters noted, despite disappointment over the PIC IWC votes, GNZ is not going to enter a battle of aid with Japan and the pro-whaling community. Bogle said NZAID priorities are focused on the elimination of poverty through building of institutional capacity (such as primary education) and good governance initiatives. Deputy Director of the Pacific Division, MFAT, Marion Crawshaw agreed. She said "we've got bigger issues with the Pacific Islands than whales, but we will continue to raise the issue, especially in the Solomons. We have regular contact with the Minister of Fisheries and Marine Resources Nollen Leni as part of a NZAID fisheries project." The project, which is intended to strengthen the institutions around fisheries and revenue, is part of GNZ commitment under the Regional Assistance Mission to the Solomon Islands (RAMSI) in 2006/2007, Crawshaw said.

GNZ interests going forward  
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9. (SBU) Bogle said that Japan announced in St. Kitts its intention to host a conference for "normalization" of the IWC (a movement toward management of commercial whaling), and understood that Japan would provide member states with details on the conference within a month of the St. Kitts meeting. To date, GNZ has received no further details on the conference, and requests that we share any information we receive. GNZ is concerned about what the outcomes of such a conference may be, but believes it would provide important signals for the 59th annual meeting of the IWC in Anchorage, Alaska next year.

10. (SBU) As work on the Revised Management Scheme (RMS)

progresses, GNZ seeks nothing weaker than existing international provisions for managing marine mammals, such as those provided by the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR), said Bogle. She said GNZ is pleased that U.S. Commissioner Dr. William Hogarth has been elected as the next Chair of the IWC, and noted that Sir Geoffrey Palmer, former New Zealand Prime Minister and GNZ's Commissioner to the IWC, strongly supported and lobbied on behalf of Dr. Hogarth. Bogle said GNZ supports the renewal of the aboriginal subsistence quotas next year, but suspects that the Japanese may try to block renewal as bargaining leverage for the resumption of commercial whaling.

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 SECDEF FOR OSD/ISA LIZ PHU  
 PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 08/21/2016  
 TAGS: PREL, PGOV, NZ, US  
 SUBJECT: VISIT OF EAP DAS DAVIES TO NEW ZEALAND

REF: A. WELLINGTON 627  
 B. WELLINGTON 536

Classified By: Ambassador William McCormick,  
 for reasons 1.4 (b) and (d)

1. (C) Summary: New Zealand is eager to continue to identify areas of future US-NZ cooperation, GNZ officials told EAP DAS Glyn Davies during his August 17-19 visit. But PM Clark and other senior officials are wary of riling the



Labour party's left, and prefer that we gradually signal our dialogue through individual actions and a series of senior level public meetings rather than unveil a sweeping new initiative. DAS Davies and GNZ counterparts reviewed Pacific Island, regional security and counter-terrorism issues, and existing US-New Zealand defense and intelligence cooperation. All meetings were very cordial. Embassy Wellington and Ministry of Foreign Affairs and Trade (MFAT) staff will in the coming days draw up a list of the items flagged at the meetings for possible cooperation. The New Zealand side endorsed DAS Davies' suggestion for a second bilateral interagency meeting early next year.

2. (C) The nuclear issue was barely raised by any GNZ official during the visit. DAS Davies' off the record discussions with local journalists and his August 20 TV interview were similarly forward looking. A brief article in the August 21 New Zealand Herald focused almost entirely on Davies' observation that the US had much to learn from New Zealand's experience in the Pacific Islands and shares NZ's concerns over the influence of checkbook diplomacy in the region. End Summary.

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GNZ Meetings  
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3. (C) MFAT CEO Simon Murdoch told DAS Davies that PM Clark, FM Peters and Def Min Goff are all "broadly comfortable" with the Bangkok process and want it to succeed. But in order not to raise opposition from Labour's left they would rather have actions precede rhetoric and avoid presenting the initiative to the public as a package. Murdoch said the GNZ hopes for a series of senior-level encounters to show we are cooperating, for example a brief meeting between PM Clark and POTUS or S on the margins of the UNGA or November's APEC leaders' meeting in Hanoi. Davies welcomed the low-key approach towards increasing cooperation, but noted that at some point New Zealand's political leadership will need to make a public expression of support for the relationship. He also cautioned that high-level meetings at the UNGA and APEC could prove difficult due to pressing commitments on the U.S. side.

4. (C) Murdoch said GNZ officials have gone over the Aide Memoire from the Bangkok meeting and have identified areas of "low-hanging fruit" for possible cooperation, as well as some more difficult options for them and/or us. He said the officials had also identified some initiatives as having the most benefit for the GNZ, recognizing some would be difficult to achieve. Among these would be for GNZ's terrorism threat assessment group (CTAG) to participate in assessments with the "4 eyes" and US-NZ consultations on the implications of the Pacific Island Countries' (PICs) improving peacekeeping/military capability. Murdoch also acknowledged that Secretary Rumsfeld's meeting with DefMin Goff was "not great" but said GNZ hopes we can still look for a process that will afford NZDF greater predictability of what it can and cannot do with US counterparts. He stressed this again during the working lunch held later in the day.

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The PICs and the Region  
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5. (C) At an inter-ministerial roundtable on Pacific Island issues and regional architecture, MFAT Deputy Secretary Alan Williams said that GNZ remains very concerned about the potential for international crime and instability in the PICs. In addition to stepping up aid to the region (now 50% of all assistance), NZ now has 20 government agencies working on outreach to the PICs. It is also increasing its

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engagement with partners such as Australia, the European Union, and Japan and welcomes the chance to do the same with us. NZAID officials said that competition between China and Taiwan is increasingly undermining good governance. However, GNZ has begun dedicated talks with China on PIC issues, for example during the recent visit to Wellington by Chinese Assistant Foreign Minister He Yafei (ref B). GNZ has also visited Taipei to voice concerns on Taiwan's checkbook diplomacy in the region.

6. (C) Williams said GNZ expects to be in the Solomons for 10 years or more. Although GNZ agrees that Melanesia is an "arc of instability," there are bright spots, with economic growth continuing in Tonga and Tuvalu, and Vanuatu reasonably stable. GNZ officials are not as gloomy as their Australian counterparts about PNG, but worry that corruption there will undermine economic growth. GNZ is focusing on sector support and donor harmonization for the PICs, which they think will be more effective than traditional development assistance and will create a "demand side" for good governance currently lacking in the region. NZ officials are also trying to identify the next generation of PIC leaders. They and Davies agreed there is a need to improve the interaction of external partners with PIC leaders around the Pacific Islands Forum.

7. (C) On E. Timor, GNZ believes a new police force must be formed from scratch. The judiciary must be reconnected with the people as 90% of its business is conducted Portuguese, which most Timorese don't speak. GNZ and Australia are in broad agreement on most E.Timor issues, but GNZ does not believe an Australian-led force would be insulated from domestic political machinations in the way a UN-led force would be. On East Asian architecture, Williams said that GNZ regards WTO as its most important economic and trade forum, with APEC as the best regional vehicle. GNZ has expended considerable diplomatic effort to enter the East Asian Summit and remain "in the tent," but is asking questions about what the organization will do and whether any trade aspects will reflect NZ values.

8. (C) At a roundtable on Security issues, MFAT Acting Deputy Secretary Dell Higgie said GNZ is funding security capacity building in SE Asia, and is also helping to fund "soft end" CT efforts in the region such as a regional interfaith dialogue among clerics from ASEAN, E. Timor, PNG, Fiji, Australia, and New Zealand, to meet in NZ next year.

Higgie reviewed New Zealand's efforts to help the PICs meet their Proliferation Security Initiative (PSI) and other global counter-terrorism (CT) obligations. GNZ is for example working with Australia to develop a PIC CT response plan. Higgie noted that the PICs are nervous about CT resource commitments and it would be helpful for USG officials to help reassure them. New Zealand has also helped the Cooks and Niue develop financial intelligence units and continues to monitor their effectiveness. GNZ will host a PSI Operational Experts Group in March or April 2007. It would like to host a full exercise in 2008 and sees this as a possible Bangkok process discussion for Washington early next year.

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E.O. 12958: DECL: 08/30/2...

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STATE FOR EUR/ERA, NEA/ELA, EUR/ERA, AND EAP/ANP

E.O. 12958: DECL: 08/30/2016

TAGS: EAID, PREL, LE, SW, NZ

SUBJECT: NZ ASSISTANCE FOR LEBANON

REF: STATE 139903

Pol-Econ Couns passed reftel information to Matthew Dalzell, team leader in NZAID's Global Group. Dalzell informed her that Juliet Hay, New Zealand's Charge D'Affaires in the Hague, will be the NZ rep at the August 31 Lebanon donor's conference in Stockholm. He also confirmed that Acting Foreign Minister Michael Cullen has approved a NZD 750,000 (approx. USD 480,000) donation for Lebanon, which GNZ will propose go to UNICEF for emergency water and sanitation projects.

McCormick

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SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 09/08/2016  
TAGS: PREL, PGOV, NZ  
SUBJECT: GNZ SHOULD IMPROVE U.S. TIES, SAYS FORMER NZ  
AMBASSADOR

Classified By: Deputy Chief of Mission David J. Keegan,  
for reasons 1.4 (b) and (d)

Summary  
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1. (C) New Zealand's former Ambassador to the United States, John Wood, told an influential local international affairs organization that New Zealand should take the initiative to improve US-NZ ties. Wood cited GNZ officials' anti-US election campaign rhetoric as a low point in the relationship. He said New Zealand's lack of a FTA with the United States has already hurt US corporate interest here. Wood also vigorously denied former PM Lange's claims that Wood had acted without GNZ instruction when he tried to accommodate the U.S.S. Buchanan's visit to New Zealand after the country established its anti-nuclear policy. While our foreign affairs contacts appreciate Woods' effort to boost US-NZ ties, many wonder why he did not criticize his government publicly before leaving his post in Washington for retirement early this year. Others say Wood oversold to PM Clark his ability to bring home a US-NZ Free Trade Agreement and failed to alert GNZ to Washington's continued concerns over New Zealand's anti-nuclear legislation and other issues. End Summary.

Don't change the ban, change the attitude  
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2. (SBU) Wood was a guest of the New Zealand Institute of International Affairs on September 4 and spoke to an audience largely made up of New Zealanders, including former and current diplomats, academics, and journalists. Wood started his off-the-record speech, the first since returning from Washington, by announcing that he does not advocate a change in New Zealand's anti-nuclear policy. But he noted that while the present state of the US-NZ bilateral relationship is acceptable it does not fully serve New Zealand's interests and as a small country it was up to New Zealand to improve things. He also said New Zealand must accept the reality that due to competing foreign policy demands, the United States will likely have little time or attention for New Zealand. Wood indicated the current NZ government lacks the needed political leadership to reach out to the United States. The use of anti-American rhetoric in the last general election (September 2005) was a low point in GNZ insensitivity to U.S. perceptions, according to Wood. He said both governments need to be mindful of tonality, express policy differences clearly and frankly, and be measured in their public statements.

3. (SBU) Wood hinted that mediocre relations were behind NZ's failure to get an FTA with the U.S. even though other countries ahead in the queue were "less qualified" than New Zealand. He said lack of an FTA has already caused a decline in US corporate interest in New Zealand. Expressing optimism that things could get better, Wood cited as positive indicators for change former Ambassador Swindells' July 2005 speech calling for a re-look at the relationship and Ambassador McCormick's comments about the importance of US-NZ economic cooperation.

Wood slams Lange's Take on the US-NZ Rift  
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4. (SBU) Before his death, (former) Prime Minister Lange had publicly criticized Wood for his role in the US-NZ schism over the nuclear ban while serving as DCM in Washington. Lange claimed that Wood and other NZ bureaucrats had on their own initiative tried to negotiate an understanding that would have allowed the U.S.S. Buchanan to visit New Zealand. Wood told his audience he had in reality followed the PM's and Foreign Minister's direct instructions. He also spoke of his damage control work after the rift, which ultimately succeeded in large part due to the goodwill of US counterparts. He said President Clinton's efforts in 1993 to restore dialogue and Prime Minister Jim Bolger's visit to Washington in 1995 greatly helped to improve ties. Wood also claimed that there will be a good deal of published material that will refute David Lange's version of events surrounding the ANZUS rift. (Note. Wood was probably referring to a book by Kiwi historian Malcolm Templeton on the US-NZ split, due to be released next month. End Note.)

5. (C) Comment: Wood's speech, while delivered under Chatham

House rules, will have an impact on an influential audience. It follows an editorial he wrote in late July calling for strengthening of US-NZ ties. During his retirement outbrief at the Ministry of Foreign Affairs and Trade (MFAT) earlier this year, Wood also reportedly lambasted senior MFAT officials for their frequent public negative statements about the United States, leading MFAT's CEO to order staff to be more cooperative with Embassy officers. Wood also used at least one farewell reception to slam the Labour government over its anti-American rhetoric during the 2005 general election campaign, noting the remarks had made his job as Ambassador significantly tougher. While our foreign affairs contacts are glad he's speaking out now, more than one have questioned why Wood did not publicly criticize Labour before leaving Washington. Others say Wood deserves part of the blame for sub-optimal Washington ties, since as Ambassador he overplayed to PM Clark the likelihood of a US-NZ FTA and underplayed USG displeasure over Labour's campaign antics and continued concerns over NZ's anti-nuclear policy. End Summary.  
McCormick

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IMMEDIATE  
classification:CONFIDENTIAL  
reference:06SECSTATE148157  
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STATE FOR D (FRITZ), EAP/FO, EAP/ANP, AND NEA/  
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NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD LIZ PHU  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 09/15/2016  
TAGS: PREL, PTER, ECON, NZ  
SUBJECT: NEW ZEALAND'S UNIFIL CONTRIBUTIONS

REF: SECSTATE 148157

Classified By: Political-Economic Counselor Katherine B. Hadda,  
for reasons 1.4 (b) and (d)

1. (C) Summary: GNZ plans to announce soon a year-long deployment of a 4-person munitions team to Lebanon for demining and disposal of unexploded ordinances. Defence Minister Goff is also considering sending an additional team to train Lebanese Armed Forces. Pending Cabinet approval, GNZ also intends to extend its UNSO observers in Lebanon for two years (to end of September 2008), and to add an additional member to the group. End Summary.

2. (C) On September 15, Darryl Dunn, Director for the Middle East and Africa at the Ministry of Foreign Affairs and Trade (MFAT) and Matthew Paterson, Policy Officer in MFAT's Security Policy Division, separately confirmed to PE Couns that New Zealand will soon announce the deployment of a 4-person munitions team to Lebanon. GNZ would like the team, which will engage in demining and disposal of unexploded ordinances, to be embedded with the UN Mine Action Service (UNMAS). NZDF plans to deploy the team for one year starting in October 2006. MFAT has sent word of the planned deployment to the NZ missions in New York and Washington, but GNZ will not announce the deployment until it has UN acceptance and a reliable force protection and logistical support network has been identified.

3. (C) Dunn and Paterson say Defence Minister Goff is additionally looking into sending an additional expert team to train and advise the Lebanese Armed Forces in demining and unexploded ordinance disposal, and to help with strategic identification of areas in which to conduct this work.

4. (C) Cabinet approval for New Zealand's current UNSO contributions expires in two weeks. According to Dunn and Paterson, the Cabinet is being asked to approve on an expedited basis the extension of the deployment to September 30, 2008. The current New Zealand deployment includes seven observers and the UNSO Chief of Staff, Brigadier Lilley. The UN has asked New Zealand additionally to fill the Golan Heights Chief of Operations and Chief of Observer Group slots with NZDF Lt. Colonels. New Zealand is looking to fill both positions. As neither would be in Lebanon at the same time, this would bring New Zealand's total UNSO observer commitment to eight, the maximum that has been approved by the NZ Cabinet. Paterson asks that USG officials keep this information close hold until the Cabinet has approved the extension.

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NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 09/16/2016  
TAGS: PREL, PGOV, MARR, ETRD, NZ, US  
SUBJECT: EAP/ANP DIRECTOR MCGANN'S MEETINGS WITH GNZ:  
PUTTING MEAT ON THE MATRIX'S BONES

Classified By: DCM David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary: During September 13 meetings in Wellington, GNZ officials told EAP/ANP Director Steven McGann that PM Clark and NZ Ministers support greater US-NZ cooperation. McGann and his counterparts agreed that meetings over the coming months between both sides' leaders and senior officials will help keep things on track. The Kiwis said PM Clark hopes to meet with the President on the margins of November's APEC Summit and is considering a trip to Washington next year. McGann and the officials reviewed ways to move forward substantively on the notional matrix of areas for cooperation that both sides have developed since July's informal meeting in Bangkok. Emboffs will forward via e-mail a matrix reflecting these discussions once it has been reviewed with Ministry of Foreign Affairs and Trade (MFAT) officials. Our preliminary summary of agreed actions begins below at paragraph 4. End Summary.

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Setting the Framework With DepDec McKinnon  
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2. (C) Deputy Secretary of Foreign Affairs John McKinnon told EAP/ANP Director Steven McGann that PM Clark and NZ Ministers have formally confirmed that they want to improve both the content and tone of US-NZ bilateral relations. They hope for a meeting "of some substance" between PM Clark and the President at the APEC summit as well as a possible Presidential visit to New Zealand after next year's APEC meetings in Sydney. McKinnon said that since Embassy Wellington's 2005 calls for renewed attention to the relationship and especially after A/S Hill's March visit to Wellington, GNZ has recognized the need to bring a greater



level of trust to the relationship that will enable us to build on areas of common interest and more easily deal with disagreements. New Zealand is looking to next year's Antarctic anniversary celebrations as a good opportunity to demonstrate our cooperation. They hope that last June's Trade and Investment Framework Agreement (TIFA) will pave the way for increased economic cooperation even if NZ's desire for a bilateral free trade agreement must remain unrealized over the shorter term.

3. (C) McGann said that in addition to leaders' meetings, senior working level visits are also crucial to articulate support for the broadening relationship and create the impetus for substantive leaders meetings. He said both sides need to ensure our contacts are not defined by good meetings in closed rooms and bad sound bites outside. McGann said he was in Wellington to help begin to identify concrete bilateral actions both sides can take to implement the draft matrix they drew up after informal talks in Bangkok last July. He pointed to his previous day's talks with GNZ about ways to cooperate around the Pacific Island Forum (septel) as a good example of the work that could be done. McKinnon said he is conscious of the need to move the process forward at all levels, and is willing to travel to Washington as needed.

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The Matrix: Security and other Cooperation  
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4. (C) McGann reviewed the Bangkok draft matrix during a session chaired by NZ Ambassador for Counterterrorism Dell Higgle that included representatives from the Office of the Prime Minister, Ministry of Foreign Affairs and Trade (MFAT), NZ Defence Force (NZDF), Ministry of Defence (MoD), Security Intelligence Service (SIS), Maritime New Zealand, and Police. The following is the U.S. side's understanding of matrix issues discussed and next steps. Embassy Wellington will work with MFAT to incorporate the agreed actions into an updated matrix which we will aim to submit to Washington for interagency clearance by September 22.

-- Detail of NZ Police official Don Allen to Joint Interagency Task Force-West, U.S. Pacific Command: Allen is already in Honolulu. Both sides will examine how they might publicize Allen's assignment as an example of effective bilateral cooperation. Next step: NZ Police to consider how it might publicize the assignment.

-- Signing of MOU to exchange terrorist screening information as part of HSPD-6: During July discussions in Washington, State's Consular Affairs provided SIS and NZ Emboffs with an initial response to technical issues raised by GNZ. SIS told McGann that the draft MOU provided by the U.S. side is a government-to-government agreement rather than a service-to-service agreement contained in a similar US-Australia arrangement. A government-to-government agreement creates complications for the NZ side, both because it raises privacy issues that an agreement between services would not (SIS is the only GNZ agency exempt from the country's privacy laws) and because a bi-government agreement

would require a more complex GNZ approval process. As it works through MOU issues, GNZ ministries are also meeting soon to determine which ministry will house the data gateway, after which they will request allocations in next year's budget to fund the project. The Kiwis told McGann that both the MOU and bureaucratic issues can move in tandem, which should make it possible to sign the agreement by early next year if not by the January 1 notional target date. GNZ also asked whether GNZ would be able to get substantiating information about any hits made after the gateway was in place. SIS said that their understanding was that the Terrorist Screening Center (TSC) would make a request for background information with the originating USG agency, and that agency would consult with its GNZ counterpart. McGann said US officials were still working through whether this would be the case. Higgie said that the agreement will not work for the GNZ side without such exchanges.

Next Steps: U.S. to clarify if MOU must be government-to-government, and whether USG agencies will consult with NZ counterparts to provide substantiating information if the Terrorist Screening Center confirms an NZ hit in the system. NZ to identify a host ministry and budget for the gateway, and identify needed procedures to approve the agreement.

-- U.S. Expansion of "working holiday" exchange visas for NZ and Australian Students from 4 to 12 months: Next steps: GNZ will coordinate with Australia to provide ECA with needed information in time for an announcement of the program's expansion during the World Youth and Student Travel Conference in Melbourne between October 10-15.

-- U.S. Expansion of exchange visa program for primary and secondary school teachers: Next Steps: ECA to provide draft letters of agreement to New Zealand and Australia.

-- NZ participation in DPRK "5 plus 5" framework on DPRK issues. GNZ confirmed to McGann that Foreign Minister Peters will attend the 5 plus 5 meeting on the margins of UNGA if it goes forward. Next steps: MFAT to confirm other GNZ attendees.

-- NZ Joins the IMO "Alameda Group": Amb. Higgie and Russell Kilvington of Maritime New Zealand said they thought GNZ would be able to attend the Alameda Group Meeting in Kuala Lumpur the week of September 18. (NB: MFAT has since confirmed that NZ's Deputy High Commissioner in Kuala Lumpur, Felicity Bloor, and the NZ Defence Attache in K-L, Steve Streefkerk, will attend the meeting.) They said that NZ had not yet received the regional assistance matrix GNZ would need to fill out before the meeting. Next Steps: U.S. side to provide assistance matrix to Maritime New Zealand and MFAT.

-- Staff Level Discussions on 50th Anniversary of U.S.-New Zealand Antarctic Cooperation: At a follow-on meeting on September 14 after Director McGann had left New Zealand (reported septel), NZ officials told DCM and EAP/ANP Officer Alisa Wong that GNZ tentatively agreed to talks in Washington October 11-12. The NZ delegation will probably include Lou

Sanson, Head of Antarctic New Zealand; MoD's Huntley Wright; MFAT's Trevor Hughes; and NZ Ambassador Roy Ferguson. Next Steps: US and NZ to confirm Oct.11-12 Washington meeting.

-- Coordination prior to October 27-28 Pacific Island Forum's Post-Forum Dialogue (PFD): McGann noted he had begun discussions about US-NZ PFD coordination during a September 12 with MFAT's Pacific Division Director Heather Riddell (septel). Deputy Director of MFAT America's Division, Gabrielle Rush, said MFAT Deputy Director Alan Williams hopes

to travel to Washington shortly after the PFD. Next Steps: USG and GNZ to continue to coordinate in lead up to PFD. Both sides to exchange information after the PIF/PFD meetings during Alan Williams' trip to Washington.

-- Enhanced information exchange on wider Asia/Pacific strategic issues. Next Steps: Both sides agreed to try to arrange senior officials' bilaterals on margins of multilateral fora, including UNGA and possibly APEC

-- Increased informal consultations between U.S. and NZ Embassies in the Asia Pacific Region: Next steps: US and NZ to draft messages to their missions in the region asking them to consult on transnational threats affecting the Pacific Island Countries and other issues of mutual concern.

-- Informal, working-level consultations between NZ and U.S. defense officials: Ian Hill, NZ's DCM in Washington, told McGann that during during the recent trip to Washington of Vice Chair of the Defence Force David Bamfield, Assistant Secretary of Defense Peter Rodman had endorsed the idea of

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informal US-NZ exchanges. As a first step, OSD Desk Officer for New Zealand Liz Phu had asked NZ to provide her with a matrix of current and planned NZDF activities. Wayne Higgins and Group Captain Gore, NZDF, and MoD's Andrew Weirzbicki told McGann that they had already provided a master list of NZDF activities to Embassy Wellington DATT Martinez which can be used as a basis for the matrix. They will also add to this list planned equipment upgrades and major exercises. Higgins said discussions about these activities could provide a useful way to identify possible areas for cooperation. He added that it would be helpful for New Zealand to know in advance what kinds of joint exercises (including in support of peacekeeping operations) were likely to cause difficulty for DoD, rather than just discussing each exercise on a case-by-case basis. McGann noted that any U.S. decisions on this issue would be made by the Office of the Secretary of Defense (OSD). Next Steps: NZDF and MoD to complete lists of current and future activities and provide to OSD, with copies to EAP/ANP Director McGann and Embassy Wellington. GNZ will also provide a proposal for advance coordination between U.S. and New Zealand officials regarding planned and projected joint peacekeeping and stability operations.

-- Expanded bilateral engagement during "Quadrilateral" (U.S., NZ, Australia, France) meetings: Next steps: MoD to develop and provide to US side points they would want to see

discussed if NZ participates in next year's Quad meeting.

-- Expansion of existing relationships into a broader counter-terrorism framework with Australia, Canada, and the UK: The Kiwi side told McGann that NZ has robust bilateral intelligence relationships with all four parties, and that it would make sense to participate (as opposed to observe) in 5-i's assessment meetings. Ambassador Higgie said GNZ believes the "ball is in the U.S. court" on this. Next Steps: GNZ will provide its proposal on 5-i's participation to Dan Coulter at the National Counter-terrorism Center.

-- Extended engagement between the U.S. and New Zealand on Maritime Security, Maritime Law Enforcement, and Antarctic Search and Rescue operations: McGann noted that during meetings in Hawaii the previous week, he had discussed these proposals with Admmiral Bryce O'Hara of the Coast Guard and JIATF-W. OSD would need to issue separate waivers for each of three proposals. Next Steps: OSD has invited the Coast Guard to submit waivers for these three proposals.

-- Coordination of South Pacific/Southern Ocean air and maritime patrols and information sharing: During the discussions, the GNZ side realized that this request might already be covered by the items on the Quadrilateral meeting and informal mil-mil consultations. Next Step: GNZ to reapproach USG after taking stock of how this would fit into the proposals for Quadrilateral and informal military discussions.

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MOVING THE PROCESS FORWARD  
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5. (C) McGann and Higgie agreed that both sides will consider a "Bangkok 2" meeting between both ministries to take stock of progress. They said this should take place no later than

March 2007, but agreed that senior level meetings on the margins of other multilateral meetings could also provide opportunities to assess where things are headed as well as to identify other possible areas of cooperation. The Pacific Island Forum meetings in October will probably provide the next opportunity for senior official discussions. Depending on the agenda, GNZ may send officials to Nandi to meet with A/S Hill and other USG counterparts.  
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□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000733

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E.O. 12958: DECL: 09/16/2016  
TAGS: PREL, PGOV, NZ, XV, US, CH, TW  
SUBJECT: EAP/ANP DIRECTOR MCGANN'S VISIT TO NEW ZEALAND:  
PACIFIC MEETING

REF: A. WELLINGTON 655  
B. BEIJING 8333  
C. WELLINGTON 536  
D. SUVA 350

(U) Classified By: Deputy Chief of Mission David Keegan, for reason 1.4(b) and (d).

1. (C) SUMMARY: U.S. officials are interested in participating in a U.S. special session proposed by the Pacific Island Forum (PIF), EAP/ANP Director Steven McGann told the Ministry of Foreign Affairs and Trade (MFAT) at a September 12 meeting in Wellington. McGann and MFAT agreed the USG and GNZ should work together to develop a PIF agenda that focuses on donor coordination, security coordination and transnational crime. MFAT remains concerned that China-Taiwan competition threatens GNZ efforts to promote good governance in the region, and worries as well about potential instability in Papua New Guinea, the Solomon Islands and Fiji. END SUMMARY.

2. (C) Identifying poverty as the Pacific Island region's most significant issue, MFAT Director for Pacific Affairs Heather Riddell told McGann and EAP/ANP Econoff Alisa Wong that the Pacific is second only to sub-Saharan Africa in being least able to meet Millennium Development Goals (MDGs) for good governance and economic development. She reiterated New Zealand concern that competition between China and Taiwan is undermining GNZ's efforts to promote good governance in the region. McGann agreed, and said he had discussed this issue with Chinese officials during his April trip to Beijing (Ref B). Riddell said MFAT officials have also spoken with the Chinese, including during Vice Foreign Minister He Yafei's trip to Wellington earlier in the year (Ref C).

NZAID officials have also traveled to Taiwan to deliver "a stern message" to Taiwan officials. McGann said that "China and Taiwan need to participate in a framework approved by regional partners and the PICs themselves."

3. (C) Niels Holm, MFAT Deputy Director for Pacific Regional Affairs, said that although the PRC says the right things regarding responsible development, it practices the opposite when it comes, as it almost always does, to competing with Taiwan. He added that although most Chinese migration and transnational crime are beyond the Chinese government's oversight, they have real potential to exacerbate poverty in the PICs. GNZ's message to Pacific Island leaders is that they need to ensure their countries are not the weak links in regional law enforcement and security. McGann agreed, noting that it was not ethnic Fijians that introduced methamphetamine to Fiji, but organized crime based out of Mainland China. Holm said GNZ is drafting a strategy paper on countering PRC negative influence in the region, including through approaches to senior leaders. They are also trying to work with PRC think tanks, although NZ's Beijing embassy says this has not been effective as the PRC central government tends to control the think tanks' work. Riddell reemphasized NZ's desire to work with us to deliver consistent messages to China and Taiwan.

4. (C) McGann was pleasantly surprised to learn that GNZ was the originator of PIF Secretary General Greg Urwin's proposal to hold a special U.S session on the final day of PIF Leaders meeting in Nadi, Fiji on October 25 (ref D). Riddell and McGann agreed this could be a more constructive meeting than the Post Forum Dialogue (PFD) and NZ and US officials should work together to quickly develop an agenda. McGann suggested one goal should be to get China to take more responsibility for Chinese-originated crime in the PICs. Riddell suggested that regional research and development into identifying feasible fossil fuel alternatives might be another area for discussion. Speaking of the PFD, Holm said that for years partners had not gotten enough from the session, and it will be important to find a way to give more attention to dialogue with major players such as the United States in order to ensure that senior representatives from dialogue partners continue to attend the PIF. Leaders will hopefully decide at this year's PIF on a more substantive

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process to engage third country partners.

5. (C) Riddell and McGann next reviewed the situation in Papua New Guinea, Solomon Islands and Fiji. On PNG, Riddell suggested that the Expanded Cooperation Program (ECP) is helping to push back the state of emergency in the Southern Highlands but can do no more than preserve the long-standing dysfunctional society. Riddell said the commission of inquiry into the cause of the Solomon Island riots was having some "push back" effect on the Regional Assistance Mission to the Solomon Islands (RAMSI). She agreed to provide the DCM with a more detailed GNZ assessment of Taiwan's role in the inquiry before his September 19 lunch with Taiwan's trade rep

in Wellington. Riddell said New Zealand believes the new government in Fiji has contributed to a more stable environment, but cited disagreement on foreshore ownership as a potential cause of political instability.  
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SECDEF FOR OSD/ISD JESSICA POWERS  
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E.O. 12958: DECL: 09/28/2016  
TAGS: PREL, PGOV, MARR, MOPS, NZ, UN, LE  
SUBJECT: MORE ON NEW ZEALAND'S UNIFIL CONTRIBUTIONS

REF: WELLINGTON 727

Classified By: DCM David J. Keegan,  
for reasons 1.4(b) and (d)

1. (C) On September 27, Matthew Paterson, Senior Policy Officer in the Security Policy Division at the Ministry of Foreign Affairs and Trade (MFAT) confirmed to PE Couns that GNZ has approved the deployment of a 6-person technical team for UNMAS/UNIFIL, pending UN approval and the identification of force protection and logistics support. The team will offer technical assistance on demining and unexploded ordinances work, and will undertake surveys of mine sites. It will be deployed for 12-months from October.

2. (C) Paterson said that the UN has already accepted GNZ's offer of a 4-person demining team (reftel). GNZ is still working to get the appropriate force protection for the team,

and assumes this will come through soon.  
Keegan

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E.O. 12958: DECL: 09/28/2016  
TAGS: PREL, PGOV, MARR, MOPS, NZ, UN, LE  
SUBJECT: MORE ON NEW ZEALAND'S UNIFIL CONTRIBUTIONS

REF: WELLINGTON 727

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1. (C) On September 27, Matthew Paterson, Senior Policy Officer in the Security Policy Division at the Ministry of Foreign Affairs and Trade (MFAT) confirmed to PE Couns that GNZ has approved the deployment of a 6-person technical team for UNMAS/UNIFIL, pending UN approval and the identification of force protection and logistics support. The team will offer technical assistance on demining and unexploded ordinances work, and will undertake surveys of mine sites. It will be deployed for 12-months from October.

2. (C) Paterson said that the UN has already accepted GNZ's offer of a 4-person demining team (reftel). GNZ is still working to get the appropriate force protection for the team, and anticipates this will come through soon.  
Keegan



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E.O. 12958: DECL: 09/27...  
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STATE FOR EAP/ANP  
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E.O. 12958: DECL: 09/27/2016  
TAGS: PGOV, PREL, CW, NZ, XV  
SUBJECT: COOK ISLANDS: PRELIMINARY ELECTION RESULTS

REF: A. WELLINGTON 575

B. WELLINGTON 221

(U) Classified By: Charge D'Affaires David J. Keegan, for reasons 1.4(b) and (d).

1. (C) Summary: On Tuesday, September 26, the Cooks Islands held general elections. Preliminary results show the Democratic Party (Demos), led by PM Jim Marurai, ahead of the Cook Islands Party (CIP), 14 seats to 10 in the 24-seat Parliament. New Zealand's High Commission in Rarotonga believes the most likely outcome will be a Demos victory and a continuation of government largely similar to its pre-election form. There is no substantive difference between the policy platforms of the Demos and CIP. Both declare they oppose the practice of encouraging new members of parliament to "party-hop" as each tries to form the next government, even though they are likely to engage in it. End summary.

2. (C) While final results of the September 24 Cook Islands general election are not due until Monday, October 2, the Demos lead the CIP 14 seats to 10 in the 24-seat parliament. The elections follow the July 24 dissolution of Parliament as a result of a pending vote of no confidence motion put forward by the CIP (ref A). Five races remain close, with

separations of 10 votes or less: CIP leads in three races and the Demos in two. Nearly 10,000 persons voted in the general election, and between 400 and 500 absentee votes remain to be counted. Opposition leader Henry Puna is in one of the close races, down eight votes with 26 absentee ballots uncounted. (FYI: Almost all absentee ballots are cast by voters who remain inside the Cooks but temporarily reside outside their electorates. The more than 50,000 Cook Islanders resident in other countries are, with few exceptions, not allowed to vote. End FYI.)

3. (U) The only candidate confirmed as a victor is Wilkie Rasmussen (CIP), who ran unopposed in his Outer Island electorate of Penrhyn. Though from the opposition party, Rasmussen has been part of the Demos-dominated coalition government as Foreign Minister. He also held the marine resources portfolio. Such cross-fertilization has been commonplace in Cook Islands politics, especially since 1999. Amid increasing public discontent over loose party loyalties, both parties featured anti-party-hopping legislation in their respective election platforms.

4. (U) CIP Deputy leader Tupou Faireka and Finance spokesperson Vaine Wichman appear likely to lose. Cook Islands political commentators are reading these preliminary results as a public backlash over CIP attempts to wrest control of the house in the lead up to the snap election. The media also speculates that former PM Dr. Robert Woonton was sacked as High Commissioner to New Zealand in March by PM Jim Marurai for plotting to topple the government after he was accused of funneling significant financial support to the CIP during the election. In March, Wooton was sacked as High Commissioner to New Zealand by PM Jim Marurai for allegedly plotting to topple the government (ref B).

5. (SBU) Once election results are formally announced, defeated candidates have a week to file petitions to contest the results, which means that it will be at least mid-October before voters are certain who will be in the new parliament. It's also possible that both parties will be encouraging newly elected members of parliament to switch parties as the Government is being formed. Although both parties have pledged to eliminate party-hopping, there is still no law preventing the practice and many practical incentives for all involved to continue it.

Keegan

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WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY  
RHHJJAA/JICPAC HONOLULU HI PRIORITY  
classification:CONFIDENTIAL  
reference:06WELLINGTON449  
☐ C O N F I D E N T I A L WELLINGTON 000773

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STATE FOR P (FAGIN), PM/RSAT, EAP/FO, EAP/RSP, AND EAP/ANP  
NSC FOR VICTOR CH...

▼C O N F I D E N T I A L WELLINGTON 000773

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STATE FOR P (FAGIN), PM/RSAT, EAP/FO, EAP/RSP, AND EAP/ANP  
NSC FOR VICTOR CHA

SECDEF FOR OSD/ISA (JPOWERS)

PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 09/28/2016

TAGS: PGOV, PREL, ECON, MOPS, NZ

SUBJECT: DELAY IN USG APPROVAL OF NEW ZEALAND'S A-4 PLANE SALE A  
FISCAL AND POLITICAL HEADACHE FOR GNZ

REF: A. 9/21/06 RICCI/EMBASSY E-MAIL (NOTAL)

B. 8/29/06 RICCI/EMBASSY E-MAIL (NOTAL)

C. WELLINGTON 449

Classified By: Charge d'Affaires David J. Keegan,  
for reasons 1.4(b) and (d)

1. (SBU) This message contains an action request at para  
8.

2. (C) Summary: The New Zealand Defence Force is  
evaluating how the further delay or cancellation of the  
GNZ's proposed sale of its last air combat planes to a  
private U.S. buyer could impact defense planning. NZDF  
will probably be able to readjust its spending to make up  
for the shortfall, or else may ask the Government for  
additional funds. The political ramifications of the delay  
could be more difficult for the Government: the opposition  
National Party claims that Labour purposely presented the  
sale as a done deal before the election in order to gain  
votes. The Nat's linkage of the issue to Labour's campaign  
could not come at a worse time for the Government, already  
facing voter unrest over its clumsy handling of accusations  
that the party knowingly misused taxpayer money on its  
campaign. Embassy Wellington anticipates media interest in  
this case, and would appreciate guidance soonest. End  
Summary.

3. (C) Ref A reported that a September 21 meeting between PM  
Assistant Secretary Hillen and New Zealand Ambassador Roy Ferguson on  
September 21 identified two factors complicating New Zealand's  
proposed sale of its A-4 Skyhawk attack aircraft to a U.S. private  
company:

i) the proposed sale of U.S. combat aircraft to private hands in the  
U.S. raises new U.S. policy concerns in the post 9/11 era. Comments  
from the Departments of Homeland Security and Defense are still  
pending before the State Department can make its decision, and

ii) there are several active investigations on the resale of "non-demilitarized" property, some of which DoD may refer to the Department of Justice for possible criminal proceedings.

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Implications for NZDF: Show Me the Money  
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4. (C) The delay in the sale could negatively affect New Zealand Defence Force (NZDF) planning. Last month (Ref b), Vice Chief of the NZ Defence Force (NZDF) David Bamfield told DoD that GNZ has included money from the sale as part of NZDF's 2007 naval budget. At that time, NZDF Assistant Chief for Development Brigadier Rhys Jones told the DATT that NZDF's Long Term Development Plan (LTDP, see ref C) assumes the money from the sale will be available for the Defense Force's general use in future years. While it is not specifically tied to the Navy's budget, Rhys Jones said the upgrades for the navy's ANZAC Frigates are the most likely program to be affected if the sale does not go through.

5. (C) On September 26, Deputy Secretary of Defense Christopher Seed confirmed to the DATT that the NZDF Long Term Development Plan (LTDP) includes money from the sale of the eight A-4 Skyhawk fighters and eight Aeromacche fighters as the source of funding for various LTDP and other Defense programs. He also confirmed that although the sales are not directly tied to navy programs, the ANZAC frigate upgrades are most likely to be affected because of NZDF's spending schedule.

6. (C) Seed said the Government would have to look at a range of options to manage the shortfall of funds if the sale does not go through. These could include a decision to sell the eight Aeromacches separately since they do not require U.S. approval, which would net an estimated NZD 75 million out of the estimated NZD 110 million expected for the sale of all 16 planes. Another option would be to make adjustments to the planned redevelopment of Ohakea Air Base; to replace or make changes to the planned maintenance and upgrades to New Zealand's only supply ship, HMNZS Endeavour; or to request that the Government allocate more money to the LTDP. Seed seemed confident that if the sale is delayed NZDF could find ways to adjust its spending to

do everything planned under the LDTP, using the funds from the sale once it goes through. He indicated that while the GNZ has not yet calculated the costs or implications if the sale is canceled, they are beginning to consider the possibility.

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Yet Another Potential Election Problem for Labour  
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7. (C) While the NZDF may be able to adjust its spending if the A-4 sale is delayed or canceled, the Government will likely have a harder time dealing with the political ramifications. The deal to sell the Skyhawks and Aermacchis was announced two weeks before the September 2005 general election. The opposition National Party has

recently asked Defense Minister Goff for a full explanation of why the deal remains stuck a year later, and has pointed out that the planes' continued maintenance is costing taxpayers an estimated NZD 130,000 (USD 82,000) a month, on top of the NZD 1.5 million (USD 945,000) already paid in agents fees. National's Defense spokesman Murray McCully has accused Mark Burton Minister for Defense at the time of the announced sale, of "pre-election window dressing" for having trumped up the sale without indicating it might be difficult to get USG approval. In response, current Defense Minister Phil Goff said the Government's announcement of the sale noted that it was contingent on State Department clearance, a process which the GNZ has been unable to speed up. Goff also pointed out that because of the limited market there are no other buyers on the horizon.

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Comment and Action Request  
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8. (C) While Kiwi voters do not normally focus on defense issues, this case may prove an exception. National will use the delayed or canceled sale to reinforce its contention that the Government has not only misled the public but also has once again exercised bad judgment on a defense matter. The Labour Government has been criticized for poor defense procurement decisions in recent years and its 2001 decision to disband the combat air wing was strongly derided by National and former defense officials at the time. In addition, National's claim that the Government used the sale as an election ploy ties into its broader effort to attack Labour for its 2005 election tactics. Labour is already flailing badly over its decision to defy the findings of a soon-to-be- released Inspector General report that says Labour illegally spent taxpayer money for its campaign.

9. (C) Action Request: We understand that Washington agencies are working on talking points that Mission New Zealand can use to answer future media inquiries about this case. Although the Parliamentary recess has pushed the issue off the front pages for now, we anticipate we will get questions so would appreciate receiving guidance soonest.

Keegan

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RUEHML/AMEMBASSY MANILA PRIORITY 0508 RUEHMO/AMEMBASSY MOSCOW PRIORITY  
0150 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0267 RUEHUL/AMEMBASSY SEOUL  
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USUN NEW YORK PRIORITY 0070  
classification:CONFIDENTIAL

reference:06SECSTATE166404|06SECSTATE166620  
□ C O N F I D E N T I A L WELLINGTON 000778

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STATE FOR ISN AND EAP

E.O. 12958: DECL: 10/05/2016  
TAGS: KNNP, MNUC, PARM..

▼ C O N F I D E N T I A L WELLINGTON 000778

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STATE FOR ISN AND EAP

E.O. 12958: DECL: 10/05/2016  
TAGS: KNNP, MNUC, PARM, PREL, UNSC, KN  
SUBJECT: DEMARCHE DELIVERED TO NEW ZEALAND MINISTRY OF  
FOREIGN AFFAIRS AND TRADE REGARDING POSSIBLE NORTH  
KOREAN NUCLEAR TEST

REF: A. (A) SECSTATE 166404  
B. (B) SECSTATE 166620

Classified By: CHARGE' David J. Keegan for Reasons 1.4  
(B) and (D)

1. (C) In response to reftels, CDA Keegan delivered talking points this afternoon to John McKinnon, Deputy Secretary at New Zealand's Ministry of Foreign Affairs

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and Trade (MFAT) accompanied by Brian Sanders Deputy Director of the North Asia Division at MFAT. McKinnon said he agreed with resuming six party talks and with the need for UNSC to reiterate the demand for North Korea to conform to UN resolution 1695. McKinnon informed CDA that New Zealand's Minister of Foreign Affairs (NZMF) Winston Peters is writing a strong communique to both the Chinese and North Korean (DPRK) governments. Sanders promised to share a copy of the text as soon as the Minister approves it. The essence of the message to China is to maintain its efforts and continue to engage North Korea on nuclear issue. Peters' message to DPRK is to urge them to conform to UN 1695. McKinnon said that the request to support 5 5 meetings comes as news but he expects believes that NZMF will support.

2. (SBU) McKinnon noted that Minister Peters had made a strong press statement wherein he stated that North Korea's announced plans for a nuclear weapons test was "intolerable." Peters went on to say, "if this threat is carried out, North Korea can expect a harsh response from the international community." "Repercussions will undoubtedly be stronger than those following North Korea's missile test in July." Peters urged North Korea

to return to dialogue at the earliest possible opportunity. (Minister's statement has been faxed to EAP/ANP).  
Keegan

date:2006-10-11T05:19:00  
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USUN NEW YORK IMMEDIATE 0071 RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE  
classification:CONFIDENTIAL  
reference:06SECSTATE169418  
□ C O N F I D E N T I A L WELLINGTON 000798

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E.O. 12958: DECL: 10/11/2016  
TAGS: KNNP, PREL, PARM, NZ, KN  
SUBJECT: RESPON...  
▼ C O N F I D E N T I A L WELLINGTON 000798

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E.O. 12958: DECL: 10/11/2016  
TAGS: KNNP, PREL, PARM, NZ, KN  
SUBJECT: RESPONSE TO NORTH KOREAN NUCLEAR TEST ANNOUNCEMENT

REF: SECSTATE 169418

1. (C) In response to reftel, CDA Keegan delivered talking points this afternoon to David Taylor, Director North Asia Division at New Zealand's Ministry of Foreign Affairs and Trade (MFAT) accompanied by Carolyn Schwalger, Senior Policy Officer in the North Asia Division at MFAT.

2. (C) Mr. Taylor responded that he saw his government and the U.S. heading in the same direction on this issue. He was grateful that Minister of Foreign Affairs, Peters had an opportunity to talk on the phone in depth with Secretary Rice regarding North Korea (DPNK). Taylor went on to say that New Zealand (NZ) is closely following the actions of the UN Security Council (UNSC) and emphasized that the challenge remains to find ways to impose sanctions in ways that move the issue in a constructive, or at least less dangerous, direction. In the short term, NZ will be guided by what comes out of the UNSC, but are looking beyond the Security Council action to what else they can do. Taylor admitted that in implementing the financial aspects of UNSC resolution 1695, the NZ Parliament would need to pass additional legislation.

He went on to say that although it was too early to stop current humanitarian assistance to DPNK that there are no plans to provide additional assistance. Currently, NZ has very little contact with North Korea, very little assistance and essentially no commerce or financial flows. Nonetheless, they are looking at ways to ensure that they have all the necessary means to act.

3. (C) NZ is planning to discuss this topic at upcoming regional meetings, such as APEC, as well as its normal round of regional bilateral meetings and is reiterating its concern over DPNK actions at these events. Minister of Defense and Trade, Phil Geoff will be in Japan and South Korea in two weeks and will also deliver his government's concerns regarding the actions of DPNK. While in Korea he will meet with General Bell, Commander of U.S. Forces Korea (USFK) in order to get a more in depth briefing. Taylor also shared that Minister Peters has been actively encouraging China to do more to bring the parties back to the negotiating table.

4. (C) In the past few day, Taylor noted that Foreign Minister Peters has been saying that one should not necessarily conclude that DPNK is a nuclear state simply because of one test. Taylor added that NZ would appreciate being informed of any U.S. technical assessments as to whether this event was in fact nuclear and a successful test.

5. (C) Taylor revealed that he had heard some talk among the diplomatic community, especially from the British that despite DPNK's withdrawal from the Non-Proliferation Treaty (NPT), a legal argument may be made to help bolster a case with the Chinese (PRC) that they need to take stronger action against DPNK.

Keegan

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IMMEDIATE 0519  
classification:CONFIDENTIAL  
reference:06STATE171852  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000815

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STATE FOR EAP/FO AND EAP/ANP

E.O. 12958: DECL: 10/18/2016..

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000815

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STATE FOR EAP/FO AND EAP/ANP

E.O. 12958: DECL: 10/18/2016  
TAGS: PREL, PGOV, NZ, XV, XU  
SUBJECT: NZ WORRIES FRICTIONS COULD DERAIL PACIFIC ISLAND  
FORUM

REF: STATE 171852

Classified By: DCM David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary: New Zealand is working behind the scenes to help ensure that frictions over the Solomon Islands and other regional issues do not derail the October 23-26 Pacific Island Forum (PIF) meetings. PMs Clark and Howard are scheduled to discuss their goals for the meeting by telephone on October 18. NZ officials would like leaders to commit to streamline PIF architecture within the next few years without endorsing any specific proposals, and to agree on a format for future Pacific Forum Dialogue (PFD) meetings. On the Pacific Plan, NZ would like to see the PIF agree to examine the potential benefits of integrating regional transportation, information technology and communications. New Zealand officials intend to offer a new visa program for seasonal agricultural workers from the Pacific Islands, which should complement Australia's plan to finance regional training centers for skilled labor. End Summary.

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Tensions in the Air  
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2. (C) On October 17, DCM and Pol-Econ Couns discussed New Zealand's goals for the PIF meetings with Deputy Foreign Secretary Alan Williams and Heather Riddell, Director of the

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Ministry of Foreign Affairs and Trade's Pacific Division. Williams said the GNZ is concerned that regional tensions have the potential to make the PIF meetings complex and contentious. PM Clark will call PM Howard this Friday to discuss ways to prevent a dust-up as well as to discuss other goals for the meetings.

3. (C) Williams said conflicts between the Regional Assistance Mission to the Solomon Islands (RAMSI) and GOS, as well as Papua New Guinea's role in helping suspended GOS Attorney General Moti escape to the Solomons, are both potential flashpoints that GNZ fears could cause the Melanesian countries taking an "us vs. them" stance at the meetings. This could prevent the PIF from endorsing RAMSI's work and erode the Mission's ability to operate. NZ believes one possible solution is to have regular consultations between the Solomons, RAMSI, and the PIF, to "provide a circuit breaker on Solomons/RAMSI tensions. The Melansian Spearhead Group went to Canberra recently to discuss this idea. Williams acknowledged that Australia might be anxious that the proposal would undermine RAMSI, but this possibility could be minimized through careful planning. Another

possibility would be to put a PIF representative in Honiara. Virtually every PIF country has a role in RAMSI, and more dialogue would put a helpful regional "fingerprint" on the Mission, said Williams.

4. (C) Riddell and Williams downplayed rumors that the PIF will vote to replace Forum Secretary General Greg Urwin as an anti-Australian gesture, although Melanesia may run another candidate to symbolically "stir the pot." There are no serious candidates out there, Riddell said. She also said she does not believe that recent anti-Government remarks by Fiji's military commander Bainimarama posed an immediate threat to the PIF or the GOF, although NZ is watching the situation closely. Bainimarama will be in the Middle East for the next three weeks, she added. (Yesterday, Foreign Minister Peters issued a statement strongly condemning the Commodore's remarks. This morning, PM Clark told a local radio news program that she took Bainimarama's threats seriously.)

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NZ Agrees with US on Regional Institutional Reform  
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5. (C) Riddell said GNZ agrees with the USG view (reftel) that streamlining the PIF by consolidating existing organizations could have legal and financial implications for non-PIF members. For this reason NZ does not want the PIF to endorse any specific proposals at next week's meetings. But streamlining is an idea "long overdue," and GNZ therefore would like leaders to establish a task force and give it a fairly short time frame within which to make its report. Riddell said NZ hopes the work could be done in two to three years, but she acknowledged this was ambitious.

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PIF Needs to Endorse PFD Restructuring and the Pacific Plan

WELLINGTON 00000815 002 OF 002

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6. (C) Riddell said that the PIF Senior Officials' meeting she attended had made good progress in suggesting ways to maximize PFD meetings, but it is now up to the leaders. New Zealand's goal is for leaders to support the findings of the PFD review, acknowledging there are some practical issues to work through. If the PIF and the PFD endorse the broad proposal, they could then work inter-sessionally on additional "tweaks," and implement the plan by next year's meeting. Riddell said GNZ does not believe that a new format will in itself maximize PIF/partner interaction, but it will be a good start.

7. (C) Noting the Pacific Plan's goal of regional integration, Riddell said GNZ will propose the PIF focus on the potential impact on PIF countries and the region of integrating three key sectors: information technology and communications, energy, and transportation. She said that it was impossible to focus on the 24 goals laid out in the Plan,

which clearly cannot all be priorities.

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Labor Mobility  
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8. (C) According to Williams and Riddell, NZ and Australia both plan to introduce new measures to respond to PIC leaders' interest in improving conditions for regional labor mobility. On the day of our meeting, NZ Government Ministers met to approve a plan to encourage NZ farmers and vintners to employ Pacific Islanders as short term agricultural workers. GNZ issues about 90,000 temporary visas annually for seasonal work, mostly to those already here on working holiday or tourist visas. Just under 6 percent are issued to Pacific Islanders. Under the new scheme, if accredited employers can demonstrate there are no Kiwis available to do the work, the Government will provide them with the names of eligible Pacific Islanders. This presumably will be easier for the farmers than locating workers from around the country. According to Williams, Australia plans to offer funding for regional training centers, making it possible for more skilled Pacific Island workers to migrate to find work because they have the skills Australian and other foreign employers seek, not because of nationality preferences. Williams said that GNZ will implement its program with deliberation, to avoid potential problems. GNZ also wants to be careful to be seen as complementing Australia's approach, rather than as more open to PIC workers than Australia. Both proposals serve different needs, said Williams, so should complement rather than compete with each other.  
McCormick

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☐ C O N F I D E N T I A L WELLINGTON 000820

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STATE PASS TO USTR, STATE FOR EAP/ANP, EB TREASURY FOR  
LESLIE HULL

E.O. 1...  
▼ C O N F I D E N T I A L WELLINGTON 000820

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STATE PASS TO USTR, STATE FOR EAP/ANP, EB TREASURY FOR  
LESLIE HULL

E.O. 12958: DECL: 10/18/2016  
TAGS: ECON, EFIN, ETRD, PGOV, PREL, NZ  
SUBJECT: VISIT OF U.S. TREASURY UNDER SECRETARY FOR  
INTERNATIONAL AFFAIRS, TIMOTHY ADAMS

1. Summary: U.S. Treasury Under Secretary, Timothy Adams consulted with New Zealand (NZ) government officials, private bank economists, academics and business people in Wellington on October 16 to ascertain the current state of the NZ economy. Consensus among experts was that NZ is relatively stable and in the midst of a standard business cycle downturn. Economic growth slowed to around 1.5 per cent last year and is projected to remain at this level for the near future. The Reserve Bank of New Zealand (RBNA - Central Bank) is attempting to ensure the economy has a "soft landing" and in order to ease inflationary pressure is expected to raise the official interest rate in the next few weeks. The Kiwi dollar (NZD) is considered relatively overvalued -estimated to have appreciated by ten percent- but attempts by RBNZ to curb inflation will also act to keep the currency "overvalued." (Note: NZ has one of the highest interest rates in the world. Endnote). NZ's household savings rate is sharply negative and consumer debt at record highs. Consumers will become more cautious as the housing market stalls due to massive refinancing of mortgages (forty-eight billion NZD) at higher interest rates. This phenomena is brought about by the 2-3 year length of the typical mortgage. To address low household savings rate, officials alluded to a new "compulsory" savings plan to be introduced next year. Export sector's importance to economic recovery is also being hampered by the high NZD. Experts stressed the need for the WTO agenda to succeed. Trade within Asian markets, especially China, has taken on far greater significance. China has moved into third position as a destination for New Zealand exports. Efforts to conclude a timely free trade agreement with the Chinese are proving difficult.

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Minister Cullen's Forecast  
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2. Under Secretary Adams' called on the Minister of Finance and Deputy Prime Minister, Dr. Michael Cullen who opined that New Zealand's economy was slowing after a period of expansion but believed it would have a soft landing while he expected overall demand to remain relatively strong. He forecast economic growth to slow to 1.5 percent both this year and next, before recovering to 3.7 percent in 2007-08. Per budget predictions released in May, GNZ estimated a 7 billion NZD budget surplus for 2005-06 dropping to 5.8 billion NZD in 2006-07 and bottoming at 3.6 billion in 2008-09. His most significant concerns for the NZ economy were low household savings rates/high consumer debt and weak export performance. Cullen proffered that the GNZ planned to introduce a new savings scheme next year with an op-out mechanism to help improve savings rates. He was also worried that a failure in Doha round would have a long-term negative

impact especially for NZ exports to the Asia-Pacific markets. He admitted that China was playing an increasingly important role and moving into third place after Australia and the U.S. as a destination for NZ exports.

3. Cullen believed the NZD to be currently overvalued by ten percent (currently trading in the .66 to .68 range to the USD) which is having a negative effect on export performance. He believes the housing market will remain stable because net gains in immigration will help support demand. Inflation worries have eased a bit as gas prices dropped as much as 15 percent in the past few months. More long range energy concerns continue to focus on finding alternate sources for natural gas after depletion of domestic reserves anticipated in 2009.

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Monetary Policy  
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4. In the meeting with the Governor of the Reserve Bank of New Zealand (RBNZ), Dr. Alan Bollard, a similar assessment of the NZ economy was offered. Per Bollard, current monetary policy is trying to bring the economy to a soft landing but with NZ having one of the highest interest rates in the world further adjustments are only expected to have a small marginal effect while continuing to keep the currency overvalued. One of his biggest concerns is finding ways to improve household savings rate. He felt that both corporate and government savings were good but noted the increased costs for government when an aging population begins drawing down social security/pensions. He felt that current private sector funding for pensions in NZ "doesn't look healthy." This comment tracks with Cullen's reference to the new

savings scheme to address the low rate of household savings.

5. Treasury Secretary, John Whitehead also took up the issue of a soft landing for the economy. His concern however was that with current interest rates at 7.25 percent and average mortgages fixed at two to three year terms, the economy will experience a lag in the effects monetary policy will exert to correct inflation. On the issue of pension reform, Whitehead mentioned that the state system has moved the retirement age from 60 to 65 resulting in more people remaining in the workforce thereby easing some of the pressure on government's need to increase expenditures on pensions. Whitehead's assessment of savings rates among households, firms and government echoed the opinions of Cullen and Bollard. Whitehead further stressed the importance to the NZ economy for greater export access to the Asian markets and the viability of the WTO process. He admitted that the free trade negotiations ongoing with China proved difficult but reaffirmed the need to better integrate the NZ economy over the next 10 years with the Asian markets.

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Housing Bubble Waiting to Burst  
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6. Economists representing some of the major banks in

Wellington offered a somewhat pessimistic assessment of the housing market and seemed certain that the bubble will burst but can't forecast exactly when the downturn is likely to occur. Because of the 2-3 year terms of the typical mortgages in NZ, banks will begin to experience a 48 billion NZD churning in the refinancing of these mortgages which will certainly be set higher than the rates last set in 2004. They predict an announcement by the RBNZ, in a matter of weeks, of a rate increase necessary to address this refinancing wave.

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Immigration Policy's Effect on Economy and Reform Rollbacks  
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7. A panel of academics dispelled the conventional wisdom that New Zealand was suffering a brain drain. They maintain that current immigration policy which stresses skills/point system has resulted in NZ being in the net plus range for population/talent gains. On the negative side they worried that despite the free market reforms of the 1980's they saw the effects of consecutive Labour governments resulting in creeping re-regulation with absorption of talent and increasing bureaucracy. They feared that NZ would slip on the international index of competitive economies if this trend continues. They theorized that the electorate may have reacted negatively to the pain of the economic restructuring in the 1980's by inaugurating in 1996 a mixed-member proportional (MMP) system to elect parliament resulting in more power shared by "marginal groups" thus slowing further economic reforms.

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Need to Improve Productivity  
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8. The business community group was represented by individuals from the agriculture, oil and gas, financial/accounting, and business consulting sectors. They noted that as a relatively small economy, in order for NZ to sustain high rates of growth, it will become increasingly important to realize substantial increase in labor productivity. This will require much greater levels of exporting and foreign investment. They worry that only a small number of NZ companies are adequately engaged in international markets which is partially caused by the small size and remoteness of the country. Increases in labor productivity could lead to higher wages which could go far in attracting and keeping talent in NZ. They remarked that it is far easier to secure capital than it is to secure talent in this market. Hope among this group is that political factions will move away from in-fighting and focus more on improving overall economic potential.

McCormick

date:2006-10-25T02:07:00  
source:Embassy Wellington  
origin:06WELLINGTON832  
destination:VZCZCXYZ0009 PP RUEHWEB DE RUEHWL #0832/01 2980207 ZNY  
CCCC ZZH P 250207Z OCT 06 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE  
WASHDC PRIORITY 3411 INFO RUEHBY/AMEMBASSY CANBERRA PRIORITY 4576

RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEATRS/DEPT OF TREASURY  
WASHDC PRIORITY RUCPDO/USDOC WASHDC PRIORITY 0083  
classification:CONFIDENTIAL

reference:  
□C O N F I D E N T I A L WELLINGTON 000832

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STATE PASS TO USTR, STATE FOR EAP/ANP, EB, TREASURY FOR  
LESLIE HULL

E.O. ...  
▼C O N F I D E N T I A L WELLINGTON 000832

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STATE PASS TO USTR, STATE FOR EAP/ANP, EB, TREASURY FOR  
LESLIE HULL

E.O. 12958: DECL: 10/18/2016  
TAGS: ECON, EFIN, ETRD, PGOV, PREL, NZ  
SUBJECT: VISIT OF U.S. TREASURY UNDER SECRETARY FOR  
INTERNATIONAL AFFAIRS, TIMOTHY ADAMS

Classified by DCM David J. Keegan. Reasons 1.4 (b) and (d).

1. (C) Summary: On his recent trip to New Zealand, U.S. Treasury Under Secretary, Timothy Adams consulted with officials, private economists, academics and business people to ascertain the current state of the NZ economy. Consensus among experts was that NZ is relatively stable and in the midst of a standard business cycle downturn. Last year growth slowed to around 1.5 percent and is projected to remain at this level for the near future. To ease inflationary pressure, the Reserve Bank of New Zealand (Central Bank) is expected to raise the official interest rate soon which will also serve to keep the currency "overvalued." Consumer confidence will be tested by fears of a burst in the housing bubble and dealing with record personal debt. Officials plan to introduce a new "compulsory" savings plan next year to help improve savings rate. Despite exports growth being hampered by the high NZD, China has moved into third position as a destination for Kiwi products. Even so, efforts to conclude a timely free trade agreement with the Chinese are proving difficult.

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Minister Cullen Predicts a Soft Landing  
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2. (C) Under Secretary Adams' called on the Minister of Finance and Deputy Prime Minister, Dr. Michael Cullen who opined that New Zealand's economy was slowing after a period of expansion but believed it would make a soft landing while overall demand would remain relatively strong. He forecast economic growth to slow to 1.5 percent both this year and next, before recovering to 3.7 percent in 2007-08. Per budget predictions released in May estimated a 7 billion NZD budget surplus for 2005-06 dropping to 5.8 billion NZD in 2006-07

and bottoming out at 3.6 billion in 2008-09. Cullen said his most significant concerns for the NZ economy were low household savings rates, high consumer debt and weak export performance. Cullen proffered that the GNZ planned to introduce a new savings scheme next year with an op-out mechanism to help improve savings rates. He was also worried that a failure of the Doha round would have a long-term negative impact especially for NZ exports to the Asia-Pacific markets. This was especially important since China was moving into third place after Australia and the U.S. as a destination for NZ exports.

3. (C) Cullen said that the NZD is currently overvalued by ten percent (currently trading in the .66 to .68 range to the USD) which is hurting export performance. He believes the housing market will remain stable because net gains in immigration will help support demand. Inflation worries have eased a bit as gas prices dropped as much as 15 percent in the past few months. In the longer term, NZ needs to find alternate sources for natural gas after depletion of domestic reserves anticipated in 2009.

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Mortgage Policy hinders Inflation Fight  
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4. (C) Governor of the Reserve Bank of New Zealand (RBNZ), Dr. Alan Bollard, offered a similar assessment of the NZ economy. He said that current monetary policy is trying to bring the economy to a soft landing but with NZ having one of the highest interest rates in the world further adjustments are only expected to have a small marginal effect while continuing to keep the currency overvalued. One of his biggest concerns is finding ways to improve household savings rate. He felt that both corporate and government savings were good but noted the increased costs for government when an aging population begins drawing down social security/pensions. He felt that current private sector funding for pensions in NZ "doesn't look healthy." This comment tracks with Cullen's reference to the new savings scheme to address the low rate of household savings.

5. (C) Treasury Secretary, John Whitehead took a more technical cut at the issue of soft landing noting that government efforts to increase interest rates (currently at 7.25 percent) to correct inflation will only lag because most home mortgages are set at fixed rates, renegotiated every two to three years. On the issue of pension reform, Whitehead mentioned that the state system has moved the retirement age from 60 to 65 resulting in more people remaining in the workforce thereby easing some of the pressure on government's need to increase expenditures on pensions. Whitehead's assessment of savings rates among households, firms and government echoed Cullen and Bollard. Whitehead further stressed that greater export access to the Asian markets and the viability of the WTO process was critical for the health of the NZ economy. He admitted that the free trade negotiations ongoing with China had proved difficult but reaffirmed the need to better integrate the NZ economy over the next 10 years with the Asian markets.

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Housing Bubble Waiting to Burst  
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6. (C) Economists representing some of the major banks in Wellington



offered U/S Adams a somewhat pessimistic assessment of the housing market and seemed certain that the bubble will burst but can't forecast exactly when the downturn is likely to occur. Because of the 2-3 year terms of the typical mortgages in NZ, banks will begin to experience a 48 billion NZD churning in the refinancing of these mortgages which will certainly be set higher than the rates last set in 2004. They predicted an announcement by the RBNZ, in a matter of weeks, of a rate increase necessary to address this refinancing wave.

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 Immigration helps Economy, but Politics hurts  
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7. (C) A panel of academics challenged the conventional wisdom that New Zealand was suffering a brain drain. They maintained that current immigration policy which stresses skills through a point system has resulted in NZ being in the net plus range for population/talent gains. On the negative side they worried that, despite the free market reforms of the 1980's, consecutive Labour governments have undertaken a creeping re-regulation with absorption of talent away from the private sector and increasing bureaucracy. They feared that NZ would slip on the international index of competitive economies if this trend continues. They theorized that the electorate adopted a mixed-member proportional (MMP) system in 1996 to elect parliament -- resulting in more power shared by "marginal groups" thus slowing further economic reforms -- because they were reacting negatively to the pain of the economic restructuring in the 1980's.

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 Need to Improve Productivity  
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8. (C) Business people from the agriculture, oil and gas, financial/accounting, and business consulting sectors noted that, as a relatively small economy, NZ must realize substantial increases in labor productivity to sustain high rates of growth. This will require much greater levels of exports and foreign investment. They worry that only a small number of NZ companies are adequately engaged in international markets because of NZ's small size and remoteness. Increases in labor productivity could lead to higher wages which could go far in attracting and keeping talent in NZ. They remarked that it is far easier to secure capital than it is to secure talent in this market. Hope among this group is that political factions will move away from in-fighting and focus more on improving overall economic potential.

9. (C) This cable has been cleared by U/S Adams' office.

McCormick

date:2006-10-25T17:33:00  
 source:Embassy Wellington  
 origin:06WELLINGTON834  
 destination:VZCZCXYZ0031 OO RUEHWEB DE RUEHWL #0834/01 2981733 ZNY  
 CCCC ZZH O 251733Z OCT 06 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE  
 WASHDC IMMEDIATE 3415 INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 0321  
 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 4580 RUEHJA/AMEMBASSY JAKARTA  
 IMMEDIATE 0032 RUEHKL/AMEMBASSY KUALA LUMPUR IMMEDIATE 0146  
 RUEHLO/AMEMBASSY LONDON IMMEDIATE 0144 RUEHMO/AMEMBASSY MOSCOW  
 IMMEDIATE 0153 RUEHOT/AMEMBASSY OTTAWA IMMEDIATE 0270 RUEHUL/AMEMBASSY

SEOUL IMMEDIATE 0222 RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC  
IMMEDIATE RUEKJCS/OSD WASHINGTON DC IMMEDIATE RUCNDT/USMISSION USUN  
NEW YORK IMMEDIATE 0073 RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE  
RHHJJAA/JICPAC HONOLULU HI IMMEDIATE  
classification:CONFIDENTIAL  
reference:06WELLINGTON814  
□ C O N F I D E N T I A L WELLINGTON 000834

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STATE FOR D (FRITZ), EAP/FO, EAP/RSP, AND EAP/ANP  
NSC FOR VICTOR CHA  
OSD FO..  
▼ C O N F I D E N T I A L WELLINGTON 000834

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STATE FOR D (FRITZ), EAP/FO, EAP/RSP, AND EAP/ANP  
NSC FOR VICTOR CHA  
OSD FOR ISD/JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 10/25/2016  
TAGS: KNNP, PREL, PARM, NZ, KN  
SUBJECT: UNSCR 1718: NEW ZEALAND SEEKS GUIDANCE AS IT  
PUSHES AHEAD

REF: A. WELLINGTON 814

B. STATE 172816  
C. WELLINGTON 798  
D. WELLINGTON 778

Classified By: DCM David J. Keegan,  
for reasons 1.4(b) and (d)

1. (SBU) This message contains an action request, at  
paragraph 8.

2. (C) Summary: In 15 recent speeches, NZ leaders have  
condemned North Korea's nuclear test and urged the DPRK to  
return to the six-party talks. The leaders are also pushing  
their ministries to implement UNSCR 1718 as soon as possible.  
Five GNZ agencies are reviewing current laws and policies to  
see what is needed. The agencies would appreciate learning  
how the US intends to implement the resolution, especially:  
1) how we will define luxury goods, 2) which controlled items  
we believe should be included, 3) whether we will offer  
indemnity to banks that wrongly freeze assets, 4) which  
family members will be covered under our travel ban on  
N.Korean officials, and 5) the definition of banned  
"services" related to controlled items. The officials would  
also appreciate our read-out on whether interdictions will be  
implemented through PSI or other means. They stress that  
these questions are not impeding their progress, and that GNZ  
should be able to fully implement the UNSCR 1718 by the  
year's end. End Summary.

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GNZ IS WITH THE PROGRAM...  
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3. (C) On October 24, Pol-Econ Counselor met at the Ministry of Foreign Affairs and Trade with Tara Morton, Legal Advisor; Carolyn Schwalger, Senior Policy Officer, North Asia Division; Gabrielle Rush, Deputy Director Americas Division (and Legal Advisor); and Cecilia Warren, Policy Officer, Non-proliferation Division. The officials reported that GNZ is working hard to implement UNSCR 1718. Following a meeting last week, they and counterparts from Customs, Police, Justice, and Immigration are reviewing what is needed, including through consultations with U.S., Australian, and other like-minded officials.

4. (C) Once their review is complete, the officials will send a memo to Foreign Minister Peters asking him to instruct the Parliamentary Council Office (PCO) to draft legislation to implement the sanctions under New Zealand's UN Act. In reality, PCO is already aware of the resolution and is in close contact with the working level officials conducting the review, so the drafting should move very quickly. Once drafted, relevant Ministries will sign off on the legislation and it will be submitted to Cabinet, asking they adopt the measures by Executive Council (i.e. without Parliamentary approval). The legislation will then be published in the New Zealand Gazette. Legislation normally enters into force 28 days after being published in the Gazette, but because of this resolution's urgency GNZ will seek to waive this rule to allow the measures to take effect immediately. The MFAT officials believe the sanctions will be in place by the end of the year.

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...BUT SEEK SOME SPECIFICS IN KEY AREAS  
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5. (C) According to the MFAT legal advisors, most of the resolution should be easy to implement, as it invokes Article 7 and is similar to other UN resolutions that GNZ has already put into place. But as they review the UNSCR 1718 text, GNZ officials have a few questions on UNSCR's provisions. They would appreciate USG views on the following:

a) Regarding paragraph 8A (1) and (2): GNZ is monitoring the Sanctions Committee debate on which military and controlled items should be included. They believe it is highly likely that NZ already bans trade in any items likely to end up on the final list. What do we believe the final list should include?

b) Regarding paragraph 8A (3): GNZ is disappointed that the Sanctions Committee did not define luxury goods, and officials wonder how we intend to implement this provision. Will we define luxury items as anything other than essential food and medicines, or do we have something more specific in mind? On this and all items covered by 1718, GNZ vastly prefers specific lists as these offer more certainty to both

Customs and exporters.

c) GNZ will look to the Sanctions Committee for guidance on which family members will be covered under the travel ban on N.Korean leaders, but would also appreciate our views. In reality, New Zealand already screens very closely all DPRK visa applications, but border officials especially would appreciate a detailed list of names. They also would like as much biographic information as possible about those covered, to help avoid cases of mistaken identity.

d) Regarding the financial assets freeze, New Zealand understands Australia will provide indemnity to banks if they accidentally freeze assets of individuals not covered by the sanctions. As they debate whether to take similar measures, GNZ officials would appreciate learning whether we intend to offer indemnity to US banks. There are now over 15,000 South Koreans in New Zealand, and GNZ anticipates local banks may make errors because so many Korean names are similar.

e) Regarding paragraph 8C, GNZ is unfamiliar with the definition of "services" related to controlled items, and would appreciate any clarification we could provide.

6. (C) The GNZ also wonders how others in the region believe UNSCR 1718-related interdictions should be handled, and would greatly appreciate our views as well as any read-out we can share of the Secretary's and other USG discussions on this question with regional counterparts.

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ON THE FAST TRACK  
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7. (C) The MFAT officials say that PM Clark, Ministers Peters and Goff, and other senior officials have made clear their expectation that GNZ working level officials must make implementation of UNSCR 1718 their top priority. The officials say they cannot recall a time in recent memory when the senior level has been so engaged on a UN sanctions issue. They believe this is due to New Zealand's stated commitment to non-proliferation, to the fact that North Korea is much closer to home than other sanctioned countries, and to the issue's strong geo-political implications.

8. (C) Comment: GNZ also no doubt also sees implementation of UNSCR 1718 as a way to demonstrate to A/S Hill and other USG officials New Zealand's willingness to stand together with the United States. But whatever the case, commitment at the leaders', senior, and working levels is palpable. We will continue to monitor GNZ's implementation of the resolution as it moves ahead. We would also appreciate guidance on GNZ's questions as related in paras 5-6. End Comment.

McCormick

date:2006-11-01T04:11:00  
source:Embassy Wellington  
origin:06WELLINGTON851  
destination:VZCZCXRO5861 PP RUEHPB DE RUEHWL #0851 3050411 ZNY CCCCC

ZZH P 010411Z NOV 06 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE WASHDC  
PRIORITY 3435 INFO RUEHBY/AMEMBASSY CANBERRA PRIORITY 4589 RHHMUNA/CDR  
USPACOM HONOLULU HI PRIORITY RHMFIIT/HQ USCENCOM MACDILL AFB FL  
PRIORITY RHHJJAA/JICPAC HONOLULU HI PRIORITY RUEHGB/AMEMBASSY BAGHDAD  
PRIORITY 0016 RUEHPB/AMEMBASSY PORT MORESBY PRIORITY 0607  
RUEHSV/AMEMBASSY SUVA 0527

classification:CONFIDENTIAL

reference:

☐ C O N F I D E N T I A L WELLINGTON 000851

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STATE PASS TO EAP/ANP

E.O. 12958: DECL: 11/01/2016

TAGS: PGOV, PREL, MARR...

▼ C O N F I D E N T I A L WELLINGTON 000851

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STATE PASS TO EAP/ANP

E.O. 12958: DECL: 11/01/2016

TAGS: PGOV, PREL, MARR, CASC, ASEC, FJ, NZ

SUBJECT: NEW ZEALAND'S REACTION TO POLITICAL TENSIONS IN FIJI

Classified by DCM David J. Keegan. Reasons 1.4 (b) and (d).

1. (C) In discussions November 1 regarding political tensions in Fiji with Heather Riddell, Director of Pacific Division at Ministry of Foreign Affairs and Trade (MFAT), Post learned that GNZ will shortly be issuing a formal statement declaring that Fiji's military commander Bainimarama is obliged to abide by his constitutional obligations to the democratically elected government of Fiji.

2. (C) The Chief of New Zealand's Defense Force will also be calling Bainimarama directly and exhorting him not to take any action which would undermine the Fijian constitution. The New Zealand High Commissioner in Suva will also be calling on Fiji's Vice President to express support for the government and relay the warning they have expressed to Commander Bainimarama. MFAT is reviewing their travel advisory for New Zealanders in Fiji to take into account possible emergency action procedures.

3. (C) New Zealand Foreign Minister Winston Peters separately told the Ambassador that the New Zealand Government had concluded that many Fijians shared Bainimarama's frustration with the amnesty for those involved in the previous coup. Nonetheless, his actions were completely contrary to acceptable democratic practice and must be stopped. GNZ had decided that the Chief of Defense Force would be the one to call Bainimarama because he would be far more likely to listen seriously to a military colleague than a foreign government official. Peters added that New Zealand and Australia are absolutely of one mind in their approach to Fiji.

McCormick

date:2006-11-02T02:47:00  
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JAKARTA PRIORITY 0034 RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY 0148  
RUEHLO/AMEMBASSY LONDON PRIORITY 0146 RUEHMO/AMEMBASSY MOSCOW PRIORITY  
0155 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0272 RUEHUL/AMEMBASSY SEOUL  
PRIORITY 0224 RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC PRIORITY  
RUEKJCS/OSD WASHINGTON DC PRIORITY RUCNDT/USMISSION USUN NEW YORK  
PRIORITY 0077 RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RHHJJAA/JICPAC  
HONOLULU HI PRIORITY  
classification:CONFIDENTIAL  
reference:06WELLINGTON834  
☐ C O N F I D E N T I A L WELLINGTON 000858

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STATE FOR EAP/FO, EAP/RSP, AND EAP/ANP  
NSC FOR VICTOR CHA  
OSD FOR ISD/JESSI...  
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NSC FOR VICTOR CHA  
OSD FOR ISD/JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/01/2016  
TAGS: PARM, NZ  
SUBJECT: NEW ZEALAND: DEMARCHE ON UNSCR 1718 DELIVERED

REF: (A) STATE 180512, (B) WELLINGTON 834

Classified By: DCM David J. Keegan for Reasons: 1.4 (B) and (D)

(C) In response to ref (A), demarche was delivered to Carolyn Schwalger, Senior Advisor for North Asia at the New Zealand Ministry of Foreign Affairs and Trade (MFAT) on November 1, 2006. Per Schwalger, GNZ has regulations in place to be able to enforce UNSCR 1718. Both the interagency and judicial divisions are working well together to implement, see ref (B). MFAT will share contents of the demarche with relevant divisions throughout the New Zealand government. Also per MFAT, NZ businesses have no known connection to KOMID but will check to ensure there is not secondary entities or intermediaries dealing with them.

McCormick

date:2006-11-03T01:16:00

source:Embassy Wellington  
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030116Z NOV 06 ZDS FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE WASHDC  
PRIORITY 3454 RUEHBY/AMEMBASSY CANBERRA PRIORITY 4596 RUEHPB/AMEMBASSY  
PORT MORESBY PRIORITY 0609 RUEHSV/AMEMBASSY SUVA PRIORITY 0529  
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RHHJJAA/JICPAC HONOLULU HI  
PRIORITY  
classification:CONFIDENTIAL  
reference:06WELLINGTON815  
□ C O N F I D E N T I A L WELLINGTON 000866

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STATE FOR EAP/EP, AND EAP/...  
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STATE FOR EAP/EP, AND EAP/ANP

E.O. 12958: DECL: 11/02/2016  
TAGS: PREL, PGOV, NZ, XV, XU  
SUBJECT: NEW ZEALAND'S READ-OUT FROM PACIFIC ISLAND FORUM

REF: WELLINGTON 815

Classified By: DCM David J. Keegan for Reasons: 1.4 (B) and (D)

1. (C) Summary: GNZ reports that initial concerns that the Pacific Island Forum (PIF) would be derailed over tensions between Solomon Island and Australia regarding the Regional Assistance Mission to Solomons (RAMSI) were resolved by private dialogue among Leaders during retreat. The sessions between Assistant Secretary Hill and the Leaders was seen by GNZ as especially helpful. The Leaders' communique, calling for review of RAMSI while endorsing its mission, kept momentum moving forward. The PIF targeted energy, transportation and communications as areas for development and requested a progress report by 2007 Forum. GNZ is developing visa scheme to enhance labor mobility for Pacific Islanders.

2. (C) On November 1, ECONOFF discussed New Zealand's assessment of the outcome of the Pacific Island Forum (PIF) meetings with Heather Riddell, Director of the Pacific Division at Ministry of Foreign Affairs and Trade (MFAT). Despite GNZ's initial concerns that regional tensions would make the PIF meetings complex and contentious, the final results turned out better than expected. The initial tension between RAMSI and the Government of the Solomon Islands (GOS), as well as Papua New Guinea's role in helping suspended GOS Attorney General Moti escape to the Solomons, were issues that GNZ feared could cause the Melanesian countries to take an "us vs. them" stance at the forum (see reftel). Riddell explained that GOS's opening position was a strong demand for reform of RAMSI

with greater regional discussion to obtain independent review of its mission and a call for an exit strategy. Despite calls to also replace Forum Secretary General Greg Urwin as an anti-Australian gesture, Mr. Urwin's appointment was extended for another term.

RAMSI Reaffirmed but Under Review  
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3 (C) Riddell maintained that derailment of the forum was prevented by a private retreat among the Leaders which ensured that cooler heads prevailed. The Leaders formulated a communique expressing strong endorsement for RAMSI while simultaneously calling for close consultations with GOS and PIF. Leaders also agreed to establish a taskforce to review RAMSI and report back to Foreign Ministers who will make recommendations to Leaders. The consultative mechanism between the GOS, RAMSI and the PIF would be chaired by the representatives of the Forum Chair and involve senior representatives of the Forum Troika of past, present and incoming chairs. The timeframe for these reviews remains vague but GNZ would prefer sooner rather than later.

"Grass roots" Economic Priorities  
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4. (C) GNZ supports Leaders call for efforts to intensify regional cooperation in relation to energy, transportation and telecommunications (ICT). GNZ will be having additional consultations with the PIF Secretariat later this month to ensure that the adopted resolutions maintain traction. Their hope is that specific implementing action occurs prior to next forum. GNZ sees these economic sectors as having the greatest "grass roots" benefits.

Labor Mobility - Seasonal Work Scheme  
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5. (C) Riddell reported that GNZ is currently working with their Immigration Dept. to implement a seasonal work scheme to encourage NZ farmers and vintners to employ Pacific Islanders as short term agricultural workers. Under the new scheme, if accredited employers can demonstrate there are no Kiwis available to do the work, the Government will first consult with Pacific Island countries before making these jobs available to others. This scheme is not to detract from current working holiday permits.

McCormick

date:2006-11-16T03:37:00  
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RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 0080 RHEHAAA/NATIONAL  
SECURITY COUNCIL WASHDC IMMEDIATE  
classification:CONFIDENTIAL  
reference:06SECSTATE186953  
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E.O. 12958: DECL: 11/16/2016

TAGS: K...

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E.O. 12958: DECL: 11/16/2016

TAGS: KTFN, EFIN, PTER, ETTC, PREL

SUBJECT: TERRORIST FINANCE: TERRORIST FACILITATORS AND  
INCITERS TRANCHE I PRENOTIFICATION

REF: SECSTATE 186953

Classified By: P/E Counselor Kathy Hadda for reasons 1.4 (B) and (D).

(C) Econoff delivered reftel demarche and background paper to Caroline Bilkey, Deputy Director of the Legal Division of New Zealand's Ministry of Foreign Affairs and Trade (MFAT) on 11/16/2006. It was made clear not to disclose publicly or privately the proposed U.S. designation and the 1267 Committee listing request until action has been taken per reftel. Bilkey did not have an immediate response but indicated she would share the information only with those sections of MFAT and the NZ Police charged with monitoring terrorist finance issues. She promised to let us know GNZ's reaction and/or steps taken.  
McCormick

date:2006-11-20T20:52:00

source:Embassy Wellington

origin:06WELLINGTON910

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WASHDC PRIORITY 3505 INFO RUEHBY/AMEMBASSY CANBERRA 4611  
RUEHPB/AMEMBASSY PORT MORESBY 0611 RUEHSV/AMEMBASSY SUVA 0531  
RUEHDN/AMCONSUL SYDNEY 0478 RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC  
RHHJJAA/JICPAC HONOLULU HI RHHMUNA/USCINCPAC CAMP H M SMITH HI  
RUEKJCS/OSD WASHINGTON DC RHHMUNA/USCINCPAC HONOLULU HI

classification:CONFIDENTIAL

reference:06WELLINGTON910

□C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000910

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STATE FOR D (FRITZ), EAP/FO, OES/OA, AND EAP/ANP

NSC FOR VI...

▼C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000910

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STATE FOR D (FRITZ), EAP/FO, OES/OA, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/20/2021  
TAGS: ASEC, CASC, PREL, NZ, TN  
SUBJECT: NEW ZEALAND ACTIVE IN TONGA AND FIJI

Classified By: DCM David J. Keegan. Reasons: E.O. 12958, 1.4 (b) and (d).

1. (C) Summary. Alan Williams, Deputy Director at New Zealand's Ministry for Foreign Affairs and Trade, told the DCM November 20 that the current crisis in Tonga resulted from economic and political problems that have been developing over many months, but appeared to have abated. The Tongan Government was in disarray. For example, within 24 hours it requested, canceled, and then requested again military and police forces from Australia and New Zealand. Fiji remains a concern, and New Zealand has not yet decided whether it will allow Bainimarama to visit later this week for his granddaughter's First Communion. Williams looks forward to discussing these issues next week in Washington. End summary.

2. (C) Williams said that it had been a busy few weeks on Pacific Island issues, and he had spent much of the weekend on the cell phone with Prime Minister Helen Clark's party in Vietnam to discuss developments both in Tonga and Fiji. In the middle of our meeting, Williams took a call from Andrea Smith, Foreign Policy Advisor for the Prime Minister, currently in Sydney en route back from Vietnam, informing him that there would be a meeting early tomorrow, Tuesday, morning to review ongoing developments in the Pacific Island Countries.

Tonga: A Crisis When the Tsunami Appeared Past  
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3. (C) Tonga has been a focus of concern at MFAT for many months. Williams noted that he had done a memo last spring laying out what he described then as the 'coming tsunami' of economic and political challenges facing the island nation. The economic storm was driven by a current accounts deficit and a bloated public sector. The political storm came from increasing pressure for democratic reforms, made only worse this autumn by the accession of a new king with little apparent understanding or sympathy for political reform. In the late spring and early summer, the Tongan government reduced the size of the government bureaucracy by twenty percent and began to get the current accounts deficit under control. In the last few weeks, Tonga's Prime Minister had reviewed the series of proposals for greater democracy, including calls for a larger percentage of elected seats in the national parliament, and responded with what Williams considered a very constructive proposal. There was a sense that the storm might have passed.

4. (C) A failure to consult, rather than resistance to democratic change, appears to be what provoked demonstrations

and violence. There was, Williams assessed, a sense by reform proponents that they were being excluded from influence on the reform process that they had initiated. It was that frustration that appears to have led to the demonstrations and eventual violence. Williams added that it was clear that the violence had clearly been planned, that rioters were being provided with Molotov cocktails and the like and sent out onto the streets.

5. (C) The riots had caught the Tongan government, as well as Canberra and Wellington, off guard. The result was confusion and contradiction. For example, the Tongan Prime Minister had called Williams Thursday evening, November 17, to request that New Zealand together with Australia provide troops to help control the violence. After consultation with the Prime Minister on the road and the Australian Department of Foreign Affairs and Trade, MFAT approved the dispatch of forces. Forty minutes before the NZ military aircraft took off for Tonga, Williams got a second call asking that New Zealand and Australia not send forces. Later on Friday, Tonga reversed course again and asked the forces be provided. Williams said he had, in the interim, made it clear to the Tongan government that no commercial flights would resume without complete security at the international airport.

6. (C) New Zealand, in coordination with Australia, agreed once more to provide forces. However, the Prime Minister's office made it clear that she did not want to see NZ forces put in a situation where they would appear to be defending the current Tongan Government against democracy advocates. New Zealand did

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agree to provide an additional twenty or so police forces to assist in forensic and arson investigations in the Tongan capital, Nuku'alofa. Williams said NZ would seek over the near future to transition its Tonga deployment to more police and fewer military. The Tongan Government has informed NZ that some of those suspected of instigating the violence of the past few days are trying to depart Tonga on board Air New Zealand flights, scheduled to resume today. NZ has made it clear that it would prefer to have the Tongans act to prevent their boarding, rather than having to decide itself on this issue.

7. (C) A senior New Zealand consultant, Dr. Andrew Ladley, Director of the Institute of Policy Studies in the School of Government at Victoria University in Wellington, is currently in Tonga, on an MFAT grant, helping the government rewrite its government manuals. Last Thursday, he participated in a series of meetings by the Tongan cabinet and Privy Council (the cabinet in session with the King), which were coping with the developing protests and violence. Williams said that Ladley encouraged the government, he thought with some success, to be responsive to the protestors' demands, while remaining within the bounds of what the constitution allowed the government to do.

8. (C) Separately, MFAT told POLoff that the New Zealand High Commission in Nuku'alofa anticipates that the King will make a speech (now being drafted) later in the week. NZ MFAT will be looking at that speech with interest as it develops an assistance package. The package, being led by NZAID with

substantial input from the Department of Prime Minister in Cabinet, includes reconstruction assistance and provision of skilled arbiters. Deputy Director of the MFATQs Pacific Division, Peter Heenan, said that a similar offer of arbitration was extended during the public service crisis last year, but that the offer was not taken up. NZDF along with Australian counterparts have secured the airport, and Air New Zealand has resumed flights. Heenan said that there is no hard deadline for the end of the NZDF deployment, but that a one-week deployment is currently anticipated. Tonga defense forces have locked-down the central business district, and the NZ High Commissioner reported difficulty getting to work.

Continuing Concern over Fiji  
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9. (C). NZ also remains concerned that the political situation in Fiji remains murky and that an evacuation may become necessary. If so, the PM has said that any NZ intervention should be limited to protection of evacuation operations; NZ does not want to see a situation in which NZ forces might be sent to Fiji and confront the Fijian armed forces, who have extensive experience in presumably violent operational environments in the Middle East and elsewhere.

10. (C) The political climate in Fiji is difficult to gauge, given Bainimarama's confrontational approach to the Prime Minister and the Council of Chiefs, as well as the apparent widespread support for his political demands. New Zealand has still not decided how to respond to the request from Bainimarama for permission to visit next weekend to attend his granddaughter's First Communion. Williams said that the decision would need to be made in the next two days, but that there is still no clear indication of what that decision might be.

Visit to Washington  
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11. (SBU) Williams said that he is looking forward to discussing Pacific Island developments, as well as other areas in his portfolio -- the Middle East and Africa -- during his visit to Washington next week.

McCormick

date:2006-11-21T03:02:00  
source:Embassy Wellington  
origin:06WELLINGTON911  
destination:VZCZCXYZ0000 OO RUEHWEB DE RUEHWL #0911 3250302 ZNY CCCC  
ZZH O 210302Z NOV 06 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE WASHDC  
IMMEDIATE 3507 INFO RUEHXP/ALL NATO POST COLLECTIVE IMMEDIATE  
RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE RHHMUNA/CDR USPACOM HONOLULU HI  
IMMEDIATE  
classification:CONFIDENTIAL  
reference:06SECSTATE186256  
☐ C O N F I D E N T I A L WELLINGTON 000911

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF...  
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NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/20/2016  
TAGS: PREL, MARR, MOPS, PINS, NZ  
SUBJECT: DELIVERING ON NATO'S PROMISE TO AFGHANISTAN

REF: SECSTATE 186256

Classified By: DCM David Keegan,  
for reasons 1.4(b) and (d)

1. (C) Pol-Econ Couns shared reftel points with Michael Swain, Deputy Director of the Security Policy Division at the Ministry of Foreign Affairs and Trade (MFAT). Swain expressed sympathy with our frustrations over caveats (NZDF force personnel operate without caveats in Afghanistan) and said NZ remains appreciative of US support of NZDF operations.

2. (C) Swain also said that GNZ Ministers will over the coming months be considering options for a future NZDF role in Afghanistan, as the current deployment is only scheduled through September 2007. GNZ takes its commitment seriously, but Ministers have made it clear that NZDF must be able to cover all contingencies in the region, where New Zealand and Australia are the first and last resort. Troops are in Solomons and Timor and now also Tonga, and events in Fiji remain worrisome, said Swain.

3. (C) Comment: Post will continue to monitor closely GNZ's review of its Afghanistan commitments and encourage a continued, meaningful NZDF presence. Higher level expressions of encouragement from senior USG officials meeting with GNZ counterparts would also be useful here.

McCormick

date:2006-11-21T03:04:00  
source:Embassy Wellington  
origin:06WELLINGTON912  
destination:VZCZCXRO4600 OO RUEHPB DE RUEHWL #0912 3250304 ZNY CCCCC  
ZZH O 210304Z NOV 06 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE WASHDC  
IMMEDIATE 3508 INFO RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 4613  
RUEHPB/AMEMBASSY PORT MORESBY IMMEDIATE 0613 RUEHSV/AMEMBASSY SUVA  
IMMEDIATE 0533 RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE  
RUEKJCS/SECDEF WASHDC IMMEDIATE RHHJJAA/JICPAC HONOLULU HI IMMEDIATE  
RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE

classification:CONFIDENTIAL  
reference:06WELLINGTON11|06WELLINGTON910  
□C O N F I D E N T I A L WELLINGTON 000912

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF..  
▼C O N F I D E N T I A L WELLINGTON 000912

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NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/21/2016  
TAGS: ASEC, PREL, PGOV, NZ, FJ  
SUBJECT: GNZ CLOSELY MONITORING FIJI, MAY APPROACH  
BAINIMARAMA

REF: A. MCGANN/WELLINGTON 11/20 E-MAILS (NOTAL)  
B. IIR 6 927 0027 07 (NOTAL)  
C. WELLINGTON 910

Classified By: Ambassador William McCormick,  
for reasons 1.4 (b) and (d)

1. (C) Summary: GNZ is aware that Commodore Bainimarama told the U.S. DATT in Suva he will mount a coup in early December if GOF does not meet all his demands. NZ ministries are to review a list of possible GNZ responses if a coup takes place. They will also likely approach Bainimarama during his ongoing private visit to New Zealand. GNZ officials would appreciate being kept advised about possible USG responses to Bainimarama's threats and actions. End Summary.

2. (C) On November 21, Pol-Econ Couns discussed Bainimarama's threatened coup with Peter Heenan, Acting Deputy Director of the Pacific Division in the Ministry of Foreign Affairs and Trade (MFAT) and Sonja Weinberg, Policy Officer in the Division. Both Kiwis had received a read-out from the NZ Mission in Suva about the US DATT's discussions with Bainimarama and the Commodore's claims that he would instigate a coup on December 4 if his demands to the Fijian Government were not met (Ref B).

3. (C) MFAT is taking Bainimarama's threats very seriously, Heenan said, noting that the Commodore was due to arrive in Wellington today to attend his granddaughter's first communion. (According to Heenan, PM Clark herself had approved the visit, having been asked by NZ officials to review the case due to the sensitivities involved.) MFAT has asked NZ's High Commissioner in Suva for his views on whether

GNZ officials should contact Bainimarama while he is here, and what they should say. Heenan says he fully anticipates the High Commissioner will endorse the approach. MFAT is also considering asking the High Commissioner to contact Bainimarama's deputies while the Commodore is in New Zealand.

4. (C) NZ officials met last week to discuss possible GNZ responses to a coup or other change of Government in Fiji. The most serious measures would include the withdrawal of military assistance, termination of aid, and a withdrawal of NZ personnel. Ministries are currently considering the costs and benefits of all the various possible GNZ actions, given Fiji's importance for regional disaster relief, Pacific Island Forum activities, etc.

5. (C) Ministries will probably meet tonight or tomorrow to review the situation, Heenan said. He added that MFAT would appreciate being advised on any planned USG response to a coup and any other actions taken. (FYI: We have since told Heenan that Admiral Fallon and Ambassadors Dinger and McCormick will likely contact the Commodore in the very near future to tell him not to proceed with his plans. End FYI.) McCormick

date:2006-11-23T17:32:00

source:Embassy Wellington

origin:06WELLINGTON924

destination:VZCZCXRO7306 OO RUEHMJ RUEHPB DE RUEHWL #0924/01 3271732  
ZNY CCCC ZZH O 231732Z NOV 06 FM AMEMBASSY WELLINGTON TO  
RUEHC/SECSTATE WASHDC IMMEDIATE 3521 INFO RUEHSV/AMEMBASSY SUVA  
IMMEDIATE 0534 RUEHBY/AMEMBASSY CANBERRA PRIORITY 4619  
RUEHMJ/AMEMBASSY MAJURO PRIORITY 0095 RUEHPB/AMEMBASSY PORT MORESBY  
PRIORITY 0614 RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/CDR  
USPACOM HONOLULU HI PRIORITY RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC  
PRIORITY RHHJJAA/JICPAC HONOLULU HI PRIORITY

classification:CONFIDENTIAL

reference:06STATE190257|06WELLINGTON924

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/21/2016

TAGS: ASEC, PREL, PGOV, FJ, NZ

SUBJECT: GNZ TO DELIVER STRONG POINTS TO FIJI'S BAINIMARAMA

REF: STATE 190257

Classified By: DCM David J. Keegan. Reasons: E.O. 12958, 1.4 (b) and (d).

1. (C) The GNZ MFAT has prepared strongly worded points, which it has passed to the British Defence Attache Nigel Lloyd (DA), who will convey them to Commodore Bainimarama at a private lunch with Bainimarama on November 23 at the DA's residence. (The points are repeated below at para 3). Foreign Minister Winston Peters, who had originally planned to deliver the points, will be unable to do so personally before November 24, as he will be on travel in Auckland.

2. (C) MFAT has also informed Poloff that they are approaching the President of the UN Security Council, UN Peacekeeping, the Secretary General of the Commonwealth, and the EU to encourage them to press on Bainimarama to abandon his stated plans to remove the Fijian government in early December. MFAT is also seeking the assistance of the British DA's wife to emphasize to Bainimarama's wife that should there be a coup, the Commodore and she would no longer be able to travel to New Zealand to visit their grandchildren. MFAT indicates that GNZ's strategy is to focus on the consequences of a coup to both Fiji and to Bainimarama personally.

3. (C) Begin talking points for Foreign Minister Peters's discussion with RFMF Commander Frank Bainimarama:

-- I gather you are down here on a private visit for your grand-daughter's first communion - a significant family occasion. I hope you enjoy your visit.

-- You have stated publicly that you are planning to make certain demands of the Fiji government when you get back, and that if those demands are not met that you will take steps to remove them on 4 December.

-- I would counsel you very strongly against taking such steps. You need to understand that there would be serious consequences if you do go ahead.

-- New Zealand unconditionally supports the rule of law, and the right of a democratically elected government to govern without coercion -- and there is no question that the Fiji government is democratically elected. We would not be able to stand back and let that happen without responding.

-- We would be obliged to take steps to underline our utter disapproval of any unconstitutional action and we would do so in close collaboration with our friends, the Australians, the British, the Americans and the region.

-- From a military perspective this would include suspension of all defence ties. That would include any training or assistance with peacekeeping activities, regionally and internationally. The MAP programme would be discontinued.

-- We would moreover encourage like-minded countries to take similar steps, and seek international condemnation of your



actions, including in the UN Security Council and the Commonwealth. We would urge the Commonwealth and the Forum to take the strongest possible steps to register the unacceptability of such actions.

-- New Zealand's relationship with any government installed as a result of a coup would be correspondingly restricted.

-- You need to understand that if you do something stupid you will not be able to operate around the Pacific. Neither we, Australia, Britain nor the United States would be able to work with you, or offer any assistance.

-- Your reputation and that of the RFMF would suffer irreparable damage both within the region and as a participant in international peacekeeping operations. Without the support and training of the Australian and New Zealand defence forces Fiji's deployment in international peacekeeping operations would become very difficult.

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-- We are considering the level of our travel advisory in the light of the threats you have been making. Upgrading our travel advisory would have a significant impact on tourist flows to Fiji and significantly affect Fiji's economy.

-- There would also be personal implications for you and your family. We would ban you, as well as others associated with a coup, and possibly your family, from entering New Zealand.

-- The Government permitted your entry to New Zealand on the basis that yours was a private visit. That does not sit well with the public threats against the Fiji Government that you have been making since arriving in New Zealand. Consistent with the purpose of your visit we require you to make no further public statements during your stay.

End points.

4. (C) Embassy Wellington has sought to contact Bainimarama through his personal assistant Ben Naliva, who said Bainimarama is on "private leave and does not want to be disturbed." When told that Washington regards the conversation as extremely important and reminded that Bainimarama has spoken to the NZ press so his visit is no longer private, Naliva said he would check. A half hour later he called to again say the Commodore was not available. Naliva did not answer any of our follow-up calls. Ambassador McCormick has discussed the matter with Minister Peters, who has admitted he's had trouble getting an appointment as well and encouraged us to be persistent. We continue to work with MFAT and our defense attache to identify a way to deliver reftel demarche to Bainamarama. McCormick

date:2006-11-26T18:32:00

source:Embassy Wellington  
origin:06WELLINGTON930  
destination:VZCZCXRO8467 PP RUEHPB DE RUEHWL #0930/01 3301832 ZNY  
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RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RHEHAAA/NATIONAL SECURITY  
COUNCIL WASHDC PRIORITY RUEHBY/AMEMBASSY CANBERRA 4623  
RUEHPB/AMEMBASSY PORT MORESBY 0616 RUEHSV/AMEMBASSY SUVA 0536  
RHHJJAA/JICPAC HONOLULU HI  
classification:CONFIDENTIAL  
reference:  
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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/24/2016  
TAGS: PGOV, PREL, TN, NZ  
SUBJECT: TONGANS IN NEW ZEALAND APPALLED BY VIOLENCE BUT  
STILL BACK REFORM

REF: SUVA 508 AND PREVIOUS

Classified By: Consul General John Desrocher for reasons 1.4 (b) and (d).

1. (C) Summary. A prominent member of the Tongan community in Auckland reports that, while local Tongans were shocked by last Thursday's violence in Nuku'alofa, it has not dissuaded them of the need for democratic reform. Local Tongans put much of the blame for the violence not on the pro-democracy movement but on thugs in the employ of various business rivals. Far from decrying the New Zealand/Australian intervention as antidemocratic, most New Zealand Tongans support it as necessary for law and order. End summary.

2. (C) Sefita Haouli, a New Zealand-based Tongan, operates a local radio station that serves the Pacific Islands community; Haouli is well plugged in to local Tongan opinion. He told the Consul General that New Zealand's 50,000-strong Tongan community was shocked by last week's events. According to Haouli, Tongans in New Zealand maintain strong interest in their homeland through bonds of family, village and church.

3. (C) Haouli was dismissive of suggestions that local Tongans might oppose the presence of Australian and NZ forces

in Tonga as a prop for the monarchy. Haouli argued to the contrary, reporting that local Tongans believe the NZ/Australia intervention was inevitable and essential to restoring order. Despite the initial reaction of some pro-democracy activists, most local Tongans see violence as a far more serious threat to reform than the NZ/Australia intervention.

4. (C) Haouli considers himself a moderate, but one who sides much more with pro-democracy forces than with the monarchy. He feels in step with the rest of the Tongan community in New Zealand, which he describes as generally pro-reform. Tongans resident in New Zealand, he explained, appreciate first hand the benefits of democracy and a transparent, free market economy. Haouli did not think last week's violence would weaken the cause of reform or frighten off those who support democracy. Haouli argued that the nature of the violence was key in that regard.

5. (C) Closely echoing reftel, Haouli attributed the violence not to the pro-democracy movement directly but to criminal deportees from Australia, New Zealand, and the U.S. Haouli described a complicated web of business rivalries, with factions hiring deportees to intimidate and sabotage their opponents. These business factions have connections with various political elements, including reformers. Reformers, he said, took advantage of these connections to whip up public support, a plan that spun out of control last Thursday.

6. (C) This criminal involvement, Haouli said, meant that Tongans in New Zealand did not see last week's violence as an attack by pro-reform forces on the status quo, but rather looting (with a clear anti-monarch and anti-foreigner slant) by criminal thugs. Had deaths or injuries occurred among political figures on either side, as opposed to people Tongans consider common criminals, Tongans might have been much more inclined to reconsider reform.

7. (C) Like Sitiveni Halapua (reftel), Haouli put considerable blame on PM Sevele for creating the conditions that led to the violence, but Haouli stopped short of calling for Sevele's resignation. Like Halapua, Haouli said that Sevele's presentation of an alternative proposal for reform, outside the framework set up by Halapua's National Committee on Political Reform, was the spark that set off the conflagration. Haouli noted that demonstrations in Nuku'alofa had grown more and more frequent and that violence may have been inevitable.

8. (C) Haouli passed on a report about two businessmen particularly close to the King (possibly brothers Sefo and Soane Ramanlal) who fled to New Zealand during the violence. Haouli reported that the men, who had a very difficult time

WELLINGTON 00000930 002 OF 002

getting out of Tonga, had called the King upon their arrival in New Zealand and berated him in very harsh terms for not better protecting them and their businesses. If true, Haouli

said, this would be an extraordinary case of lese-majeste and a significant blow to the King's prestige. Haouli found it interesting that the government had not intervened more aggressively during the violence, suggesting the King was not confident of the support of his police.

9. (C) Kalolo Fihaki, a Tongan who works for the New Zealand Ministry of Pacific Island Affairs in Auckland, generally agreed with Haouli's assessment. He confirmed that Tongans in New Zealand overwhelmingly support the intervention by Australia and New Zealand, noting that those two governments had been the strongest proponents of reform. Fihaki argued that no one had benefited from last week's events. The King had been unable to stop the violence, the PM had looked incompetent, the democracy movement had associated itself with thugs, and the Nuku'alofa business district had gone up in smoke.

McCormick

date:2006-11-26T18:33:00

source:Embassy Wellington

origin:06WELLINGTON931

destination:VZCZCXRO8469 PP RUEHMJ RUEHPB DE RUEHWL #0931/01 3301833  
ZNY CCCCC ZZH P 261833Z NOV 06 FM AMEMBASSY WELLINGTON TO  
RUEHC/SECSTATE WASHDC PRIORITY 3532 INFO RUEHBY/AMEMBASSY CANBERRA  
4625 RUEHMJ/AMEMBASSY MAJURO 0097 RUEHPB/AMEMBASSY PORT MORESBY 0618  
RUEHSV/AMEMBASSY SUVA 0538 RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC  
RHHMUNA/CDR USPACOM HONOLULU HI RHHJJAA/JICPAC HONOLULU HI RUEKJCS/OSD  
WASHINGTON DC RHHMUNA/USCINCPAC HONOLULU HI

classification:CONFIDENTIAL

reference:06WELLINGTON924|06WELLINGTON931

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR V...

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/23/2016

TAGS: ASEC, PREL, PGOV, FJ, TN, NZ

SUBJECT: GNZ TOUGH BUT PESSIMISTIC ON FIJI'S BAINIMARAMA

REF: WELLINGTON 924

Classified By: DCM David J. Keegan. Reasons: E.O. 12958, 1.4  
(b) and (d).

1. (U) This is an action cable, see para 7.

2. (C) Summary: GNZ anticipates that Commodore Bainimarama will execute his plan to remove members of the government of Fiji on December 4 regardless of what he hears from foreign critics. New Zealand Foreign Minister Winston Peters will meet with Bainimarama on November 25. While Peters will deliver strongly worded points (reftel), MFAT anticipates that Bainimarama will refuse to listen and that he will remain resolute in carrying out his plan. GNZ will adjust what sanctions it will impose depending on how the coup unfolds, but anticipates strong sanctions even if there is an "administrative coup." MFAT sees that the situation in Tonga is stabilizing -- for the moment -- and continues to develop an assistance package and timetable for withdrawal of defense and police forces.

Grim on what lies next in Fiji  
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3. (C) Following a briefing on Fiji and Tonga to the diplomatic corps, Heather Riddell, Director, Pacific Division, New Zealand's Ministry of Foreign Affairs and Trade (MFAT) offered a supplemental brief to Embassy Wellington officers. On the subject of Fiji, MFAT has concluded that on December 4, Commodore Bainimarama will execute his plans for a coup, mindful of the fact that events may move more quickly if sedition charges are laid against Bainimarama. MFAT is grappling with what technically would constitute a coup, but would view any change prompted by military pressure as at least an "administrative coup" -- with sanctions likely to come close those involving a full coup.

4. (C) Tomorrow, November 25, New Zealand Foreign Minister is scheduled to meet Bainimarama one-on-one at his office, although MFAT doubts that the Commodore will be in a listening mode. The GNZ assesses that Bainimarama is resolute on carrying out his plan. MFAT anticipates providing Embassy Wellington with a download of the Peters meeting as soon as possible.

5. (C) If a coup takes place, GNZ anticipates as one worst case scenario that New Zealand would receive a request from PM Qarase for joint Aussie-Kiwi military assistance. "This is not a scenario we would relish," said Riddell, "as we would not necessarily prevail." MFAT is mindful that its military is now spread thin, and Riddell said New Zealand would resist the call for assistance. Another worst case scenario would see the Republic of Fiji Military Forces (RFMF) fragmenting and turning on itself, which could turn violent.

But somewhat optimistic on Tonga  
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6. (C) Following the King of Tonga's speech from the throne on November 23, in which he requested from Parliament a proposal on reform including a timetable, MFAT's view is that the situation in Tonga is stabilizing. NZAID continues to develop a package of assistance. GNZ is anticipating to withdrawal defense and police forces in the near term, but still does not have a timetable. Associate Minister for

Pacific Island Affairs Winnie Laban indicated to DCM the evening before that she is not optimistic about Tonga, anticipating that it will be difficult to develop the kind of development program that will enable Tonga to become economically sustainable.

Action Request: UN Resolution  
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7. (C) MFAT understands that EAP/ANP Director Steve McGann and New Zealand Embassy Deputy Chief of Mission Ian Hill have discussed a possible UN resolution. MFAT would welcome more information about that discussion, and believes that a UN resolution would make it easier for the British to change their travel advisory for Fiji.

McCormick  
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date:2006-11-28T05:48:00  
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HONOLULU HI  
classification:CONFIDENTIAL  
reference:06WELLINGTON931|06WELLINGTON938  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000938

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR V...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000938

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/27/2016  
TAGS: ASEC, PREL, PGOV, FJ, NZ  
SUBJECT: GNZ HOSTS FIJI'S QARASE AND BAINIMARAMA FOR TALKS

REF: WELLINGTON 931

Classified By: DCM David J. Keegan. Reasons: E.O. 12958, 1.4  
(b) and (d).

1. (C) Summary: In a meeting with Bainimarama on November 27, New Zealand's Foreign Minister won his agreement to a meeting with Fiji's PM Qarase; PM Clark then called the PM and persuaded him to come for the meeting. The meeting will take place at New Zealand's Government House from 10:00 a.m. tomorrow, with no definite end time or predetermined agenda, although Bainimarama is scheduled to depart at 6:00 p.m. on a Suva-bound commercial flight. GNZ remains realistic about outcomes and continues its contingency planning should the coup proceed. FM Peters will attend the PIF Minister meeting in Sydney on December 1. End summary.

Kiwis Engineer a Meeting between Qarase and Bainimarama  
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2. (C) Embassy officers attended a second Diplomatic Corps briefing by Ministry of Foreign Affairs and Trade (MFAT) officials regarding the evolving situation in Fiji (reftel) including a supplemental US-only briefing with Heather Riddell, Director, Pacific Division. While a Saturday, November 25 meeting between New Zealand Foreign Minister Winston and Commodore Bainimarama met with little result, in a second meeting November 27, Bainimarama agreed to meet in New Zealand with Fijian Prime Minister Qarase. New Zealand Prime Minister Helen Clark then called PM Qarase that evening to secure his agreement. Qarase will arrive at 8:00 p.m. today, November 28, on a Royal New Zealand Air Force (RNZAF) plane. The meeting between Qarase and Bainimarama is scheduled for tomorrow, November 29 at 10:00 a.m. at New Zealand's Government House. MFAT commented that both had accepted the Kiwi invitation "very quickly."

3. (C) The meeting will last as long as the participants want. MFAT says that there is no preset agenda for the meeting. Also, while FM Peters will attend the meeting, no decision has been made about whether or not New Zealand PM Clark will take part. She has said publicly that she is ready to participate. Her involvement might include handshakes or assistance in a tough negotiating moment. GNZ has indicated that it would like to see a press conference follow the meeting. (FYI: We understand that Australia's FM Downer and FM Peters had a telcon this afternoon, but MFAT was not able to offer a readout. End FYI.)

4. (C) MFAT has heard, but has been unable to confirm, that Fiji Police Commissioner Hughes may attend the meeting. They are unsure whether Bainimarama would agree to Hughes' participation.

Anticipating outcomes  
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5. (SBU) GNZ is realistic about the possibility for success, knowing that nothing may be resolved. GNZ remains hopeful for a "best event" in which the two parties sign a written declaration. Heather Riddell, Director of the Pacific Division said, "This could be the shortest meeting ever, or it may do some good. It's hard to know."

6. (C) Bainimarama is scheduled to leave for Suva tomorrow on a 6:00 p.m. Air New Zealand flight. MFAT says that

Bainimarama is anxious to depart because an ill daughter has been hospitalized in Fiji. Qarase's departure has not been set, but MFAT told us after the briefing that we should not read into that.

7. (U) GNZ sees this meeting, at a minimum, as setting the stage Friday's PIF Ministers meeting in Sydney, which Minister Peters will also attend.

Planning contingencies  
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8. (U) GNZ continues its contingency planning, should the meeting fail and the coup plans proceed. Among other things, GNZ will break-off of military relations, and GNZ will seek regional and international responses, including the PIF meeting and the Commonwealth, and possibly the UN.

9. (C) MFAT is also looking into the evacuation of its 7,000 citizens in Fiji. They will rely on commercial flights as long as they are operating, and will charter flights if the commercial flights cease. Contradicting what they told us earlier, MFAT clarified that, because of threats received to certain High Commission staff over the weekend, non-essential personnel and family members have been moved out of Suva. The personnel may return as early as tomorrow; the families possibly not. But no one has been evacuated from Fiji.  
McCormick

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classification:CONFIDENTIAL  
reference:06WELLINGTON938|06WELLINGTON943  
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NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ



E.O. 12958: DECL: 11/28/2016  
TAGS: ASEC, PREL, PGOV, FJ, NZ  
SUBJECT: GNZ SAYS FIJI TALKS CONSTRUCTIVE BUT IS TAKING NO  
CHANCES

REF: WELLINGTON 938

Classified By: DCM David J. Keegan. Reasons: E.O. 12958, 1.4  
(b) and (d).

1. (C) Summary: Fiji Prime Minister Qarase and Commodore Bainimarama today met for two and a quarter hours at Government House in Wellington. New Zealand's Ministry of Foreign Affairs and Trade (MFAT) characterized the meeting as a "considered and serious discussion" of Bainimarama's nine demands, with substantial progress made on each issue discussed. The most difficult issue was Fiji's domestic legislation. Qarase's position that due process and constitutionality be followed clashed with Bainimarama's demands. While the meeting was on the "upper end" of GNZ expectations going into the meeting, MFAT remains uncertain about any real outcomes. Deputy Secretary Alan Williams, who participated in the meeting, said that Bainimarama privately indicated he would delay any actions until at least mid-day on December 4 to give Qarase time to show "signs of earnest movement" The challenge remains for Qarase to find an adroit way to satisfy the military without exceeding what his domestic political base will tolerate. PM Qarase departed New Zealand at 3 p.m. on a Royal New Zealand Air Force plane. Bainimarama was scheduled to depart at 6:05 on an Air New Zealand flight.

2. (C) MFAT at this stage is making no assumptions that the meeting will alter the Commodore's plans for a December 4 coup, and will be working to encourage both sides to show continued flexibility as PM Qarase and Commodore Bainimarama return to Suva. In the meantime, MFAT is proceeding to plan for all contingencies, and has authorized departure for any NZ High Commission dependents who wish to leave Fiji. End summary.

3. (C) Today, Fiji's Prime Minister Laisenia Qarase met with commander of the Republic of Fiji Military Forces (RFMF) Frank Bainimarama at Government House. The meeting resulted from the efforts of New Zealand Prime Minister Helen Clark and Foreign Minister Winston Peters to avert a coup in Fiji (reftel). The talks lasted about two and a quarter hours, after which Bainimarama left to catch his commercial flight back to Suva via Auckland. PM Qarase left for Fiji via a Royal NZ Air Force plane.

4. (U) In a press release he read to the media a few hours after the meeting, FM Peters said that the talks had been "constructive" with a "positive character." He added that New Zealand hosted the meeting because it recognizes "that resolving the current situation in Fiji is fundamentally important to its future, and to the future of the wider Pacific."

5. (C) MFAT Deputy Secretary Alan Williams was the fourth participant in the talks. He told the DCM after Qarase and Bainimarama had departed that the meeting saw "a really good substantive, detailed, and serious discussion focused on the nine Fijian military demands" -- once the ice was broken. He

noted that this had been the first conversation between the two in nine months, a painful reminder of the depth of their antagonism. In the days prior to the meeting, both Foreign Minister Peters and Williams had engaged both leaders in an intensive series of preparatory discussions by telephone. New Zealand's first objective in the meeting was to avoid giving Bainimarama any pretext for walking out in the wake of his threat the day before to the media to make this a five-minute meeting. Once the meeting shifted to a substantive discussion, PM Qarase showed flexibility, while insisting on due process and constitutionality. Bainimarama was hard-nosed, but substantial progress was made on each of the issues discussed.

6. (C) The most difficult issue was Fiji's domestic legislation, specifically two laws increasing the control by indigenous Fijians, in one case over foreshore areas (the "qoliqoli" bill), and in another over native land titles. Both laws confront the complex interplay of private and communal ownership in Fijian law. Bainimarama wants both bills to be struck down. Qarase has agreed to accelerate a constitutional review of this legislation, and New Zealand has promised to assist.

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7. (C) As the meeting concluded and both leaders prepared to depart, MFAT arranged for Bainimarama to avoid the media as he boarded his plane in Wellington and then transferred to a Fiji-bound flight in Auckland. The objective was to give Qarase sufficient space to shape the public perception of the meeting and signal that he is prepared to reach out to the military, the media, and civil society in ways that will give Bainimarama reason to conclude that further steps toward a coup are not warranted.

8. (C) Williams said that he had an extensive conversation with Bainimarama as the two left the meeting and proceeded to the airport for Bainimarama's flight. The Commodore remains heavily skeptical of the Fijian government, but said that he is prepared to test the government by waiting until mid-day on December 4 before deciding whether to proceed with a threatened coup. He said that he is looking for "signs of earnest movement." The question, Williams suggested, is whether both sides, but particularly Qarase, are sufficiently astute, adroit, and determined to bridge the divide between the two sides. Recognizing that many of the issues raised by Bainimarama are valid, Williams says he wonders whether the PM can open a public dialogue that deals with legal issues and the aftermath of the 2000 coup in ways that persuade many in the military to step back. Williams confessed he is "less than overconfident" about whether a coup can be avoided.

9. (C) Other MFAT staff commented separately to Embosfs that it was not an easy meeting, but that outcomes were at the "upper end of (our) expectations." MFAT is uncertain about whether the meeting will really achieve anything or how either party will characterize their exchange. GNZ does not intend to speak publicly about the substance of the meeting, leaving that to Qarase and Bainimarama. In the meantime, Foreign Minister Peters has made it clear to both that he is prepared to reengage

if there is space to do so. Tomorrow, New Zealand will be talking to Qarase to urge him to move quickly to show that he is using the window before December 4 to render the question of a coup moot. But MFAT officials are planning for all contingencies, and MFAT Consular Affairs informed post that it has authorized evacuation of any NZ High Commission dependents who wish to leave Fiji.

10. (C) Flying to Auckland en route to Suva for a previously-scheduled TDY just as the talks were taking place, a staff member from our Defense Attache's Office sat next to New Zealand Defence Minister Phil Goff. Goff was upbeat about the talks, but said he would not be surprised if they failed. He said that if a coup did take place, it would most likely be confined to Suva -- adding that its scope would depend on the mentality of rioting mobs. Goff expressed concern that a coup could get out of hand quickly and spread to Nadi and other places.

McCormick

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
 NSC FOR VICTOR CHA  
 SECDEF FOR OSD/ISD JESSICA POWERS  
 PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/30/2016  
 TAGS: ASEC, PREL, PGOV, FJ, NZ  
 SUBJECT: NZ OFFICIALS SOMEWHAT PESSIMISTIC ON FIJI

REF: WELLINGTON 938

Classified By: Acting DCM Katherine B. Hadda,

for reasons 1.4(b) and (d)

1. (C) Summary: GNZ officials remain positive about yesterday's talks in Wellington between Fiji PM Qarase and Commodore Frank Bainimarama, and say the PM now has a chance to win hearts and minds to his cause. But they say they believe a coup is more likely than a resolution, and think RFMF may act to force out the government as early as within the week. Ministry of Foreign Affairs and Trade (MFAT) officials say that they believe widespread violence would be unlikely, but that the RFMF would instead force resignations of key government officials and that the Fijian police are unlikely to stop this. MFAT says that they would consider Qarase's resignation to be a coup even if he claims to go willingly, as he clearly would have been intimidated and coerced to make that decision. End Summary.

2. (C) On November 30, Deputy Foreign Secretary Alan Williams briefed the diplomatic corps today about the previous day's meeting between Fiji PM Qarase and Commodore Frank Bainimarama in Wellington. Williams' summary tracked largely with what he told the DCM (reftel) but he added a bit more detail. He revealed that Governor General Anand Satyanand, who is of Fijian descent, opened the meeting by welcoming the officials in Fijian and wishing them the best for the talks. Satyanand then withdrew, leaving the participants: Qarase, Bainimarama, NZ Foreign Minister Winston Peters, and Williams.

3. (C) In addition to the Qoli Qoli legislation discussed reftel, Williams said the participants went over in detail all of the nine RFMF demands, including:

-- the status of the Fiji police investigations into Bainimarama and other senior Fiji military officials (whether to suspend them as the military has demanded or go through due process as is the government's position);

-- native Fijian Trust boards;

-- how to improve the quality of governance;

-- how to educate the public that the events of 2000 were illegal.

Williams praised Minister Peters' mediation skills and said that Bainimarama and Qarase had agreed on follow-up steps for all nine agenda items. GNZ offered to provide assistance as needed, including providing international mediation resources if helpful. Bainimarama had then left to pick up his wife and say good-bye to his grandchildren before departing New Zealand on a 6 pm commercial flight. Meanwhile, an RNZAF 757 transported PM Qarase back to Nadi, as the GNZ wanted to ensure he arrived back in Fiji at least two hours before Bainimarama's return.

4. (C) Williams said he had been on the phone with Fiji several times since the meeting, and believed that Qarase may soon issue more statements about the meeting and follow-up. Bainimarama has also been talking with his officers, MFAT says, so it may be possible to know as early as December 1

whether progress is being made. Williams added that calls from the EU and UNSG to Bainimarama and Qarase have been helpful. Expanding along the lines of his call with the DCM yesterday, Williams said that this was PM Qarase's chance to win Fijian hearts and minds.

5. (C) But while the GNZ continues to hope for the best, Williams said he would not be surprised if a coup nevertheless took place, and he admitted he thought this was more likely than a change of heart by Bainimarama. The GNZ remains unclear as to Bainimarama's motivation: is it to work through and get agreement on the nine demands, or use them to provide a pretext to remove the government? For this reason, Williams said GNZ officials are taking a somber view, and would not be surprised if the RFMF downplayed the Wellington meeting to their staff and the public and moved within the

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week to force the government out. If that happens, MFAT believes there is unlikely to be widespread violence and that forced resignations would be the likely RFMF approach. It is unlikely the police would take strong action in GNZ's view, especially as Police Chief Hughes has now left the country. Williams described Hughes as a very positive, expert commissioner who has greatly raised the professional standards of his force but is an expat in a country with flawed politics.

6. (C) After Williams left to prepare for the December 1 PIF Foreign Ministers meeting in Sydney, MFAT Pacific Islands Division Director Heather Riddell took questions from the diplomats. She confirmed that the GNZ had told Bainimarama that neither Australia nor New Zealand intended to send troops to Fiji. She also confirmed that MFAT had authorized departure from Fiji for High Commission dependents, who had already been taken outside of Suva for security reasons. All High Commission staff is back in Suva. MFAT has not changed its travel advisory since November 22, but continues to review it. As they consider a coup is unlikely to be violent, the GNZ does not expect to have to arrange a widespread evacuation for NZ nationals and others but they are keeping this option open.

7. (C) Riddell also emphasized that if Qarase resigns, GNZ will consider a coup to have taken place and will respond accordingly. This would be true even if the PM said he was leaving office for the good of the country, as clearly he would not be doing this without having been coerced and intimidated.

McCormick

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E.O. 12958: DECL: 11/30/2016  
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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP

E.O. 12958: DECL: 11/30/2016  
TAGS: PREL, PGOV, NZ  
SUBJECT: FORMER OPPOSITION LEADER BRASH RESIGNS FROM  
PARLIAMENT

REF: WELLINGTON 923

Classified By: ACTING DCM KATHERINE B. HADDA,  
FOR REASONS 1.4 (b) and (d).

1. (C) Summary: Dr. Don Brash has resigned from Parliament, barely a week after he resigned his leadership of the main opposition National Party. Brash's five years in office, particularly the three as party leader, were characterized by controversy. As leader he elevated National's status but he had become a political liability. Although Brash appears to have voluntarily fallen on his sword, it is also likely that that his colleagues pressed him to leave. The timing of his departure may have been a surprise, however. End Summary.

Brash to leave the political stage in the New Year  
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2. (SBU) Seven days after resigning as the leader of the National Party, Brash announced before a press conference today that he was leaving parliamentary politics for good. Brash, an MP for only five years (three as leader), said he would stay in office for a few weeks, but would not return to Parliament in the New Year. Brash said that he had "constructive" meetings with new leader John Key two days ago and again today but had decided to leave. After he resigned as leader, Brash had said that he would only stay in politics if the new leader gave him a portfolio of significance to manage. In today's press conference, Brash would not say whether he had sought a specific portfolio from Key.

3. (SBU) Brash denied that the book by researcher, Nicky Hager, The Hollow Men, which detailed his political links with the Exclusive Brethren religious movement (reftel), was a factor in his resignation, instead claiming he had decided it was the right time to leave Parliament. Brash said that he will "be seeking other avenues to contribute to New Zealand's

future." Asked whether this meant he would look at directorships of companies, Brash said yes, although not directorships of SOEs (State Owned Enterprises) "with this Government". Under New Zealander's proportional representation system, Brash will be replaced by the next candidate on National's list, Wellington accountant Katrina Shanks. The number of National's seats in Parliament remain unchanged.

4. (C) Comment: Pundits have been suggesting for days that Key and possibly other members of the party would ease Brash out of Parliament. Many political observers believed that Brash's continued presence in Parliament would have been detrimental to the National Party, especially given the fresh start Key is trying to make. But while many predicted his departure, the timing may have been a surprise. When Brash resigned, Pol-Econ Counselor happened to be speaking with National Party Foreign Affairs and Defence spokesman Murray McCully at a foreign policy seminar sponsored by the National Party. National MP Tim Groser told McCully the news, which he said he had "heard from a journalist, so don't take my word for it." McCully is a consummate Party insider and close confidante of Brash and has been working closely with Key on the new leader's transition.

5. (C) Although Brash is respected within the party for vastly elevating its popularity after the crushing 2002 election, the regularity of his political gaffes and the ongoing controversies that continued to swirl around him meant that he had become a liability for the party. His time was effectively up. Brash himself alluded to this in today's statement when he said that he had consulted colleagues and their advice had been mixed. He revealed that some said, "you've done a fantastic job for the National Party. You're work on that has finished." The recent weeks have also clearly been a strain for Brash, as newspaper articles today claimed he had fought back tears while being interviewed in New Plymouth yesterday.

McCormick

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SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 11/30/2016

TAGS: PREL, PGOV, NZ

SUBJECT: NEW NATIONAL LEADER WANTS CLOSER TIES TO U.S. BUT  
WON'T CHANGE NZ'S ANTI-NUCLEAR POLICY

REF: WELLINGTON 935

Classified By: ACTING DCM KATHERINE B. HADDA,  
FOR REASONS 1.4 (B) and (D)

1. (C) Summary: The opposition National Party's new leader, John Key, says that although he favors closer relations between the United States and New Zealand, he believes his country should maintain its nuclear-free policy. Key is clearly trying to remove the nuclear issue from the political agenda, as many believe National's lack of clarity on the matter under former leader Don Brash is one reason the party failed to topple the Clark government in the 2005 general elections. While Key is no doubt trying to keep his party's faithful engaged by emphasizing that he wants closer ties with us and other traditional allies, we regard his call for better bilateral relations as genuine. A former investment banker, Key has extensive experience living in the States and working with Americans, and is generally pro-U.S. End Summary.

2. (U) In a November 30 speech to a National Party-sponsored seminar, the new National Party Leader John Key said there is no scope for major changes in New Zealand's foreign policy and he wishes to cooperate closely with the Labour Government. While noting this is not the time for formal policy announcements, Key nevertheless articulated three points he said would be central as National develops a new way forward:

-- A National-led Government would engage the public more closely on defense-related issues and strategies. Key noted that there had not been a government white paper on defense since 1997.

-- New Zealand's security interests are not identical to Australia's but they align closely, and aiming for inter-operability would be a key part of National's policy framework.

-- There are almost a quarter of a million New Zealanders of Pacific Island heritage, and New Zealand's role in the Pacific will be increasing in the years ahead. Key said National will build relationships to allow New Zealand to meet its regional responsibilities.



3. (U) Turning to the United States, Key harkened back to ANZUS as a lynchpin of National's defense policy for most of its history. He said that he believes New Zealand should keep its nuclear free policy and "an ANZUS-based relationship is not the way forward between New Zealand and the United States." However, he stressed that he had a "much more positive view of the United States and its role in world affairs" than most of the Labour Government and he believes there is much that can be done to improve US-New Zealand ties while leaving New Zealand's foreign policy independent. He added that improving the bilateral relationship would be a priority for his government if elected.

4. (SBU) Embassy Media Specialist learned from local journalists that in a media briefing after the speech, Key said that while ANZUS is no more, he wants to move forward on a constructive relationship with the United States. Responding to a question about the nuclear issue, Key said he thought National's position had been in limbo so he wanted to make it clear that he supported the anti-nuclear legislation and it would remain in force as long as he was the National Party leader. He said he would take this view to caucus to ratify. Key added that he strongly supports and wishes to strengthen New Zealand's relationship with the United States and traditional allies Australia and the UK, but that National's foreign policy would be for New Zealanders and not be "slavish" to any particular relationship of the past.

5. (SBU) When asked for a response from the press, the Media Specialist used pre-cleared State Department guidance noting that while our differences with New Zealand on the nuclear issue are well known, we believe it more constructive to look forward than back. We understand that the press intends to report our response as "muted."

6. (C) Comment: Key is clearly trying to move beyond National's past confused stance on the nuclear issue, which

has been a source of trouble for the party over the past few years. In 2004, former Foreign Minister Phil Goff misquoted a junior Ministry of Foreign Affairs and Trade (MFAT) staffer's notes from a meeting between a Codel and former National leader Don Brash to claim that Brash had promised the nuclear ban would be "gone by lunchtime." Brash denied he intended to get rid of the ban without a referendum, but was unable to respond credibly when Labour said that must mean he was planning to scrap the legislation, which many Kiwis view as an iconic part of the country's identity. When Labour was flagging in opinion polls close to the 2005 general election, it revived the specter of National's removing the ban, and National officials have confided to us they think this is one reason they ultimately did not win the race. National's Foreign Policy spokesman Murray McCully told us almost a year ago that he was urging the caucus to include a commitment to the ban in its platform.

7. (C) Key is also clearly trying to signal that he wants a closer relationship with the United States. As noted reftel, he has lived in the United States and is general favorable towards us. Over the coming weeks and months, we will engage

more with Key and learn what he has in mind.  
McCormick

date:2006-11-30T18:21:00  
source:Embassy Wellington  
origin:06WELLINGTON954  
destination:VZCZCXYZ0001 RR RUEHWEB DE RUEHWL #0954 3341821 ZNY CCCCC  
ZZH R 301821Z NOV 06 FM AMEMBASSY WELLINGTON TO SECSTATE WASHDC 3561  
classification:CONFIDENTIAL  
reference:06WELLINGTON923  
□C O N F I D E N T I A L WELLINGTON 000954

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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP

E.O. 12958: DECL: 11/30/2016  
TAG...

▼C O N F I D E N T I A L WELLINGTON 000954

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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP

E.O. 12958: DECL: 11/30/2016  
TAGS: PGOV, NZ

SUBJECT: FORMER OPPOSITION LEADER BRASH RESIGNS FROM  
PARLIAMENT

REF: WELLINGTON 923

Classified By: ACTING DCM KATHERINE B. HADDA, REASONS 1.4 B/D

1. (C) Summary: Dr. Don Brash has resigned from Parliament, barely a week after he resigned his leadership of the main opposition National Party. Brash's five years in office, particularly the three as party leader, were characterized by controversy. As leader he elevated National's status but he had become a political liability. Although Brash appears to have voluntarily fallen on his sword, it is also likely that that his colleagues pressed him to leave. The timing of his departure may have been a surprise, however. End Summary.

Brash to leave the political stage in the New Year  
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2. (SBU) Seven days after resigning as the leader of the National Party, Brash announced before a press conference today that he was leaving parliamentary politics for good. Brash, an MP for only five years (three as leader), said he would stay in office for a few weeks, but would not return to Parliament in the New Year. Brash said that he had "constructive" meetings with new leader John Key two days ago and again today but had decided to leave. After he resigned as leader, Brash had said that he would only stay in politics if the new leader gave him a portfolio of significance to

manage. In today's press conference, Brash would not say whether he had sought a specific portfolio from Key.

3. (SBU) Brash denied that the book by researcher, Nicky Hager, *The Hollow Men*, which detailed his political links with the Exclusive Brethren religious movement (reftel), was a factor in his resignation, instead claiming he had decided it was the right time to leave Parliament. Brash said that he will "be seeking other avenues to contribute to New Zealand's future." Asked whether this meant he would look at directorships of companies, Brash said yes, although not directorships of SOEs (State Owned Enterprises) "with this Government". Under New Zealander's proportional representation system, Brash will be replaced by the next candidate on National's list, Wellington accountant Katrina Shanks. The number of National's seats in Parliament remain unchanged.

4. (C) Comment: Pundits have been suggesting for days that Key and possibly other members of the party would ease Brash out of Parliament. Many political observers believed that Brash's continued presence in Parliament would have been detrimental to the National Party, especially given the fresh start Key is trying to make. But while many predicted his departure, the timing may have been a surprise. When Brash resigned, Pol-Econ Counselor happened to be speaking with National Party Foreign Affairs and Defence spokesman Murray McCully at a foreign policy seminar sponsored by the National Party. National MP Tim Groser told McCully the news, which he said he had "heard from a journalist, so don't take my word for it." McCully is a consummate Party insider and close confidante of Brash and has been working closely with Key on the new leader's transition.

5. (C) Although Brash is respected within the party for vastly elevating its popularity after the crushing 2002 election, the regularity of his political gaffes and the ongoing controversies that continued to swirl around him meant that he had become a liability for the party. His time was effectively up. Brash himself alluded to this in today's statement when he said that he had consulted colleagues and their advice had been mixed. He revealed that some said, "you've done a fantastic job for the National Party. You're work on that has finished." The recent weeks have also clearly been a strain for Brash, as newspaper articles today claimed he had fought back tears while being interviewed in New Plymouth yesterday.  
McCormick

date:2006-12-01T04:35:00  
source:Embassy Wellington  
origin:06WELLINGTON958  
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PRIORITY 3565  
classification:CONFIDENTIAL  
reference:06STATE191878  
☐ C O N F I D E N T I A L WELLINGTON 000958

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CA, L/CA, AND EAP/ANP

E.O. 12958: DECL: 12/01/2016

TAGS: CVIS, PREL, NZ

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▼C O N F I D E N T I A L WELLINGTON 000958

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CA, L/CA, AND EAP/ANP

E.O. 12958: DECL: 12/01/2016

TAGS: CVIS, PREL, NZ

SUBJECT: TALKING POINTS REGARDING VISA WAIVER PROGRAM  
DELIVERED TO NEW ZEALAND MINISTRY OF FOREIGN AFFAIRS

REF: STATE 191878

Classified By: ADCM Kathy Hadda for reasons 1.4 (b) and (d).

(C) Embassy delivered talking points per reftel to Ministry of Foreign Affairs (MFAT).

While there was no immediate reaction by NZ officials, Post will ensure that any questions or comments generated by the announcement will be forwarded to Consular Affairs.

Post has also had subsequent discussions with New Zealand's Security Intelligence

Service on enhanced data exchanges. Many of the ideas alluded to in the announcement

are already in place here; others are under discussion with GNZ officials.

McCormick

date:2006-12-06T04:46:00

source:Embassy Wellington

origin:06WELLINGTON966

destination:VZCZCXRO7273 OO RUEHMJ RUEHPB DE RUEHWL #0966/01 3400446

ZNY CCCC ZZH O 060446Z DEC 06 FM AMEMBASSY WELLINGTON TO

RUEHC/SECSTATE WASHDC IMMEDIATE 3574 INFO RUEHBY/AMEMBASSY CANBERRA

IMMEDIATE 4642 RUEHLO/AMEMBASSY LONDON IMMEDIATE 0152 RUEHMJ/AMEMBASSY

MAJURO IMMEDIATE 0105 RUEHPB/AMEMBASSY PORT MORESBY IMMEDIATE 0626

RUEHSV/AMEMBASSY SUVA IMMEDIATE 0548 RUEHBN/AMCONSUL MELBOURNE

IMMEDIATE 0082 RUEHDN/AMCONSUL SYDNEY IMMEDIATE 0485 RHHMUNA/CDR

USPACOM HONOLULU HI IMMEDIATE RHHJJAA/JICPAC HONOLULU HI IMMEDIATE

RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE RUEKJCS/OSD

WASHINGTON DC IMMEDIATE

classification:CONFIDENTIAL

reference:06CANBERRA1940|06WELLINGTON938|06WELLINGTON951|06WELLINGTON966

□C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000966

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR V...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000966

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, AND EAP/ANP  
NSC FOR VICTOR CHA  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 12/06/2016  
TAGS: ASEC, PGOV, PREL, FJ, NZ  
SUBJECT: NEW ZEALAND INCREASES SANCTIONS ON FIJI

REF: A. CANBERRA 1940  
B. WELLINGTON 951  
C. WELLINGTON 938

Classified By: DCM David Keegan,  
for reasons 1.4(b) and (d)

1. (U) Summary: At 4:45 pm on December 6 local time, Prime Minister Helen Clark and Foreign Minister Winston Peters announced stringent new sanctions "in response to the Fijian Military's unlawful seizure of power." In a public statement, Clark and Peters said the Cabinet had approved the measures that morning. They also said, "These measures are designed to reflect New Zealand's abhorrence of the actions taken by the Fijian military...They must cease their disgraceful acts and restore the legitimately elected government, or suffer the consequences of their grossly illegal acts."

2. (C) The measures announced are more extensive and stringent than those Deputy Foreign Secretary Alan Williams outlined to us earlier and may reflect political pressure from the public to take significant action. Ministry of Foreign Affairs and Trade (MFAT) Pacific Islands Director Heather Riddell told the Wellington diplomatic corps today that the GNZ will continue to consider further measures. End Summary.

2. (U) Begin text of new measures:

Bilateral Contact

- Ministerial contact with any purported new government in Fiji will not take place, unless it is for dialogue and mediation purposes.
- Members of any purported new Fijian government will not be permitted to travel to New Zealand.

Immigration Matters

- The ban announced yesterday on senior RFMF officers and their families traveling to New Zealand will be extended to include all members of the RFMF and other individuals connected with supporting the coup.
- Such individuals already legally in New Zealand will not be able to extend their permits.

-- Fiji's participation in the new Recognized Seasonal Employer scheme will be frozen with immediate effect. (Fiji is to be excluded from this scheme which is designed to help Pacific Island Forum members gain better access to seasonal work opportunities in New Zealand.)  
-- No applications from Fijians for entry to New Zealand for seasonal work will be accepted from today.  
-- The eligibility of Fiji's citizens to take part in future immigration ballots under the Pacific Access Quota has been suspended. (This will not affect those who have been selected from previous ballots, provided they apply for residence by 11 January 2007.)

Defense Matters

-- All Fijian military officers currently in New Zealand, studying or training in New Zealand are being asked today to leave. (They will have a reasonable period of time to do so.)  
-- Fijian military officers currently training with the New Zealand military will not be able to participate in any activities associated with that training, with immediate effect, pending their departure from New Zealand.

Sporting Matters

-- Fijian sports teams and Fijian sports people at all levels will be banned from coming to New Zealand for the purposes of sport, unless international sporting and legal obligations require otherwise. (For example, where New Zealand is hosting an international sports tournament where we are legally obliged to accept international participants, it will not be legally possible to ban their entry, subject to them meeting other immigration requirements.)  
-- Discussions will be held with New Zealand sporting organizations scheduled to attend international tournaments

WELLINGTON 00000966 002 OF 002

in Fiji, and the organizers of such tournaments (such as the 2007 Netball World Cup), to assess the safety of participants and the scope for seeking alternative venues.

Development Assistance

The Government has decided to:

-- Freeze any new development assistance initiatives which provide assistance to or partner with the government in Fiji, and review current such activities.  
-- Discontinue the awarding of new government managed scholarships and training.  
-- Review and reconsider New Zealand's assistance to the Fiji Electoral Office.  
-- Suspend the Fiji public sector's eligibility for training initiatives under regional governance programs.  
-- Review planned support for people in squatter settlements, with a view to assessing the scope for providing such assistance through NGOs and relevant regional agencies, rather than through the Fiji government.

International/Regional Diplomacy

New Zealand will work with the Pacific Islands Forum, Commonwealth, UN and like-minded countries to explore what

further steps can be taken in response to the coup. These include (but are not limited to):

- Taking forward the discussion held among Forum Foreign Ministers, at their special meeting in Sydney, last Friday on whether Fiji, under a military-led illegal government, can continue to hold the position of Forum Chair.
- Reassessing the role the Fijian military has hitherto played in protecting peace and democracy abroad, given that those same troops have removed their own government from power.

End text of new measures

3. (U) The new sanctions come on top of three measures announced yesterday: 1) imposing travel bans on senior RFMF officials and their families; 2) discussing with Commonwealth Secretary Don McKinnon (a Kiwi and former NZ Foreign

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Minister) the likelihood that if the coup was not stopped Fiji would be suspended from the Commonwealth; and 3) suspending bilateral defense ties with the exception of maritime patrolling, disaster relief, and search and rescue activities.

4. (U) Clark has also appeared on a number of media programs since Commodore Bainirama's December 5 press conference. Minutes after the conference, she called Bainimarama "clearly deluded," and chastised him for claiming he was protecting the law when he clearly was actually breaking it. On a TV interview on December 6, Clark said she had tried to phone and text PM Qarase but could no longer get through. She also said there was no direct threat to New Zealanders, "but it's the equivalent of a holiday in hell to go to a place where the military are strutting the streets and proclaiming a coup." (New Zealand strengthened its travel advisory on Fiji on December 5.)

5. (C) Comment: The measures announced are more extensive and stringent than those Deputy Foreign Secretary Alan Williams outlined in his December 5 DVC with EAP/ANP Director McGann. Williams also noted the Cabinet was urging Clark to take the strongest possible measures, while Clark was hesitant not to be seen as implementing sanctions that would declare Bainimarama the victor even as she continued to insist Qarase was still in charge. After the DVC MFAT contacts observed it would be impossible for GNZ to resist political pressure from the public to take significant action. End comment.

McCormick

date:2006-12-07T04:51:00  
source:Embassy Wellington  
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IMMEDIATE 3576 INFO RUEATRS/DEPT OF TREASURY WASHDC IMMEDIATE  
classification:SECRET

reference:06SECSTATE193703

□S E C R E T WELLINGTON 000967

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STATE FOR ISN PDAS MCNERNEY, EAP/FO, EAP/K AND EAP/ANP

E.O. 12958: DECL: 12/07/2016

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▼S E C R E T WELLINGTON 000967

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STATE FOR ISN PDAS MCNERNEY, EAP/FO, EAP/K AND EAP/ANP

E.O. 12958: DECL: 12/07/2016

TAGS: KNNP, PARM, PREL, PGOV, NZ, KN

SUBJECT: E.O. 13382 ENTITIES -- EXAMPLES OF PROLIFERATION

REF: SECSTATE 193703

Classified By: Political-Economic Counselor Katherine B. Hadda,  
for Reasons 1.4(b) and (d)

1. (S) On December 6, PE Couns delivered reftel information to David Taylor, Director of the North Asia Division at the Ministry of Foreign Affairs and Trade. Taylor said that the information will greatly help NZ officials understand the range of proliferation activities to watch for. He also said that off-hand he did not recognize any of the DPRK entities cited, but would let the Embassy know if others in the GNZ had any information about them.

McCormick

date:2006-12-08T02:53:00

source:Embassy Wellington

origin:06WELLINGTON970

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PRIORITY 3579 INFO RUEAWJA/DEPT OF JUSTICE WASHINGTON DC PRIORITY  
RUEAHLH/HOMELAND SECURITY CENTER WASHINGTON DC PRIORITY RHEFDIA/DIA  
WASHINGTON DC PRIORITY RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC  
PRIORITY RHMCSUU/FBI WASHINGTON DC PRIORITY RHMFISS/TSA HQ WASHINGTON  
DC PRIORITY

classification:CONFIDENTIAL

reference:06STATE19032

□C O N F I D E N T I A L WELLINGTON 000970

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CA/VO/BIP, L/CA, EAP/ANP

E.O. 12958: DECL: 12/08/2016



TAGS: CVIS, PTER, P...

▼C O N F I D E N T I A L WELLINGTON 000970

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CA/VO/BIP, L/CA, EAP/ANP

E.O. 12958: DECL: 12/08/2016

TAGS: CVIS, PTER, PINR, PGOV, PREL, NZ

SUBJECT: NEW ZEALAND AGREES TO FUND HOMELAND SECURITY PRESIDENTIAL  
DIRECTIVE (HSPD)-6 TERRORIST LOOKOUT INITIATIVE

REF: STATE 19032

Classified By: Classified by DCM David J. Keegan, for reasons 1.4 (b)  
and (d).

1. (C) Summary: GNZ has approved necessary funding needed to  
implement an HSPD-6 agreement with the United States, and would like  
NZ's liaison in Washington to meet with CA to go over next steps.  
End summary.

2. (C) PE Couns and Econoff met on December 1 with Mike McBurney,  
manager of the counter-terrorism branch of the New Zealand Security  
Intelligence Service (NZSIS) and Ash Johnson, liaison at the New  
Zealand Embassy in Washington, to discuss GNZ's review of a possible  
HSPD-6 Memorandum of Agreement (MOA) with the U.S. McBurney said  
that NZSIS remains GNZ's choice for a lead agency for this project,  
and the Ministries needed to approve funding of the project (i.e.,  
the "O-Desk") would meet on December 6. (NB: As McBurney predicted,  
the O-Desk met and approved funding on the 6th).

3. (C) McBurney said there is high-level support for the project; PM  
Clark herself called it "a no-brainer." He also said NZSIS hoped to  
review and complete comments on the U.S. draft agreement by December  
8. To ensure that Washington is fully apprised of developments,  
Johnson has requested a meeting with CA for the week of December 11  
to go over specifics with the hope of starting negotiations soon  
thereafter. Johnston will continue to be the main point of contact at  
the New Zealand Embassy for the purpose of these negotiations, as  
well as to liaise with USG agencies if there are any "hits" once the  
system is up and running. (A main use for the funds needed to  
implement the agreement will be to send a second NZ liaison to  
Washington, to ensure that someone will always be on the ground there  
if a hit is made.)

4. (C) PE Couns and Econoff also used the December 1 meeting to  
deliver the questions raised in reftel asking for details on host  
government efforts/ability to collect expanded biometric and  
biographic data to bolster counter-terrorist efforts. McBurney  
confirmed that while GNZ officials had discussed many of the  
questions already in general terms with USG counterparts, they'd not  
done so in much detail. He promised to convey any comments to  
Emboffs.

McCormick

date:2007-02-14T01:54:00

source:Embassy Wellington  
origin:07WELLINGTON141  
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WASHDC PRIORITY 3874 INFO RUEHBY/AMEMBASSY CANBERRA PRIORITY 4734  
RUEHSV/AMEMBASSY SUVA PRIORITY 0562 RUEHPB/AMEMBASSY PORT MORESBY  
PRIORITY 0635  
classification:CONFIDENTIAL  
reference:06WELLINGTON966|07WELLINGTON141|07WELLINGTON68|07WELLINGTON69  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000141

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STATE FOR EAP/FO AND EAP/ANP

E.O. 12958: DECL: 02/13/2017...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000141

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STATE FOR EAP/FO AND EAP/ANP

E.O. 12958: DECL: 02/13/2017

TAGS: PREL, PGOV, XB, XV, FJ, NZ

SUBJECT: NZ PONDERERS FUTURE FIJI, SOLOMONS POLICIES

REF: A. WELLINGTON 69

B. WELLINGTON 68

C. 06 WELLINGTON 966

Classified By: DCM David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary. PM Clark strongly supports the timeline and processes recently discussed by Australian, New Zealand, and US officials to encourage Fiji's return to democracy. The GNZ believes that the upcoming Pacific Island Forum (PIF) Eminent Person's Group report on Fiji will be key to determining whether the PIF can place constructive pressure on Fiji's interim government to improve its human rights record and accept a timeline for new elections. The EPG's draft report is apparently quite firm, but NZ officials are concerned it may be toned down by senior PNG and Vanuatu leaders reluctant to erode Melanesian solidarity. The GNZ also continues to monitor the Solomon Island's with concern, and believes the GOSI's dispute with the Regional Assistance Mission (RAMSI) may be at a critical point. NZ officials worry that the simultaneous conflicts in the Solomons and Fiji may overwhelm the PIF and break down unity within the group. End Summary

2. (C) PM Clark is fully on board with the approach to Fiji endorsed by U.S., Australian, and NZ officials during their recent meetings in Hawaii, Deputy Foreign Secretary Alan Williams told DCM and Pol-Econ Couns on February 12. Williams said the PM intends to retain NZ's sanctions (ref C) until Fiji's interim agrees to a specific timetable for a

return to elections. At that point, the GNZ will review whether to loosen up sanctions as well as consider electoral and other possible assistance.

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EPG Delivers Firm Message  
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3. (C) The DCM noted that even with a timetable for elections, it will be hard to make real progress without an improvement in Fiji's human rights situation. Williams agreed, noting that the upcoming Pacific Island Forum (PIF) Eminent Persons Group report to PIF Foreign Ministers will play a key role in determining whether the group will place effective pressure on PM Bainimarama and his appointees. The GNZ has heard that the draft report does in fact deliver a united, firm message on what Fiji needs to do to return to democracy. It calls for a suspension of the state of emergency, a return of the military to the barracks, the appointment of a civilian PM before the elections, and a credible date to be set for elections within 15-24 months. Williams attributed the strong message to the fact that that the PNG and Vanuatu EPG members were reportedly even more shocked than others in the group by the strong climate of fear they found in post-Coup Fiji. They apparently feel the Fijian Foreign Minister misled the December meeting of the Melanesian Spearhead group, which came out in solidarity with Fiji. (Using a Kiwi expression we had not heard before, Williams said that they felt they had been "sold a pup.") But Williams acknowledged that EPG's draft may be softened if senior PNG and Vanuatu leaders believe the report is too detrimental to Melanesian Spearhead Group unity.

4. (C) Williams said that Bainimarama appeared very confident when he met with the EPG. The Commodore put a statement into the EPG report noting it will be at least five years before Fiji can hold elections, and all sanctions must be removed before any balloting takes place. Figuring out "how to get rid of Frank" will be key to resolving the situation in Fiji, Williams said. Although Bainimarama claims Fiji needs at least five years to drive out corruption before elections can be held, in reality he is focused on keeping out of jail. Fiji's statute of limitations run between three and five years, so Bainimarama will not be keen to hold elections within two years unless he has some guarantee of immunity. On the other hand, a united PIF front, coupled with Fiji's desire to be back in the fold and the unfreezing of assistance, could break the impasse. For this reason, Williams said, we should maintain pressure to get Fiji to agree to the timeline and processes discussed in Hawaii.

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Possible NZ Assistance to Fiji Democracy Building  
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5. (C) Michael Green, NZ's High Commissioner in Suva, was in Wellington last week and met with PM Clark and Williams.

Green pointed out that that there has not been a robust census in Fiji for at least 12-13 years. If the interim Fiji government agrees to a timeline, Williams said one useful form of assistance might be to do a new census and advise on a new seat allocation for Parliament. Over the longer term, it might also be helpful to provide advice on reform of Fiji's constitution, which currently enforces a multi-party system without mandating any inter-party negotiation. This has increased internal conflicts and undermined public faith in government.

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Critical Juncture in Solomons  
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6. (C) Williams said that New Zealand continues to monitor the Solomon Islands with concern, as events there -- notably the GOSI's opposition to RAMSI -- may be reaching a critical juncture. Simultaneous pressures from events in Fiji and the Solomons could undermine PIF coherence, he added. Williams passed along "fulsome thanks" to EAP DAS Davies for having stressed to PM Sogavare that it is critical that the GOSI continue to cooperate with RAMSI. Williams added that while GNZ has been a bit more light-handed publicly in its approach to the GOSI than has Australia, they understood why Foreign Minister Downer felt he had no other choice but to speak out openly. FM Peters prefers to deliver his strong messages to GOSI behind closed doors, but he and other Kiwi officials have been coordinating exceptionally closely with their Australian counterparts. Now that both the Acting Police Commissioner and his Deputy are Kiwis, New Zealand may find itself forced to express its concerns more directly from now on, Williams added.  
McCormick

date:2007-02-15T21:00:00  
source:Embassy Wellington  
origin:07WELLINGTON146  
destination:VZCZCXYZ0000 OO RUEHWEB DE RUEHWL #0146 0462100 ZNY CCCC  
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RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 4739 RUEHPF/AMEMBASSY PHNOM PENH  
IMMEDIATE 0042 RUEHNO/USMISSION USNATO IMMEDIATE 0049  
classification:CONFIDENTIAL  
reference:07SECSTATE13880  
☐ C O N F I D E N T I A L WELLINGTON 000146

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STATE FOR EAP/FO, EAP/ANP, EAP/RSP, EUR/FO, AND EUR/RPM  
PHNOM PENH FOR POLCO...  
▼ C O N F I D E N T I A L WELLINGTON 000146

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STATE FOR EAP/FO, EAP/ANP, EAP/RSP, EUR/FO, AND EUR/RPM  
PHNOM PENH FOR POLCOUNS MCKEAN

E.O. 12958: DECL: 02/14/2017  
TAGS: MARR, MOPS, PINS, PREL, PGOV, NZ  
SUBJECT: NEXT STEPS WITH ALLIES ON AFGHANISTAN

REF: SECSTATE 13880

Classified By: DCM David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary: The GNZ understands the pressures for more resources in Afghanistan and will review carefully our request for additional NATO/ISAF commitments. Current NZ Defence Force (NZDF) deployments to Afghanistan will likely be extended through September 2009, but GNZ will probably not increase its commitments, either for the operational needs cited reftel or for a new Special Forces redeployment. The Ministry of Defence says it cannot offer more because NZDF needs to be able to maintain its forces in the Solomons and in E.Timor. Australia has asked New Zealand to take on more of the burden in Timor, to help enable Australia to cover its efforts elsewhere. End Summary.

2. (C) On February 14, Pol-Econ Couns and DATT met with Deputy Defence Secretary Chris Seed to discuss reftel request for further contributions to Afghanistan and NATO-ISAF. Seed said our request was not unexpected. Over the past months, senior NATO officials and NATO member leaders have made more general requests to PM Clark, Defence Minister Goff, and Foreign Minister Peters. NATO SG de Joop Scheffer also raised the issue during Minister Goff's January visit to Europe. Canada and the UK have made specific requests for NZ contributions to their own operations in Afghanistan, and New Zealand Embassy officials have attended briefings at the State Department. Seed said that as a result of these conversations, the GNZ fully understands the pressures ISAF is facing. He promised to formally submit the list to Defence Minister Goff and senior Defence and Foreign Ministry officials, and said they would review it carefully.

3. (C) Seed said that he expects that GNZ Ministers will within the next few weeks agree to extend NZDF's PRT deployment to September 2009, from its current mandate of September 2007. It is also likely the Ministers will extend NZDF's other commitments, including ISAF HQ liaisons, logistics assistance, and training for Afghan army and police. It is not/not likely the GNZ can commit any new assets this year, particularly Special Forces, given NZDF's commitments in the Solomon Islands and E. Timor. Seed said it appears especially likely that NZDF will need to remain in Timor at least through 2008, given the situation on the ground there. Australia has also asked NZDF to take on more of the Coalition Task Force burden in Timor, to enable the Australians to cover their contributions elsewhere.

4. (C) This is the longest extension of an NZDF deployment to Afghanistan since the war began. (The last extension was for eighteen months.) Seed says this is because the GNZ wants to demonstrate its clear commitment to Afghanistan. In

addition, the next New Zealand general election will likely be held in late 2008, and the extra time will enable the new Government to avoid having to make a hasty decision about whether or not to extend the deployment again.

5. (C) Emboffs will also discuss reftel request with working level contacts at the Ministry of Foreign Affairs and Trade and Ministry of Defence.  
McCormick

date:2007-03-09T21:21:00  
source:Embassy Wellington  
origin:07WELLINGTON219  
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□ C O N F I D E N T I A L WELLINGTON 000219

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STATE FOR EAP/ANP - DAN RICCI, ISN, EB, IO, NEA, VCI, P and T,  
TREASURY for ...  
▼ C O N F I D E N T I A L WELLINGTON 000219

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STATE FOR EAP/ANP - DAN RICCI, ISN, EB, IO, NEA, VCI, P and T,  
TREASURY for TFI

E.O. 12958: DECL: 03/07/2017  
TAGS: KNNP, UNSC, ETRD, EFIN, PGOV, PREL, AORC, TRGY, IR, NZ  
SUBJECT: NEW ZEALAND RESPONSE TO UNSCR 1737 SANCTIONS ON IRAN

REF: A) STATE 14071, B) 23001, C) 24344, D) 06 WELLLINGTON 918

Classified by CDA DAVID J KEEGAN for reasons 1.4 (B) and (D).

1. (C) Summary: New Zealand is on track to implement UNSCR 1737 measures against entities and individuals linked to Iran's nuclear program. Phil Goff, Minister of Defense and Disarmament, recently delivered a strong message to the government of Iran stressing that it must comply with UNSCR 1737 and IAEA. The GNZ will deliver a similar message as an IAEA observer. End Summary.

2. (C) On March 2, PolEcon Counselor and Econoff met with Caroline Bilkey, Deputy Director for UN and Disarmament issues in the Legal Division of New Zealand's Ministry of Foreign Affairs and Trade (MFAT) to discuss New Zealand's progress on implementing USCR 1737 measures against Iran's nuclear program. Bilkey, who was joined by Caroline McDonald and Raylene Liufalani, Director and Policy Officer,

respectively, in MFAT's Disarmament Division, said that the GNZ will implement the resolution through New Zealand's United Nations Act of 1946. She said that the GNZ is moving with "due haste" and the Parliamentary Council is drawing up the enabling legislation according to MFAT lawyers' instructions.

3. (C) Bilkey expects the legislation will be passed shortly. It will be similar to recently enacted sanctions implementing UNSCR 1718 measures against the DPRK (Ref D), although with slightly different financial services provisions to accommodate differing circumstances. MacDonald said that even before the legislation is passed, the GNZ has the ability to hold any export licenses that it suspects may be linked to Iran's nuclear program, although to date such licenses have not been detected. NZ Immigration has also been instructed to bar entry to all Iranians covered by the UNSCR 1737 Annex, Bilkey added.

4. (C) New Zealand has a long commitment to nuclear non-proliferation and has consistently condemned Iran's nuclear program, including to Iranian officials who visited Wellington in 2004, when New Zealand was on the IAEA Board. New Zealand's Ministry of Foreign Affairs and Trade (MFAT) holds annual senior level (Deputy Secretary) consultations with Iran. The Deputy Secretary who led the most recent round, held in Tehran, told DCM that New Zealand used the occasion to reiterate its insistence that Iran respond positively to UN calls to halt its enrichment program. Most recently, Minister of Defense and Disarmament Phil Goff issued a press release on Feb. 28 noting that he had reiterated New Zealand's concerns over Iran's nuclear program to Iran's new Ambassador to New Zealand, Morteza Rahmani Movahed. Said Goff, "we are disappointed that Iran has chosen not to comply with the provisions of UNSCR 1737... Iran's refusal to comply with the UNSC and IAEA resolutions is a serious concern and Iran needs to act positively to rebuild international confidence."

5. (C) Goff's statement also called for Iran to suspend its enrichment program and allow IAEA unrestricted access. MFAT's Liufalani, who attended the Goff/Movahed meeting, said the statement closely tracks what the Minister said to the Ambassador. She said Goff had included reference to the IAEA report in his statement in order to refute the Ambassador's claims that the report had been favorable to Iran. (NB: Goff's statement also said that while GNZ is working to implement UNSCR 1737, it is highly unlikely that NZ is currently exporting any item to Iran that would come within current sanctions.)

6. (SBU) Post will keep Department informed of New Zealand's progress in implementing sanctions.

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RUEHGP/AMEMBASSY SINGAPORE IMMEDIATE 0468 RHEHAAA/NATIONAL SECURITY

COUNCIL WASHDC IMMEDIATE RUEKJCS/OSD WASHINGTON DC IMMEDIATE  
RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE RUEHNO/USMISSION USNATO  
IMMEDIATE 0050

classification:CONFIDENTIAL

reference:07WELLINGTON146

□ C O N F I D E N T I A L WELLINGTON 000221

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STATE FOR EAP/FO AND EAP/ANP  
NSC FOR VICTOR CHA  
OSD FOR JESSICA POWERS  
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▼ C O N F I D E N T I A L WELLINGTON 000221

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STATE FOR EAP/FO AND EAP/ANP  
NSC FOR VICTOR CHA  
OSD FOR JESSICA POWERS  
PHNOM PENH FOR POL/MCKEAN

E.O. 12958: DECL: 03/12/2017

TAGS: MARR, MOPS, PINS, PREL, PGOV, NZ

SUBJECT: NEW ZEALAND EXTENDS AFGHAN DEPLOYMENTS FOR ONE YEAR

REF: WELLINGTON 146

Classified By: Charge D'Affaires David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary: The New Zealand Cabinet today approved the extension of current NZDF deployments to Afghanistan for one year, through September 2008, vice the two years that MoD requested (reftel). The Ministry of Foreign Affairs and Trade (MFAT) told post that the Cabinet wanted the chance to revisit the deployment next year in order to determine whether the situation on the ground warrants altering the composition of the force. MFAT predicts the deployment will be extended again next year through September 2009. End Summary.

2. (U) Prime Minister Clark announced on March 12 that New Zealand will extend its current NZDF/police deployments in Afghanistan through September 2008. The deployments, including 120 personnel in the PRT, two personnel to train the Afghan National Army, up to five NZDF officers to serve at ISAF headquarters, and four police officers to help train the Afghan National police, were to expire in September 2007. The PM also announced that a new deployment of an NZDF frigate to join the Maritime Interdiction Operation (MIO) in the Arabian Sea for one month in mid-2008. Two NZDF medics will also serve in the Canadian PRT in Kandahar.

3. (C) The decision to extend the deployment for one year was taken by Cabinet earlier in the day. As we reported front channel (Wellington 146) MoD had requested Ministers approve



a two-year extension (to September 2009), to avoid the Government having to review the deployment close to the time of the next NZ general election, currently expected for September 2008. But Matt Paterson, Policy Officer in MFAT's Security Policy Decision, says the Cabinet wanted a chance to review the potentially dangerous deployments in one year to assure that they are appropriate for the conditions in Afghanistan at that time. Paterson says it is highly probable the Cabinet will again extend the deployments next year, to September 2009, although they may choose to alter the number and type of forces on the ground if the situation warrants it. Paterson also says that the medics are being sent to the Canadian PRT at the request of the GOC. Up to two medics will be deployed at any one time; they will be rotated in and out depending on what specialists are needed.

4. (U) FYI: Defense Minister Goff announced on March 6 that Singapore is to send Singapore Armed Forces (SAF) personnel to serve under the NZDF PRT in Bamiyan. A five-person SAF team is to open a dental clinic at a provincial hospital, and five SAF engineers will join NZDF engineers and local contractors to construct and maintain bridges in the province. Singapore, who together with New Zealand, Australia, the UK and Malaysia is a member of the Five Nations Defence Arrangements, provided similar support to NZDF in East Timor from May 2001 - November 2002. End FYI.  
Keegan

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IMMEDIATE 0580  
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STATE FOR EAP/FO AND EAP/ANP

E.O. 12958: DECL: 03/15/2017...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000229

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STATE FOR EAP/FO AND EAP/ANP

E.O. 12958: DECL: 03/15/2017

TAGS: PREL, PGOV, NZ, XV, FJ

SUBJECT: GNZ PREPS FOR PACIFIC ISLAND FORUM

REF: SUVA 155

Classified By: Acting DCM Katherine B. Hadda,  
for reasons 1.4 (b) and (d)

1. (C) Summary: The March 15 PIF Foreign Ministers meeting will have a limited role for Fiji, in part to ensure that interim PM Bainimarama cannot complain that members acted behind Fiji's back. The GNZ believes the outlook is good for PIF ministers to agree that Fiji should abide by the EPG report, but that it is doubtful that Fiji will agree. Oddly, PM Bainimarama recently wrote to PM Clark to complain that New Zealand had convinced other countries to pressure his government. End Summary.

2. (C) Heather Riddell, Director for Pacific Affairs at the Ministry of Foreign Affairs and Trade (MFAT), told PoleCon Couns that the format for the March 16 Pacific Island Forum (PIF) Foreign Ministers meeting in Port Vila will include a role for Fiji's interim government. Fiji's Interim Foreign Minister will be present Fiji's remarks on the Eminent Persons Group (EPG) Report, and the Interim Attorney General will be given opportunity to explain why the Interim Government maintains it will not be possible for Fiji to hold elections within the next three years. The Fiji representatives will then withdraw from the meeting, leaving the PIF Foreign Ministers to decide what to do next. The Ministers will then report their common views back to the Fiji reps.

3. (C) Riddell admitted the format is unusual and carries some risk of an unpredictable outcome, but says it will prevent the interim Fiji Government from claiming that its fate is being decided behind its back. That being said, the GNZ does not have great hopes that Fiji will agree to the findings of the rest of the group. The only possibility of reaching consensus with Fiji at the meeting would be if the interim FM agreed to elections within the 18-24 month timeframe set out in the EPG report. Riddell views this as unlikely, however, as according to NZ's High Commission in Suva, the interim Government does not feel pressured to accept a faster time line. For its part, the GNZ views even 18-24 months as too long, but is willing to consider with other PIF members a packet of election assistance to help persuade Fiji to accept it. Even if rejected, offering the package would weaken Fiji's claims that it does not have the resources to hold elections within three years.

4. (C) Despite the likelihood that Fiji will not accept the EPG findings, the GNZ feels the probable dynamic at the meeting will be favorable for consensus among other PIF members, especially as Melanesian Spearhead Group members reportedly still feel irritated with Bainimarama. The trick will be to ensure that Australia and New Zealand don't drive the meeting so hard that the PICs feel pressured, as this could drive them into being more sympathetic to the Interim Government.

5. (C) The GNZ believes the other key ingredient for success at the meeting will be a carefully crafted official communique. Whereas normally such reports are the product of

consensus, Riddell says that because it is unlikely that Fiji will agree with the other members, reaching complete agreement would require watering down the report's language to the lowest common denominator. The GNZ will therefore push for "consensus minus one," allowing Fiji to include an opposing viewpoint in the communique.

6. (C) Regarding next steps, Riddell believes it unlikely that the PIF will impose sanctions on Fiji, and that this is just as well because it would be too divisive for the PICs. Unlike the Commonwealth, the PIF has no mechanism to formally suspend members. Riddell therefore believes the PIF Ministers will need to provide guidance on Fiji's participation in regional meetings. The question is unlikely to be formally decided on at the March 16 meeting, however, but will probably be tasked for the Secretariat to coordinate with PIF members. Assuming Fiji fails to accept the findings of the rest of the group, Riddell says there may be room for non-PIF members, notably the EU, to consider additional measures to pressure the interim government.

7. (C) Riddell also told PolEcon Couns that FM Peters has not been in touch with Bainimarama recently despite their formerly close relationship. But, oddly, Bainimarama recently wrote to PM Clark. He complained not about the actions her government has taken in response to the Fiji coup but that the GNZ had convinced other governments to take similar measures.

Keegan

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STATE FOR EAP/FO AND EAP/ANP  
 NSC FOR VICTOR CHA  
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STATE FOR EAP/FO AND EAP/ANP  
 NSC FOR VICTOR CHA

OSD FOR ISD/JESSICA POWERS  
PHNOM PENH FOR POL/MCKEAN  
PACOM FOR JO1E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 03/19/2017  
TAGS: PREL, PGOV, NZ, FJ  
SUBJECT: NEW ZEALAND PLEASED WITH PIF MEETING OUTCOMES

REF: A. PORT MORESBY 99  
B. WELLINGTON 229

Classified By: Charge David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary: The GNZ believes the March 16 Pacific Island Forum (PIF) Foreign Ministers meeting offered Fiji's interim government clear carrots and sticks for a return to democratic elections within 18-24 months, as recommended by the PIF Eminent Persons Group (EPG). New Zealand was very pleased by the PIF Ministers' unity, which the GNZ say was strengthened by the Ministers' negative reaction to FM Nailatikau's denial of Fijian military human rights abuses. Australia and New Zealand have offered significant financial and technical assistance to Fiji if it agrees to accelerated elections, contingent on continued cooperation from the GOF. PIC missions in Suva will work with the interim Fiji Government to discuss what is needed to hold elections in 2008. This information will be fed back to the EPG, which will deliver another report in three months. GNZ officials concede the Solomons, PNG Tonga, and Samoa especially will need to keep unified pressure on Bainimarama and others to convince the interim government to accept this approach. The GNZ also admits that it will be necessary to offer Bainimarama an exit strategy, but says it is useless to explore this until the GOF shows a willingness to sign onto the PIF's elections roadmap. End Summary.

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Meeting Goes to ANZ Plan  
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2. (C) Alan Williams, the Deputy Secretary of Foreign Affairs charged with Pacific Island issues, told the Charge and PolCouns that the PIF meeting was an "Australia-New Zealand diplomatic success story," that laid out clear carrots and sticks for Fiji's return to democratic elections as early as 2008. The GNZ was very pleased as well by the PIF Foreign Ministers' unity in delivering a strong message to Fiji, as before the meeting it had seemed that the Solomons and Tonga especially would not come on board.

3. (C) In the end, neither Fiji nor the Solomons participated in the drafting of the final communique, although they had been invited to do so. New Zealand and Australia convinced the others to accept a number of firm recommendations. When for example Tonga and Kiribati were reluctant to "condemn" the coup, New Zealand persuaded them to agree to reiterate the December EPG's original statement expressing "profound concern" about the coup. Williams said that FMs Peters and Downer had also engaged in crafty negotiating tactics to get the other Ministers to support a relatively short time frame for Fiji's return to elections. The FMs argued that because Fiji's constitution requires that any changes to electoral districts be approved by elected Ministers, Fiji should hold elections immediately. In reality, Peters and Downer made this case so that the other Ministers would not split the difference

between the EPG's recommended 18-24 month time frame and the GOF's claims that it will take 3-5 years before Fiji is ready to return to the ballot box. The final statement affirmed "the EPG's recommendation that the interim government should commit to a firm timetable for national elections...within 18 months and 2 years, if not sooner."

4. (C) As Williams describes it, Fiji's presentation to Ministers was both conciliatory and recalcitrant. Interim FM Nailatikau started out with an eloquent and plausible explanation of "Fiji's distinctive approach to a return to democracy." Had he left it there, he may have carried the day. But the interim FM soon lost whatever sympathy he'd gained by delivering a second presentation message that included a diatribe against Australia's alleged plans to invade Fiji and a complete denial of any RFDF human rights abuses. Williams said he could tell from the Ministers' body language that they were uncomfortable with this harder message. He added that Nailatikau's misstep probably increased the Ministers' resolve to press the interim government for an early return to democracy.

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Next Steps  
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5. (C) Australia and New Zealand have offered significant financial and technical assistance to Fiji if it agrees to accelerated elections. Williams said New Zealand might even be willing to help with Fiji's anti-corruption investigations. Any assistance will be staged so that

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it is contingent on continued cooperation from the GOF. The PIF Ministers tasked ANZ and PIC missions in Suva to work with the interim Fiji Government to discuss what is needed to hold elections in 2008. This information will be fed back to the EPG, which will deliver another report in three months. Williams said the GNZ will monitor the missions progress weekly in order to gauge Fiji's response. NZ officials also hope that additional pressure will be placed on the interim government through the EU's review of its development assistance to Fiji under the EU's Cotonou Agreement with former European colonies. The EU is set to meet later this month with the interim government, and the review could result in a permanent removal of European assistance to Fiji's sugar producers if the GOF does not accede to return to democracy. According to the GNZ, the EU will reportedly draw heavily on the EPG report in making its determination.

6. (C) Williams said that the GNZ has pointed out to Fiji that the timetables the interim government put in its own report to the PIF are far longer than necessary, and many actions that the interim government say must be sequential can in fact be carried out simultaneously. The Fijian timetables raise the question of how much Bainimarama feels he needs to delay elections for his own safety, said Williams, who admitted that in the end Bainimarama will likely only agree to elections if he is given immunity. But it's too early to discuss how this would happen. Williams said the PIF needs to see which Fiji it is dealing with -- contrite or recalcitrant -- before deciding how to handle Bainimarama's exit from the scene. While he was justifiably pleased with the results of the meeting, Williams also conceded that Tonga, PNG, Samoa, and the Solomons especially will need to maintain continued unity of purpose, strong advocacy, and the right "tonality" to persuade Bainimarama and other senior interim officials that they have many reasons to accept th

PIF electoral roadmap.

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Including Fiji in Regional Discussions  
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7. (C) Williams reminded us that the GNZ sanctions allow bilateral discussions with the interim government related to Fiji's return to democracy. He said he and others in the Ministry of Foreign Affairs and Trade were pushing for GNZ to allow GOF participation in regional meetings covering topics of regional interest, such as fisheries, the Pacific Plan, and energy issues. Australia is undergoing a similar debate, said Williams, who added that the GNZ would be interested in learning how we intend to handle Fiji's participation in the Pacific Island Leaders Conference and other venues. We agreed to keep in touch on this.  
Keegan

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STATE FOR EAP/FO, EAP/K, AND EAP/ANP

E.O. 12958: DECL: 04/02/2017  
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STATE FOR EAP/FO, EAP/K, AND EAP/ANP

E.O. 12958: DECL: 04/02/2017  
TAGS: PREL, PGOV, KNNP, KNAR, NZ  
SUBJECT: NZ AMBASSADOR HEADS TO PYONGYANG

Classified By: DCM David J. Keegan,  
for reasons 1.4 (b) and (d)

1. (C) Summary: During her April 3-7 trip to Pyongyang, NZ's Ambassador to North Korea, Jane Coombs, will carry a letter from Foreign Minister Peters urging the DPRK to comply with the Six Party Talks. She will also note the GNZ's willingness to contribute to the second tranche of energy

assistance in support of the Six-Party process, but she will not provide any details about the timing or nature of the help to be provided. NZ officials tell us they will follow the recommendations of the Initial Action Agreement Energy Working Group in designing NZ's assistance package and would appreciate USG advice on what would be most beneficial. The GNZ has limited ability to offer aid in kind or implement programs on the ground, so its contributions are most likely to be financial. End Summary.

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NZ Message to DPRK: We'll Help, but Only if You Follow  
Through on Denuclearization  
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2. (C) On April 2, Pol-Econ Couns discussed New Zealand's proposed energy assistance to the DPRK with Carolyn Schwalger, Senior Policy Officer in the North Asian Division of the Ministry of Foreign Affairs and Trade (MFAT). Schwalger said the GNZ shares our desire to send a consistent, clear message to the DPRK. For this reason, in advance of her April 3-7 trip to Pyongyang, Ambassador Coombs consulted with Ambassador Vershbow and a range of South Korean officials in Seoul. Coombs will carry with her to Pyongyang a letter from Foreign Minister Peters to the Senior N. Korean Vice Minister of Foreign Affairs urging the DPRK's full compliance with the Six-Party Talks. Although Coombs will tell her DPRK interlocutors that New Zealand is willing to contribute to the second tranche of assistance under the Initial Action Agreement, she will offer no details about what will be on offer or when it will be provided. She will also tell all her DPRK interlocutors that no assistance will be provided absent N.Korea's implementation of its Initial Actions Agreement commitments. Schwalger said that one reason NZ wants to contribute to the second tranche and not the first is so that the GNZ can see evidence that the DPRK is truly on the path to denuclearization.

3. (C) Another reason that Coombs will provide no other details during her trip is that the GNZ has not decided what assistance it will offer. Ministers have agreed in principle to contribute, but as PM Clark noted during her recent trip to Washington, the GNZ will base its assistance package on the recommendations of the Initial Actions Agreement Working Group. Schwalger says that the GNZ hope that U.S. officials in particular will give guidance on the most appropriate way for New Zealand to offer help. NZ officials will also speak with South Korean, Chinese, and other Six Party partners.

4. (C) Although the GNZ has not yet decided on its assistance package, for practical reasons it is most likely to provide financial assistance to a multilateral fund. Schwalger said the level of assistance is likely to be along the lines of what New Zealand donated to KEDO, about NZD 500,000 a year.

5. (C) Schwalger also noted that as has become the norm, it was very difficult for Ambassador Coombs to get final DPRK clearance for this annual visit. She only recently learned that she could travel to Pyongyang from April 3-7, and

although she is already on the road she still has not received confirmation about whom she will see. As there is currently no Foreign Minister, Coombs has requested meetings with both Vice Ministers of Foreign Affairs, as well as officials in Foreign Ministry's Asian Affairs, Human Rights, and Policy Planning Bureaus. She has also asked to see officials at the Trade Ministry, the Korean Workers Party, and the City Government. Schwalger said that MFAT will provide us with a read-out from the trip once Coombs returns to Seoul.

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Background: NZ's Ties to North Korea  
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6. (C) New Zealand established formal diplomatic relations with North Korea in 2001. Official relations are carried out through New Zealand's Ambassador in Seoul, who is cross-accredited and travels to Pyongyang a few times a year. (FYI: NZ's current Ambassador in Washington, Roy Ferguson, was the NZ's first Ambassador to Seoul to travel to Pyongyang.) Until recently, New Zealand contributed between USD 517,000 - 690,000 in humanitarian aid to North Korea annually, administered mostly through the World Food Program and UNICEF. It has stopped all but minimal aid due to what the GNZ calls the DPRK regime's ambivalence about receiving assistance. Trade between the two countries is virtually non-existent. New Zealand has three officers serving in the UN Command Military Armistice Commission (UNCMAC) and the NZ Defense Attache serves as an advisor and liaison to UNMAC as well. The GNZ contributed about USD 3 million to the Korean Peninsula Energy Development Corporation (KEDO) light water reactor project before the project was terminated in November 2005.

McCormick

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LUMPUR 0167 RUEHPG/AMEMBASSY PRAGUE 0042 RUEHHK/AMCONSUL HONG KONG  
0123  
classification:CONFIDENTIAL  
reference:07WELLINGTON191  
☐ C O N F I D E N T I A L WELLINGTON 000285

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DEPARTMENT FOR G/TIP, G, INL, DRL, PRM, EAP/ANP, EAP/RSP

E.O. 12958: DECL:...

▼ C O N F I D E N T I A L WELLINGTON 000285

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DEPARTMENT FOR G/TIP, G, INL, DRL, PRM, EAP/ANP, EAP/RSP

E.O. 12958: DECL: 04/09/2017

TAGS: KCRM, PHUM, KWMN, SMIG, KFRD, ASEC, PREF, ELAB, NZ  
SUBJECT: GNZ SHARES DRAFT OF ITS ACTION PLAN AGAINST HUMAN  
TRAFFICKING

REF: WELLINGTON 191

Classified By: DCM David Keegan,  
for reasons 1.4(b) and (d)

1. (SBU) Summary: On March 29, GNZ shared with DCM and Poloff a draft of its national action plan against human trafficking. From an operational standpoint, NZ government agencies already have an effective program in place to prevent trafficking. The "Action Plan" seeks to further improve interagency coordination, increase outreach to non-government stakeholders with existing or potential anti-trafficking roles, and raise public awareness of the dangers of trafficking. The Plan will be formally implemented by December 2007 following ministerial approval this April and subsequent public consultation. Data from GNZ's present enforcement and monitoring efforts, as well as from NZ programs that monitor all suspicious travel, suggest that New Zealand has little or no trafficking problem. By increasing its engagement with civil society, GNZ will reduce further New Zealand's risk of becoming a destination country by complementing existing government programs with joint private-public efforts to identify potential cases and assist victims. End summary.

"National Action Plan": (aka National Outreach Plan)

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2. (C) On March 29, GNZ officials delivered to DCM and Poloff a draft of New Zealand's long-anticipated national plan of action against human trafficking. Building on GNZ's existing competencies to detect and prevent human trafficking, the GNZ began developing the plan in December 2004 and implemented much of it at the same time the formal drafting was taking place. Through the planning process, GNZ has sought to enhance linkages between government agencies and improve engagement between government and civil society. The planning process followed extensive consultations with Embassy Wellington on trafficking issues in the wake of GNZ's first listing in the TIP Report in 2004. The Department of Labour took the lead in developing the plan, in consultation with the Ministries of Justice (MoJ) and Foreign Affairs and Trade (MFAT). On April 4, the draft plan will be sent to the Foreign, Immigration, and Justice Ministers for their approval. It will then be the focus of a series of public consultations, including a national workshop of non-governmental organizations. GNZ officials have invited Emboffs and G/TIP to attend the workshop, with the date to be determined. GNZ expects the plan will be formally in place by December 2007.

3. (C) In handing over the plan, head of the IWG Arron Baker, National Manager - Border Security & Compliance Operations,

Department of Labour, told us that the drafting of the action plan was "a process of developing awareness, of linking private and public interests, and of developing better intelligence from civil society." Indeed, the title of the plan, the National Plan of Action to Prevent People Trafficking (NPA), is something of a misnomer as it really is an outreach plan to improve coordination between Government and non-government stakeholders (such as NGOs, the travel industry, and academics) who have or could play an anti-trafficking role. The Plan also seeks to raise public awareness of the dangers of trafficking.

#### Monitoring for Trafficking: Part of a Surveillance Spectrum

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4. (C) To place the national plan of action in context, Arron Baker outlined GNZ's priorities with regard to illegal migration. First and foremost, GNZ places priority on national security. Second priority is the issue of smuggling and trafficking; third is to identify and punish individual immigration violations. Baker reminded us that NZ's successful counter-terrorism programs also position the GNZ to detect smuggling and trafficking cases.

#### Three Action Phases; One Already Complete

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5. (C) The NPA is divided into three phases. Phase One is substantially complete and involved government agencies establishing a common understanding of people trafficking and developing the essential elements of a national plan. Phase Two seeks to encourage civil society, particularly NGOs, to address human trafficking issues by enhancing government referral mechanisms and enhancing victim assistance,

reintegration and -- as appropriate -- return. Target NGOs include the Help Foundation, NZ Prostitutes Collective, Shakti Community Council, Amnesty International, Salvation Army, Stop Demand and ECPAT. Under Phase Three, the GNZ will complete the plan's implementation and develop bilateral and multilateral agreements to prevent global trafficking. (Note: GNZ officials already cooperate with Indonesia and Sri Lanka on trafficking issues. End note.)

#### Phase One: Monitoring and Enforcement in Action

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6. (C) When GNZ began developing its action plan in December 2004, its monitoring and enforcement capabilities were substantially in place. The planning process seeks to extend and improve non-government stakeholder participation in identifying potential cases of trafficking and assisting victims. For example, New Zealand's continuing efforts to identify potential victims of trafficking begin upstream in potential source countries. New Zealand has an Advance Passenger Processing (APP) system that requires airlines to identify passengers who may be seeking to enter New Zealand illegally before they board an overseas flight. Airline representatives have received training from GNZ officials and the government-funded NGO ECPAT New Zealand on techniques to identify victims of trafficking and other illegal migration victims as well as perpetrators. The GNZ also has an Advanced Passenger Screening system (APS), through which GNZ Airline Liaison Officers (ALO) at posts overseas and

officials in New Zealand screen flights prior to departure. Data from these systems are joined with U.S. and Australia data streams as part of the Regional movement Alert List (RMAL) program. The Department of Labour has offered to have Emboffs join GNZ officials in Auckland to observe screening techniques as applied against arriving flights.

7. (SBU) Monitoring for potential trafficking victims continues after passengers have arrived in New Zealand and clear immigration and customs, primarily through field investigations. Immigration, visa, border control and other law enforcement officers have been trained to identify potential trafficking victims using a common set of human trafficking indicators, which have also been incorporated into computer-based systems that help officials to spot potential cases. (Note: The GNZ's human trafficking indicators have been shared separately with EAP/ANP.)

8. (SBU) During the nine months from June 2006 to March 2007, New Zealand law enforcement officials conducted 1,300 investigations to identify illegal migration, including trafficking. The investigations included raids on horticultural workers as well as ten targeted raids on eight Auckland brothels suspected of employing foreign sex workers. Not a single trafficking case was found in any of the 1,300 investigations, although 31 illegal migrants were identified. Twenty-nine of the illegal migrants were found to have come from Hong Kong (8), South Korea (1) and Malaysia (20), all of which enjoy a visa free travel program with New Zealand. Although the number of illegal migrants remains small compared to the overall number of visa-free entrants, GNZ recognizes the need to prevent more wide-spread abuses. In the case of Malaysia, while migrants are circumventing border control, New Zealand Immigration is effectively identifying illegal migration cases through field compliance operations in New Zealand, such as brothel raids. GNZ will continue to monitor Malaysia's visa free travel status, and rescind it if that proves the only way to more effectively manage illegal migration from that country. In this regard, Thailand provides a precedent. As a result of a half-dozen historic trafficking cases involving Thai sex workers in 1999 and 2001, GNZ removed Thailand's visa free travel status. Recent compliance operations have not identified Thai prostitutes working illegally in New Zealand. Moreover, GNZ compliance operations have not identified any illegal migrants from Brazil or the Czech Republic working in the sex industry or elsewhere in the economy, though both countries recently have gained visa free status. (Note: There is some anecdotal reporting, albeit unconfirmed, that Brazilian and Czech sex workers are working illegally as prostitutes. End note.)

NZ's anti-trafficking program approaches maturity  
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9. (C) New Zealand has implemented an enforcement and victim assistance regime that largely prevents illegal migrants from working in the sex trade and has discouraged human

trafficking through an aggressive screening program overseas and investigative follow-up in New Zealand. The government, together with NGOs, now provides children at risk of underage prostitution and illegal migrants a range of services to

prevent their exploitation or redress their exploitation when it occurs. By upgrading interagency cooperation and enhancing coordination with NGOs, GNZ will better position itself to prevent New Zealand becoming a destination country for human trafficking.

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STATE FOR NEA/I, EAP/FO, AND EAP/ANP  
SECDEF FOR OSD/ISD JESSICA POWERS  
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STATE FOR NEA/I, EAP/FO, AND EAP/ANP  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 04/11/2017  
TAGS: EAID, EFIN, PREL, PGOV, UN, NZ  
SUBJECT: NEW ZEALAND ON IRAQ COMPACT SIGNING

REF: STATE 46243

Classified by DCM David J. Keegan,  
for reasons 1.4 (b) and (d).

1. (SBU) As requested reftel, Embassy conveyed information about the May Iraq Compact signing to New Zealand Ministry of Foreign Affairs and Trade (MFAT) Officials Darryl Dunn, Director of the Middle East and Africa Division, and Carl Worker, Director of the Americas Division.

2. (C) Dunn told Pol-Econ Couns that he was grateful for the information, as the GNZ has not yet focused on the signing. He observed that the GNZ has not provided Iraq with much direct assistance since 61 NZ Defence Force engineers did reconstruction work there for twelve months in 2003-4. That being said, New Zealand has an interest in seeing a stable and peaceful Iraq, said Dunn. He said that he would ensure that GNZ Ministers would review our request

for high-level NZ representation at the Cairo meeting, and promised to tell Pol-Econ Couns the results. But Dunn cautioned that Ministerial attendance could be difficult, as Parliament will still be out of session in early May and Ministers already have made extensive travel commitments over the leave period.

McCormick

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reference:07SUVA211  
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DEFENSE FOR OSD/ISD JESSICA POWERS  
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DEFENSE FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 04/13/2017  
TAGS: PGOV, PREL, FJ, NZ  
SUBJECT: GNZ WORRIES BAINIMARAMA IS IN A HOLE AND STILL  
DIGGING

REF: SUVA 211

Classified By: Deputy Chief of Mission David J. Keegan,  
for reasons 1.4 (b) and (d).

1. (C) The GNZ worries that interim PM Bainimarama is increasingly fragile and his actions risk throwing the country into armed conflict. Heather Riddell, Director of the Pacific Division, calls Bainimarama's measures restricting the Great Council of Chiefs (GCC) "loopy." Bainimarama has now cut himself off from Fiji's traditional power base. This will circumscribe his support base and will add to perceptions that he is running a Fijian Indian agenda. Riddell observes it seems unlikely Bainimarama will be able to dig himself out of this hole, and he may become more desperate as a result.

2. (C) While the GCC is ridden with factions and some Fijians dislike it, most will be shocked by Bainimarama's actions. Riddell is particularly concerned that the measures may make an intra-military reaction more likely, and the result could be violent mutiny and other bloodshed.

3. (C) Comment. While we are not in a position to assess MFAT's concern over possible mutiny and bloodshed, New Zealand's analysis and predictions on Fiji have proven exceptionally reliable over the past few months.

McCormick

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□ C O N F I D E N T I A L WELLINGTON 000305

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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP

E.O. 12958: DECL: 04/13/2017 ...  
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STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP

E.O. 12958: DECL: 04/13/2017  
TAGS: PGOV, NZ

SUBJECT: POTENTIAL FOR NZ FOREIGN MINISTER-GOVT SPLIT OVER NZ-CHINA  
FTA

Classified by DCM David J. Keegan,  
for reasons 1.4 (b) and (d).

Summary

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1. (C) A source close to Foreign Minister Winston Peters, whose New Zealand First Party seriously lags in the polls, says Peters may openly voice his opposition to New Zealand's free trade deal with China in an effort to secure the loyalty of his voter base. Although the dispute could strain the private constructive working relationship between Peters and PM Helen Clark, the Labour Party

needs Peter's continued cooperation to retain control of the Government and PM Clark would likely publicly play down Peters' objections. Peters by all accounts relishes his position and would be loathe to jeopardize it. Even more importantly, as seasoned political veterans, Clark and Peters understand each other and will be able to minimize the impact of the issue on their cooperation. They could even work behind the scenes to limit the damage to the Government of their "disagreement." End Summary.

Playing to his Party's Support Base?

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2. (C) As a NZ-China FTA comes ever closer to completion, an advisor to Foreign Minister Winston Peters tells us that Peters might feel compelled to speak out publicly against the agreement. Peters' NZ First Party is in trouble, and he needs to secure his party's base. The latest 3News/TNS political poll showed NZ First's support at a meager 1.2 percent, well below the threshold needed to retain its presence in Parliament after the 2008 election. (Comment: Under New Zealand's electoral system, a party gets seats in parliament if its Party wins either 5% or more of the total Party votes cast or one of its candidates wins a local electorate seat. Peters lost the only NZ First electorate seat at the 2005 election. It's not clear he could ever win it back. End Comment.)

8. (C) A good part of NZ First's support base is made up of low wage workers and manufacturers, who admire the party's particular brand of economic nationalism and Peters' passionate defense of their sector from foreign interests. Throughout the 2005 campaign Peters asserted that a NZ-China FTA would cripple the local manufacturing sector and create widespread job losses. Our source says Peters and his caucus remain committed to opposing to trade deals with low-wage economies.

Schism would strain relationship with PM Clark and Goff

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4. (C) Peters governing arrangement with PM Clark permits him to oppose the Government publicly on any issues that fall outside of his foreign affairs portfolio, including trade. He is likely to express any criticism as leader of NZ First and not Foreign Minister. But regardless of his cover, going public over his opposition to the China trade deal would likely create at least the appearance of a schism with the Government and put a strain on his relations with Clark. Most analysts assume the PM will use the conclusion of a China FTA to offset criticism that her government has failed to gain a free trade agreement with the United States. Clark is a political pragmatist, and she relies heavily on Peters' continued support to retain her Government's slim majority in Parliament. She will therefore likely publicly play down Peters' opposition to the China deal. Behind closed doors, however, she could resent Peters for causing the political and PR problems that would likely ensue, particularly if he chooses to announce his objection in the run up to the next election.

5. (C) Peters' has thus far managed to avoid a public split with Trade Minister Phil Goff (who shares responsibility for the Ministry of Foreign Affairs and Trade, where he served as Foreign Minister in the previous Labour administration). Peters' decision to criticize a China FTA success could initiate a public and potentially nasty feud. Despite his freedom to do so, Peters has resisted commenting on the Trade portfolio. As Foreign Minister before Peters, Goff initially did steal some of Peters' foreign policy limelight immediately after the new Government was formed in late 2005, for example by being the first to reach areas in the Pacific affected by the Tsunami. Of late, however, Goff has become quiet on foreign

policy issues, focusing instead on his defense and trade portfolios.  
Possible timing of any public objection

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6. (C) Peters' advisor told us that the most likely timing of a public announcement of Peters' objection to the trade deal will come during the three months before the next election - which constitutes the official campaign period in NZ. Post understands that during this time Peters will restrict his overseas travel to a bare minimum and concentrate on reviving New Zealand First's electoral prospects.

7. (C) Comment: Peters' opposition to the China FTA would embarrass Labour but it is unlikely he would bring down the Government. Nor is it likely that he would lose his Foreign Affairs portfolio as a result. A seasoned political veteran, Clark would understand his motivation. (And as a seasoned veteran himself, Peters might even precook his "criticism" with the PM in advance.) The main opposition party National might try to use Peters' criticisms to claim he is

unfit for office, in an effort to drive a wedge between Peters and the Government as they unsuccessfully tried to do two years ago. But as NZ businesses strongly favor the China FTA, the Nats are unlikely to want to see a prolonged debate over the agreement and will probably not push the issue too far.

McCormick

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STATE FOR EAP/ANP - DAN RICCI, L/OES, AND OES/OA  
INTERIOR FOR INSULAR AFFAIR...

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STATE FOR EAP/ANP - DAN RICCI, L/OES, AND OES/OA  
INTERIOR FOR INSULAR AFFAIRS DEPT. DAS COHEN

E.O. 12958: DECL: 04/17/2017  
TAGS: PGOV, PREL, NZ  
SUBJECT: DEMARCHE TO GNZ ON TOKELAU AND SWAINS ISLAND

REF: STATE 50322

Classified By: DCM David J. Keegan,



for reasons 1.4 (b) and (d).

1. (C) Summary: As instructed Reftel, PE Couns met with Tokelau Administrator David Payton to request that the GNZ publicly reaffirm that Tokelau does not/not have claim over any American Samoan island presently administered by the United States, including Olohega, or Swains Island. Payton confirmed that New Zealand agrees Tokelau does not have claim to the island and he promised GNZ would consider the request. He said that when Tokelau leader Koulouei O'Brien said a self-governing Tokelau could discuss ownership of Swains with the United States, he meant to draw attention to the benefits of self-government, not make a territorial claim. PE Couns said that even if that were the intent the remarks are unfortunately impeding Tokelau's efforts to encourage closer relations with American Samoa. Post recommends that Interior DAS David Cohen discuss American Samoa's position on this issue with GNZ officials during his April 30 visit to Wellington. End Summary.

2. (SBU) On April 17, PE Couns delivered reftel diplomatic note to David Payton, Tokelau Administrator at the Ministry of Foreign Affairs and Trade (MFAT). Payton said he would have his legal team look at our request, and anticipated that the lawyers would have no difficulty understanding our concerns. He stressed that Swain's identity is "finished business" to New Zealand, and the GNZ would stand by the treaty.

3. (SBU) Payton said that Tokelau's population of 1,500 could not possibly manage the burdens of self-government alone. As part of New Zealand's efforts to nudge Tokelau to self determination, GNZ officials have encouraged Tokelau officials to reach out to the world-wide Tokelauan community (who represent 90% of all Tokelauans) and ask for their support. The GNZ has also recommended Tokelau's leaders explain the benefits of self government to overseas Tokelauans, who will not be not allowed to participate in the referendum but will strongly influence the voters in Tokelau. O'Brien made his remarks in March while he and other Tokelau leaders were on such an outreach visit to New Zealand. O'Brien later told Payton he meant his comments to demonstrate to Tokelauans that one benefit of self government would be that the island could discuss its concerns directly with foreign officials rather than through the GNZ. O'Brien said that because Tokelau cannot do this now, it has lost the chance to get certain forms of economic assistance from the EU.

4. (C) PE Couns said that if this were part of Tokelau's effort to reach out to potential partners it was unfortunately having the opposite effect, as American Samoan officials have told USG officials they find O'Brien's comments troubling. One American Samoan official had discussed the comments and the draft constitution with the other two leaders, and found they agreed with American Samoa's position. Payton confirmed that the other leaders have been appalled by O'Brien's comments. He asked why the American Samoan Governor had not raised the Swains issue during his recent and successful trip to Tokelau. PE Couns suggested the Samoans had possibly not wanted to embarrass

their hosts. Payton said that during the visit, both sides had reportedly discussed using Swain's as a starting point for commerce between American Samoa and Tokelau. He said that Tokelau's interest in Swains reflected a belief that the people on Swains are Tokelauan and therefore family. Tokelau does not want the island as its territory. PE Couns said it would be helpful for New Zealand to encourage Tokelau to make this explicit with American Samoan officials and others. She reminded Payton that increased cooperation in the Pacific Islands has been a cornerstone of the improving US-NZ relationship.

5. (C) Post will continue to follow up on reftel request, including by double tracking with the Americas desk and others at MFAT. We also believe it would be helpful if Insular Affairs DAS Cohen explained American Samoa's views on Swains when he meets with MFAT officials during his April 30 trip to Wellington.

McCormick

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 RUWDQAA/CCGDFOURTEEN HONOLULU HI  
 classification:CONFIDENTIAL  
 reference:07SUVA153  
 □ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000316

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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, EAP/ANP AND  
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STATE FOR D (FRITZ), EAP/FO, EUR/RPM, EAP/ANP AND  
 OES FOR WGIBBONS-FLY  
 SUVA FOR REO JMURPHY  
 NSC FOR VICTOR CHA  
 SECDEF FOR OSD/ISD JESSICA POWERS  
 PACOM FOR J01E/J2/J233/J5/SJFHQ  
 HOMELAND SECURITY FOR PAUL FUJIMURA

E.O. 12958: DECL: 11/28/2016  
 TAGS: ASEC, PREL, PGOV, CW, NZ  
 SUBJECT: COOPERATING WITH GNZ TO SHORE UP WEAK COOKS VESSEL  
 REGISTRY

REF: A. EMAIL FROM CDR PHIL WELZANT USCG - 2/8/2007  
B. SUVA 153  
C. EMAIL FROM BRAD KIESERMAN USCG - 4/5/2007  
D. EMAIL FROM JOE MURPHY REO SUVA - 4/5/2007

Classified By: DCM David Keegan,  
for reasons 1.4(b) and (d)

1. (U) This contains action recommendations at paras 12-13.
2. (C) Summary: Embassy is concerned that recent Coast Guard seizures of Cook Island vessels in the Caribbean indicate that weaknesses in the Cooks' vessel registry are being exploited by organized crime. The GNZ is worried, too, having earlier identified a problem with Cook Island vessels being used for illegal Antarctic fishing. New Zealand's High Commission has passed on our concerns to the Cook Islands Foreign Minister, who agrees that his government needs to address potential weaknesses in the privately-run registry. Ministry of Foreign Affairs and Trade (MFAT) officials share our assessment that joint cooperation between US and NZ officials to help the Cooks through this process would benefit all three governments. MFAT believes we should work quickly to address the problem, taking advantage of the GCI's and registry's interest. Post suggestions for some ways the USG can offer assistance are at para 12-13. We also will raise these suggestions with DHS official Paul Fujimura during his April 23-4 trip to Wellington. End summary.

Background

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3. (SBU) Over a period of 10 weeks from February to April 2007, Embassy Wellington received three separate requests from the USCG regarding Cook Islands-flagged vessels operating in the Caribbean Sea. Each vessel was under USCG investigation for drug trafficking. Three vessels represents a sizable proportion of the Cook Islands fleet as a whole (126 vessels) and of that subportion operating in the Caribbean (approximately 22 vessels).
4. (SBU) We received the first request on February 1, when Lt. Cmdr Gary Tomasulo, Office of Law Enforcement, United States Coast Guard called with an urgent request to get Cook Island permission to board and search the Cooks registered vessel "Wave Tamer," which was in the Caribbean heading for international waters and would soon be beyond any coastal state's jurisdiction. Within two hours, we received GCI permission via the Cooks High Commission in Wellington. (Note: NZ officials were helpful in this process, and told us that that GNZ also had concerns regarding the registration of Cook Island fishing vessels.) The Wave Tamer was boarded on the high seas and searched, but no drugs were found. After a subsequent port call in Miami, a more thorough search resulted in the seizure of 5 kilos of cocaine. USCG officials reported to us that there were nine persons on board the vessel of various nationalities: Barbados (1), Nicaraguan (1), Guatemalan (1), Honduran (3) and Dominican (3) (Ref A). A week later, Wellington received notification that USCG might request permission to board a second Cook

Islands-flagged vessel, the "Lady Bernadette" (or variant), but the request never came through.

5. (SBU) In late February, the Embassy asked Regional Environment Officer (REO) Joe Murphy, who was headed to the Cooks for an unrelated meeting, to meet with officials from the Ministry of Marine Resources to learn more about the Cooks vessel registry. Murphy reported that the Cooks had "problematic flagging practices" and recognized the potential for a U.S. opportunity to offer assistance (Ref B).

6. (SBU) Over the March 31 weekend, USCG officials contacted WELLINGTON 00000316 002 OF 003

the Embassy about a third Cook Island-flagged vessel under investigation for drug trafficking in the Caribbean, the M/V Alpha and Omega, which was transiting U.S. territorial waters off of Puerto Rico. On April 2, Embassy Wellington advised the Cook Islands High Commission that the USCG intended to board and search the vessel. Suspected of transporting 2,000 kilos of cocaine, the vessel was boarded in U.S. territorial waters and subsequently investigated in Puerto Rico. While no drug seizure was made, we understand from USCG officials that there were dozens of positive ion scans for cocaine and heroin (Ref C). During the boarding and search, USCG officials received calls from a person purporting to be Captain Andy Scheer, Deputy Registrar of the Cook Islands Vessel Registry, who sought information about why the vessel was being boarded. USCG officials later advised us that it was possible to acquire a Cook Islands registry document on the Internet with a credit card and provided us with a website address.

7. (C) In early April, REO Murphy told Post's Pacific Islands officer (PacOff) that at the March U.S. South Pacific Tuna Treaty Consultations in Vanuatu, USCG and NOAA National Marine Fisheries Service (NMFS) representatives briefed Peter Graham, Acting Policy and Legal Director of the Cook Islands Ministry of Marine Resources, on the outcomes of USG deliberations on how to treat Cook Islands "demise charter" vessels. U.S. owners who chose to participate in the Cook Islands "temporary re-flagging program" would void their status as U.S.-flagged vessels. In effect, it appears that some vessels were dual-registered as U.S. and Cook Islands-flagged vessels -- further demonstrating the weakness of the Cook Islands vessel registry.

Follow-up with MFAT  
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8. (C) In the wake of the third vessel incident, PacOff discussed our Cook Islands concerns with MFAT's Cook Islands desk officer and Legal Division as well as the Ministry of Fisheries (MFish). As a result of the meeting, the NZ High Commission in Rarotonga weighed in with the Cook Islands Foreign Minister Wilkie Rasmussen. After talking with Glenn Armstrong, CEO of Marine Cook Islands (MCI) -- the private entity that operates the Cooks vessel registry -- Rasmussen agreed that MCI's due diligence process leaves something to

be desired. He suggested a three-way meeting between GCI, NZ High Commission and MCI to discuss greater regulatory control.

9. (C) At a follow up meeting on April 12 with MFAT's Pacific Division Director Heather Riddell and other MFAT officials, Pol-Econ officer and Pacoff learned that a new Ships Registration Bill was to go before the Cooks Island Parliament the next week that is designed to strengthen the powers for the registry to cancel a registration. (NB: We are seeking through MFAT more information regarding the legislation text and its interpretation of potential impact.)

10. (C) MFAT also shared with us an e-mail from Glenn Armstrong that reinforces our concerns about the registry process. Armstrong notes that the registry's role is to ensure that a vessel is seaworthy and that the crew is competent to sail the vessel. He also says that while all/all Cook Islands-flagged vessels are owned by a "qualified person" or Cook Islands International Company, the Cooks Islands Trust performs contract management for 90-percent of these companies, the majority of whose owners are resident in the United States. The Cook Islands Trust told Armstrong that its due diligence involves obtaining information on the owners and directors of the companies, including full names and address, certified copies of passports, banks statements and utility bills. The Trust also requires applicants to sign a form confirming that they have not been convicted of any crime, investigated by a government agency or refused entry to another country. It does not appear that registration applicants are actually seen in person, that the vessels are physically inspected, or that there is criminal background check. (NB: On April 13, post forwarded a copy of Armstrong's e-mail to EAP/ANP (Ricci and Vajda), OES (Tousley) and USCG (Brad Kieserman).)

11. (SBU) Riddell says a lax CI vessel registry has long been a GNZ concern and is obviously an area where a bit of technical assistance could go a long way. Officials from both sides agreed that it could be valuable for all of us to work together in this direction.

Recommended Next Steps

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12. (C) Cooks officials clearly recognize they have a potential problem that if not addressed could shut down an important revenue source for their tiny nation. (Although the registry is private, some of its earnings go to the GCI.) Post believes we have a prime opportunity to address the weakness in the Cook Islands vessel registry in a cooperative, multilateral way that could serve as a model for an expanded effort in the Pacific region. The special constitutional relationship between New Zealand and the Cook Islands, as well as our ongoing efforts to improve US-NZ cooperation on Pacific Island security issues, makes New Zealand a natural partner in this process. Given that Australia has a patrol vessel deployed to the Cook Islands as part of its Pacific patrol boat program, Australia is also a logical partner, and Riddell said she would engage NZ's High

Commission in Canberra to assess Australian interest. Throw in Niue, another jurisdiction with which New Zealand has a special constitutional relationship, and any initiative to strengthen vessel registries begins to take on a critical mass.

13. (C) As one small step we can take to address this problem, Post recommends that we and other partners provide the Cooks with a third-party audit of the Cook Islands vessel registry. This would clean the slate for the registry and give them a sound baseline for going forward. Secondly, we should explore whether US officials could help the Cooks screen those registry applicants based in the United States. Thirdly, a multilateral assistance team of law of sea and maritime experts from New Zealand and United States could offer technical advise on legislative fixes and regulatory oversight. Finally, we should explore negotiating a pre-boarding agreement with the Cooks that would obviate the need to get GCI clearance every time we wish to board a vessel on the high seas. As MFAT points out, such an agreement in itself could provide a strong disincentive for drug runners to use Cooks-registered vessels.

14. (C) Post requests Department response to this proposed approach. We would also welcome any thoughts from Embassy Canberra.

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source:Embassy Wellington  
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STATE FOR P, EAP/FO, AND EAP/ANP  
STATE PASS TO USDA FOR FAS MIKE WOOLSEY AND...  
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STATE PASS TO USDA FOR FAS MIKE WOOLSEY AND JIM DEVER  
NSC FOR VICTOR CHA  
STATE PASS USTR  
OSD FOR USDP/APSA/SSEA JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/07/2017  
TAGS: PGOV, PREL, ETRD, MARR, NZ  
SUBJECT: DEFENSE AND TRADE MINISTER PHIL GOFF'S TRIP TO  
WASHINGTON

REF: A. WELLINGTON 194  
B. WELLINGTON 351

Classified By: Acting DCM Katherine B. Hadda,  
for reasons 1.4 (b) and (d).

1. (C) Summary: New Zealand's Minister for Defense and Trade Phil Goff sees his May 9-11 visit to Washington as a chance to build on the positive momentum created by PM Helen Clark's March visit (Ref A). On the Defense side, Goff will express hope that both countries can continue to identify joint areas of military cooperation as our resources and interests allow. He will stop short of offering any substantive suggestions for new areas in which to work together, recognizing that it will be up to the United States to decide what cooperation is feasible for us under modified waiver restrictions. Goff will also wish to talk about his recent trip to Afghanistan and his meetings with U.S. military officials there, as well as exchange views on the Pacific, Iran, and N.Korea. He will for political reasons raise NZ's interest in selling its retired A-4 planes, but not press the issue as he knows the USG review of the sale remains frozen. He will also emphasize that failure to sell the planes will not decrease NZ's long-range military spending increases.

2. (C) Goff realizes that U.S. officials will remain unable to consider a bilateral FTA with New Zealand absent renewal of Trade Promotion Authority, but he will stress that the GNZ remains strongly interested in starting negotiations as soon as possible. He will also wish to share views on prospects for successful conclusion of WTO Doha Round negotiations and discuss the U.S. Farm Bill. Goff, widely considered to be among the most intelligent and hard-working of Labour's MPs, will arrive ready to discuss issues in detail. End Summary.

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Defense and Security  
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3. (C) According to Ministry of Foreign Affairs and Trade (MFAT) and Ministry of Defence (MoD) officials, Minister Goff sees his visit as an opportunity to let Defense Secretary Gates, National Security Advisor Hadley, and other U.S. officials know that New Zealand is interested in strengthening bilateral military relations as part of our efforts to improve US-NZ ties. Goff will highlight the areas in which he believes New Zealand is adding value to regional and global security, and note the GNZ's interest in expanding cooperation where interests and policies allow. He will probably not suggest anything specific, however, in large part because he does not want to appear presumptuous about how we will wish to cooperate under a modified USG military waiver process. That being said, Goff will likely express appreciation for both the recent USG decision to streamline some waivers as well as the positive first round of NZDF-DoD working level consultations. He would value USG views on

both initiatives, but will probably not actively lobby for this, again in deference to us.

4. (C) Goff will stress that although New Zealand has only extended its military commitments in Afghanistan through September 2008, the Government intends to remain there for the foreseeable future, as long as needed. He will also wish to share his observations from his recent visit to Afghanistan, which included a visit to New Zealand's Provincial Reconstruction Team in Bamiyan as well as discussions with ISAF Commander McNeil and Ambassador Wood at a dinner that Goff hosted in Kabul. Finally, Goff will note that New Zealand understands and appreciates our desire that NZDF Special Forces return to Afghanistan, but will reiterate that this will not be possible for a year at minimum, given the NZDF's other regional commitments.

5. (C) Minister Goff will be interested in exchanging views on Iran and North Korea (NB: he is also the Minister for Disarmament) and the Pacific Island Countries. He will also raise E. Timor, where he will visit shortly after his trip to Washington and Paris. In his meeting with A/S Hill (and possibly Secretary Gates) he may raise New Zealand's application to sell its retired A-4 planes to a private U.S. company. He sees mentioning the issue as a political necessity, since the opposition National Party has criticized

the Government's inclusion of revenues from the sale in the NZDF's Long Term Development Plan (LTDP) budget. But Goff recognizes that the USG review of the sale is frozen for the foreseeable future, so will not press the matter. He will also stress that while the lack of a sale would affect NZDF's cash flow, it will not reduce the Government's LTDP budget or other military spending.

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Trade Issues  
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6. (C) New Zealand's economy remains relatively strong overall, with low unemployment and a projected 2007 GDP growth rate of 2%. But manufacturers and exporters are concerned about the highest interest rates in decades and record high NZ dollar exchange rate. Their worries are being exploited by the opposition National Party, which blames Labour government spending for the problems (Ref B). Recent NZ layoffs by manufacturers such as Fisher and Paykel in favor of cheaper Asian labor have added to the sense that New Zealand, with its open markets, is losing out to more protectionist and less developed economies. All this will be weighing on the mind of Minister Goff. He will make clear to US officials and Congressmen that while the GNZ recognizes that no Free Trade Agreement will be possible unless Trade Promotion Authority is renewed, New Zealand remains highly interested in starting negotiations as soon as possible. Goff will also be very interested in discussing prospects for a successful Doha round and will offer continued NZ assistance in that direction. He will also remind his interlocutors that collapse of talks could cause economic contractions in New Zealand and other small economies. He will be keen as well to share New Zealand's experience with



agricultural deregulation and to discuss the U.S. Farm Bill.

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Hard-Charging Phil Goff  
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7. (C) Although Goff seemed reluctant to cede his Foreign Ministry post after the 2005 general elections, he has by all accounts settled in well to his defense and trade portfolios. Although he has publicly disagreed with U.S. policies at times, Goff also often talks about his close ties to and admiration for the United States. His sister is married to an American and lives in California, and Goff may mention during his meetings that his four American nephews are all involved in the U.S. military. The eldest, having served in Iraq, is now heading to the DAO office in Embassy Bangkok; the second is to be deployed soon from Vincenze to Afghanistan; the third is at West Point, and the fourth is in the ROTC at the University of Southern California. Since being at the Ministry of Defence, Goff has also apparently had a similar revelation to PM Clark's about the depth and breadth of existing US-NZ military cooperation (Ref A), which he has now seen first hand. He has also noted to us many times that he appreciates the recent warming in US-NZ relations.

8. (C) Goff is extremely hard working, and pulls in long hours for both his Ministries as well as his constituents in the Auckland suburb of Mt. Roskill. (After the Ambassador's recent dinner hosted in Minister Goff's honor broke up at 10:30 pm, Goff returned to his office to work.) Goff shares PM Clark's gift for detail and he will be very well versed in all issues covered at his Washington meetings. He is also determined to succeed -- quickly -- at anything he tries. He recently told Emboffs that when he wished to try skydiving out of a military plane (his first jump ever), he opted for a water landing because that required only a day's training instead of the two-week course required to alight on land. He then negotiated the training down to two hours. He confessed to having been scared during the jump, but said mostly he was very focused on the job at hand. This sums up his working style in a nutshell.  
McCormick

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classification:CONFIDENTIAL  
reference:07SECSTATE67444  
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STATE FOR IO/FO, EUR/WE, EAP/CM, EAP/TC, AND EAP/ANP

E.O. 12958: DECL: 05/...

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STATE FOR IO/FO, EUR/WE, EAP/CM, EAP/TC, AND EAP/ANP

E.O. 12958: DECL: 05/24/2017

TAGS: PREL, EAGR, AORG, TW, CH, NZ

SUBJECT: NEW ZEALAND ON WORLD ORGANIZATION FOR ANIMAL  
HEALTH (OIE) AND CHINA/TAIWAN

REF: SECSTATE 67444

Classified By: Political-Economic Counselor Katherine B. Hadda,  
for Reasons 1.4 (b) and (c)

1. (C) This message contains an action request, at para 5.

2. (C) Summary: Until today (May 24), the GNZ had intended to abstain on the OIE resolution that would require Taiwan to participate under the name Taiwan, China. The Ministry of Foreign Affairs and Trade (MFAT) have now heard from the NZ Embassy in Washington that a new, compromise text has been

put forward by the United States and EU which is acceptable to both China and Taiwan. MFAT has asked the OIE Chair to clarify who has negotiated the text, and which Chinese and Taiwan officials have OK'd it. If all sides are really in agreement, MFAT will ask the Chair to ensure the new resolution is put forward. Post would also be happy to provide MFAT with any background information Washington could provide us. End Summary.

3. (C) On May 17, PE Couns shared reftel demarche on the PRC/Taiwan resolution with David Taylor, Director of MFAT's North Asia Division. On May 24, Taylor's Deputy Jane Mulryan told PE Couns that MFAT had just received an urgent message from Washington with a new resolution text, reportedly put forward by the US and EU and acceptable to both China and Taiwan. Mulryan said that MFAT has been unable to determine who actually negotiated the text, and whether the Chinese and Taiwan officials who endorsed it had the authority to do so. MFAT has asked for clarification from both the NZ Embassy in Washington and the OIE Chair (Barry O'Neal, a Kiwi). If the Chair can confirm that all sides are happy with the new resolution, MFAT will ask that he put the resolution forward. (NB: Mulryan also reminded PE Couns that although O'Neal is a New Zealander he is the Chair and does not represent (or formally answer to) the GNZ. End NB.)

4. (C) Mulryan said that before this latest development, MFAT had planned to ask Ministers to permit the NZ delegation to abstain on the resolution. Now, Ministers have also been asked to give the delegation flexibility to vote for a new

text if one is put forward that both China and Taiwan can agree to without splitting apart the organization. Mulryan also said that she expects that Chinese officials will raise this issue with Foreign Minister Peters, who is currently on official travel in Beijing. She anticipates that the PRC will be surprised that New Zealand plans to abstain on the original resolution if it is not replaced. PRC officials have reportedly said they have enough OIE votes to pass the original resolution, and have made it clear that they will consider any abstentions as a "no" vote for China. Taiwan, on the other hand, will consider any abstentions very positively, Mulryan said. She also said that the Japanese Embassy had also contacted her to urge that New Zealand vote to remove the original PRC resolution from the ballot.

5. (C) Action request: Post would be happy to back-stop MFAT's search for background information about the new resolution if helpful to Washington. Please provide us with any information you would like us to share from this end. End action request.  
Keegan

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RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE  
classification:CONFIDENTIAL  
reference:  
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NSC FOR VICTOR CHA  
OSD FOR JESSICA POWERS AND ...  
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STATE FOR EAP/FO AND EAP/ANP  
NSC FOR VICTOR CHA  
OSD FOR JESSICA POWERS AND LIZ PHU  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/25/2017  
TAGS: PREL, MARR, NZ  
SUBJECT: NZDF TO PROVIDE P-3 ORION TO PSI EXERCISE

Classified By: ACTING DCM KATHERINE B. HADDA,  
FOR REASONS 1.4 (B) AND (D)

1. (C) NZDF Director of International Defence Relations Wayne

Higgins told Emboffs today that Chief of Defence Force Mataparae has approved an NZDF P-3 Orion's participation in a regional, Operations Expert Group (OEG)-led PSI exercise, to be held in Japan October 15-18. The decision was made following a request from Japan. Higgins said that it would be a struggle for NZDF to contribute the plane given the Orion upgrades now underway, but when Japan stepped up to host the exercise the GNZ wanted to offer support. He added that NZDF gives priority to contributing assets to regional PSI exercises, given that New Zealand, Australia, Japan, and Singapore are the only Asia-Pacific regional OEG members.

2. (C) Higgins said NZDF is informing the Embassy of the decision now in order to give the USG ample time to process any necessary waivers for U.S. participation in the exercise. They will also pass this information to U.S. officials through the NZ Embassy in Washington.

Keegan

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classification:CONFIDENTIAL  
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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000400

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NSC FOR VICTOR CHA  
STATE PASS USTR  
OSD FOR USDP/APSA/SSEA JESSICA POWERS  
PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: DECL: 05/25/2017  
TAGS: PREL, PGOV, ETRD, MARR, EAGR, OVIP, KCMR, EWWT, KTIA,  
PHSA, PBTS, SNAR, NZ  
SUBJECT: EAP/ANP DIRECTOR MCGANN'S MAY 21 VISIT TO  
WELLINGTON

REF: WELLINGTON 316

Classified By: Acting DCM Katherine B. Hadda,  
for reasons 1.4 (b) and (d)

1. (C) Summary: During his May 21 visit to Wellington, EAP/ANP Office Director C. Steven McGann and GNZ counterparts agreed to work towards firm messages on Fiji, the Solomon Islands, Pacific Island Forum (PIF) reform, and other regional issues at October's PIF meetings in Tonga. They also exchanged information about their assistance to the Pacific Islands as well as regional economic opportunities such as the construction of the U.S. military base in Guam. Building on the improvement in US-NZ bilateral cooperation over the past 10 months, McGann and GNZ officials agreed to explore joint approaches to problems in the Pacific Islands, Homeland Security, and Antarctic issues. NZ Defence Officials told McGann that the GNZ recognizes it must make NZ Military capabilities and plans clear to U.S. counterparts in the coming months. End Summary

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KEEPING IN TOUCH ON PACIFIC ISSUES  
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2. (C) At a Ministry of Foreign Affairs and Trade (MFAT) roundtable McGann and Embassy officials traded notes with Deputy Secretary Alan Williams and other GNZ officials on the recent Pacific Island Leaders Conference (PICL) in Washington. They observed the PICL helped clarify for participants that U.S. regional assistance is moving towards capacity building, technical cooperation, and developing trade and economic opportunities. By discussing with them pressing problems outside the region, including Iraq and N.Korea, the Pacific Leaders realized their views are taken seriously by USG officials. The conference also highlighted the potential USD 14 billion in opportunities that the construction of the new U.S. military base in Guam would create for Pacific Island Country (PIC) businesses. Both sides agreed that the Core Partners meeting on the margins of the PICL allowed China and other participants to take a unified approach to regional donor assistance. Approving the EU's benchmark approach also allowed the donors to send a potent message that Fiji's interim government must return to democracy. McGann noted with appreciation NZAID Pacific Director Craig Hawke's visit to the Millennium Challenge Corporation while in Washington, as coordination will allow us to maximize the impact of US-NZ assistance.

3. (C) Both sides agreed US-NZ officials must keep in close contact to ensure that the October PIF calls for progress on Fiji, PIF reform, support for the Regional Assistance Mission Solomon Islands (RAMSI), good governance, and other regional issues. Looking forward, Williams said that Papua New Guinea (PNG) will hold elections before the October PIF meetings, and that could affect the solidarity of the Melanesian Spearhead Group on Fiji and other issues. All agreed it was important to send a consistent, tough message to Fiji, as this will make clear to the Solomon Islands and PNG that they, too, are on the hook to reform. Williams said that the recent Solomon Islands Tsunami has helped check deteriorating

GOSI-RAMSI relations, and PM Sogavare is now even saying he'd accept a RAMSI close protection unit instead of one from Taiwan. GNZ expressed concerns about the new, Fijian Solomon Islands Police Chief, but said they were trying to keep an open mind. As for Fiji itself, Williams said the GNZ is "somber" as they see little progress there. NZ diplomats in Suva report that the Cabinet is fractured and the economy is weak.

4. (C) McGann explained that the proposed USG draft Regional Maritime Law Enforcement Agreement now under review by the Quad 1 countries (US, UK, France, NZ, and Japan) would strengthen existing bilateral and Quad maritime cooperation. The draft is still just a discussion paper, however, and U.S.

WELLINGTON 00000400 002 OF 002

officials are very interested in exchanging views with other Quad members via a "virtual working group." U.S. officials would also be happy to come to New Zealand to explain the draft. Hawke said a virtual working group focused on technical issues would be helpful. GNZ officials believe sharing background information with PICs and other simple measures could help the Islands develop the capacity to enforce any agreement. Both sides highlighted recent problems with Cook Island vessels registration (Reftel) as an example of why an agreement would be useful.

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BILATERAL TIES: WHERE TO FROM HERE?  
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5. (C) At a follow-on meeting on bilateral issues chaired by MFAT America's Division Carl Worker, all agreed that PM Clark's March visit to Washington was a milestone. They also agreed Embassy Wellington, MFAT, and the Ministry of Defence would draft a conceptual framework for longer-term cooperation, particularly on security issues. Initiatives could include annual consultations on Pacific Island issues; developing means to coordinate on regional flare ups; working to create a regional police force to help stabilize PIC governments in crisis; cooperation on regional Homeland Security issues such as trafficking in persons; and creating public events around the US-NZ Antarctic programs. The group also reviewed upcoming bilateral visits and meetings, including Opposition Leader John Key's trip to Washington in late June, July 9-10 Trade and Investment Framework Agreement (TIFA) talks in Wellington, and OSD BG Toolan's visit to Wellington in late July/early August, and Trade/Defence Minister Goff's November visit to the Seattle Export Year Trade Mission.

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A REALISTIC LOOK AT SECURITY COOPERATION  
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6. (C) McGann also met with Defence Secretary John McKinnon, who had recently accompanied Defence Minister Goff to Washington. McKinnon said that from a Ministry of Defence view, both the Prime Minister's and Defence Minister's visit

had been very helpful. He also said the GNZ was very pleased with recent working-level US-NZ consultations at the Pentagon, noting that OSD's Jessica Powers and others had shown a real disposition to work with New Zealand without losing sight of possible difficulties. McKinnon said that MoD was now taking a hard look at the things the NZ military is currently doing, the things they might want to do in the future, and the things they probably will not be able to do in the near and medium term. McKinnon said the GNZ would let US officials know which things fall in the latter category, in order to prevent misunderstanding.

MCCORMICK

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EAP/ANP, SCA/FO

E.O. 12958: DECL: 06/13/2017  
TAGS: PREL, PGOV, ...  
▼ C O N F I D E N T I A L WELLINGTON 000436

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EAP/ANP, SCA/FO

E.O. 12958: DECL: 06/13/2017  
TAGS: PREL, PGOV, MARR, MOPS, NZ  
SUBJECT: DEMARCHE REGARDING SHANGHAI COOPERATION  
ORGANIZATION (SCO) SUMMIT

REF: SECSTATE 80727

Classified By: Acting DCM Katherine B. Hadda, Reasons 1.4 b, d

(C) ADCM and A/P-E Counselor delivered demarche points in Reftel on June 13 to Paul Ash, Deputy Director of International Security and Disarmament Division at New Zealand's Ministry of Foreign Affairs and Trade (MFAT). Mr. Ash expressed appreciation for the background and indicated he would disseminate our concerns among MFAT and Defence officials. Embassy will follow-up with MFAT to learn of any response from their interlocutors.

MCCORMICK

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reference:07STATE71547  
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STATE FOR EUR/FO, EAP/FO, SA/FO, EUR/RPM, EAP/ANP, SCA/A

E.O. 12958: DECL:...

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STATE FOR EUR/FO, EAP/FO, SA/FO, EUR/RPM, EAP/ANP, SCA/A

E.O. 12958: DECL: 06/14/2017

TAGS: NATO, PINS, PREL, MOPS, MARR, AF, NZ

SUBJECT: GNZ ON NATO/ISAF REQUESTS

REF: STATE 71547

Classified By: Acting DCM Katherine B. Hadda,  
for reasons 1.4 (b) and (d)

1. (C) Acting DCM and A/P-E couns delivered reftel request to Paul Ash, Deputy Director of the Security Policy and Disarmament Division at the Ministry of Foreign Affairs and Trade. We conveyed Washington's appreciation for New Zealand's continued positive role in Afghanistan.

2. (C) Ash said that although New Zealand cannot commit additional military forces, GNZ officials will review the request list carefully to see if there are any possible contributions that the GNZ can make. He also said that New Zealand is about to start its annual Cabinet-level review of Peacekeeping Operations. One goal of this year's review will be to improve coordination among Ministries so that all NZ officials are better informed about -- and can better explain to us -- New Zealand's military and non-military contributions to global PKO activities.

3. (C) FYI: Ash will leave Wellington in December for Brussels, where he will serve as NZ's Deputy Chief of Mission. End FYI.

MCCORMICK



date:2007-07-06T05:49:00  
source:Embassy Wellington  
origin:07WELLINGTON496  
destination:VZCZCXYZ0000 OO RUEHWEB DE RUEHWL #0496 1870549 ZNY CCCCC  
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IMMEDIATE 4439 INFO RUEHLB/AMEMBASSY BEIRUT IMMEDIATE 0005  
RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 4881  
classification:CONFIDENTIAL  
reference:07SECSTATE93173  
☐ C O N F I D E N T I A L WELLINGTON 000496

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STATE PASS TO NATO EU COLLECTIVE AND ARAB LEAGUE COLLECTIVE

E.O. 12958: DE...

▼ C O N F I D E N T I A L WELLINGTON 000496

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STATE PASS TO NATO EU COLLECTIVE AND ARAB LEAGUE COLLECTIVE

E.O. 12958: DECL: 07/05/2017

TAGS: MARR, MASS, MOPS, PGOV, PREL

SUBJECT: DEMARCHE FOR LEBANESE ARMED FORCES: TRANSFERRING  
SURPLUS AMMUNITION

REF: SECSTATE 93173

Classified By: DCM David J. Keegan, for reasons 1.4(b), (d)

(C) Acting Pol/Econ Chief delivered reftel demarche to Paul Ash, Acting Deputy Director for Defence and Security at the New Zealand Ministry of Foreign Affairs (MFAT) on July 5. Mr. Ash informed Embassy that the New Zealand Defence Forces do not use 155mm HE Deep Cavity howitzer rounds and there are no stocks of 105mm HEAT or HEP-T currently in stock. Per Mr. Ash, there are also no domestic capabilities to manufacture this ammunition. New Zealand New Zealand receives its supply of 105mm ammunition from Canadian sources.

KEEGAN

date:2007-08-05T20:03:00  
source:Embassy Wellington  
origin:07WELLINGTON560  
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IMMEDIATE 4527 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 0339  
RUEHBY/AMEMBASSY CANBERRA PRIORITY 4899 RUEHLO/AMEMBASSY LONDON  
PRIORITY 0165 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0290 RUEHFR/AMEMBASSY  
PARIS PRIORITY 0299 RUEHKO/AMEMBASSY TOKYO PRIORITY 0632 RUEHIN/AIT  
TAIPEI PRIORITY 0076 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0088  
classification:CONFIDENTIAL  
reference:07SECSTATE106458  
☐ C O N F I D E N T I A L WELLINGTON 000560

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STATE FOR IO/UNP, EAP/CM, EAP/TC AND EAP/ANP

E.O. 12958: DECL: 08/03/2017 ...

▼C O N F I D E N T I A L WELLINGTON 000560

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STATE FOR IO/UNP, EAP/CM, EAP/TC AND EAP/ANP

E.O. 12958: DECL: 08/03/2017

TAGS: PREL, CH, TW, AS, NZ, UN

SUBJECT: NEW ZEALAND REACTION - CORRECTING UN REFERENCES TO  
TAIWAN

REF: SECSTATE 106458

Classified By: Charge David J. Keegan for reasons 1.4 (b) and (d).

1. (C) Acting PolEcon Counselor Tom Walsh delivered demarche points (reftel) to Jo McLeod, Policy Officer in the North Asia Division of the Ministry of Foreign Affairs and Trade, on August 2.

2. (C) The MFAT officials said that they have taken our recommendation under advisement but that they could not immediately commit to make representations to the UNSYG. MFAT told Embassy that they are actively consulting with the NZ mission to the UN on how best to handle this issue. They indicated nonetheless that they completely understand and share our objectives. MFAT has promised to provide a more specific reply as soon as possible.

3. (SBU) Background on New Zealand's diplomatic relations with PRC: The Joint Communique on the Establishment of Diplomatic Relations between New Zealand and the People's Republic of China (signed December 1972) sets out the formula for mutual recognition of New Zealand and the PRC. The relevant wording in the Joint CommuniquQ is as follows: "The Chinese Government reaffirms that Taiwan is an inalienable part of the territory of the People's Republic of China and that Taiwan is a province of the People's Republic of China." The New Zealand Government acknowledges this position of the Chinese Government. The New Zealand Government recognizes the Government of the People's Republic of China as the sole legal government of China."  
KEEGAN

date:2007-08-14T21:02:00

source:Embassy Wellington

origin:07WELLINGTON589

destination:VZCZCXRO0149 PP RUEHDE DE RUEHWL #0589/01 2262102 ZNY

CCCC ZZH P 142102Z AUG 07 FM AMEMBASSY WELLINGTON TO RUEHC/SECSTATE

WASHDC PRIORITY 4571 INFO RUEHAD/AMEMBASSY ABU DHABI 0025

RUEHBY/AMEMBASSY CANBERRA 4915 RUEHDE/AMCONSUL DUBAI 0006 RHEFHLC/DEPT OF HOMELAND SECURITY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHDC RULSDMK/DEPT OF TRANSPORTATION WASHDC RUEAIIA/CIA WASHINGTON DC classification:CONFIDENTIAL

reference:

☐ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000589

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E.O. 12958: DECL: 08/14/2027

TAGS: EINV, EAIR, PREL, NZ, AE...

▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000589

SIPDIS

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E.O. 12958: DECL: 08/14/2027

TAGS: EINV, EAIR, PREL, NZ, AE

SUBJECT: NEW ZEALAND - DUBAI BID FOR AUCKLAND AIRPORT RUNS UP AGAINST POPULIST POLITICS

Classified by Consul General John Desrocher for reasons 1.4 (b) and (d).

This message was drafted by ConGen Auckland and approved by Embassy Wellington.

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Summary  
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1. (C) A Dubai company's bid to purchase New Zealand's biggest airport has encountered strong public opposition to sale of "the family silver" to a foreign company. While anti-Arab sentiment plays some part, the real root of the opposition lies in the popular perception that the government botched previous privatizations. Overwhelming public opposition, which says a lot about Kiwi ambivalence to globalization, means that the Dubai company is unlikely to get the local political support it needs to make the complicated transaction work. End summary.

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Barbarians at the Gate  
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2. (SBU) A Dubai company's bid to purchase a majority shareholding in Auckland's airport ran into trouble as soon as it was made public. The board of Auckland International Airport Ltd. (AIAL) announced July 22 its support for the Dubai Aerospace Enterprise (DAE) offer; seven other potential buyers have expressed interest in the airport. DAE is controlled by Dubai's ruling al Maktoum family. About 23% of AIAL's shares are owned by two of the four cities that make up the greater Auckland metropolis, Manukau City (where the airport is located) and Auckland City. Remaining shares are publicly traded on New Zealand and Australian stock exchanges. Under the complicated terms of the transaction,

DAE would have to gain 75% shareholder support to purchase 51-60% of AIAL for a total cost of NZD 2.6 billion (approximately USD 2 billion). Shareholders will vote on the deal in November.

3. (SBU) Reaction from the public and from politicians was swift and almost entirely negative. Letters to the editor ran overwhelmingly against the sale. Manukau Mayor Sir Barry Curtis, a politician from the traditional left who is expected to retire soon after running Manukau for 24 years, expressed vehement opposition to the sale, noting how much in dividends Manukau City had earned from its investment over the years. Auckland Mayor Dick Hubbard, a first-term politician from a business background who will seek reelection in October, waffled. All but one of the candidates seeking to succeed Curtis and Hubbard in upcoming local elections expressed opposition. The only one to support the sale was long-shot Auckland mayoral candidate Steve Crow, owner of New Zealand's largest chain of "romantic accessories" stores and sponsor of an annual topless motorcycle rally in Auckland.

4. (C) The opposition in Auckland was mirrored at the national level. The DAE bid was a godsend for Foreign Minister Winston Peters, head of the New Zealand First party. In recent polling, New Zealand First has been languishing below the 5% threshold of support required for parliamentary representation; the DAE bid was perfect fodder for Peters' brand of populism. The governing Labor Party has taken a neutral stand, citing its obligation to be an independent regulator of the airport, though PM Helen Clark shed her neutrality long enough to note that "in general, people don't like their public assets privatized," a sentiment later affirmed by Trade Minister Phil Goff. National Party leader John Key said that, in principle, he would like to see the airport stay in New Zealand hands. A Green Party MP plans to introduce legislation giving Wellington the power to block the sale. (Comment. The fact that AIAL, with 77% of its shares traded on open markets, is already private and possibly foreign-owned seems almost forgotten in the current debate. End comment.)

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Not Simply Anti-Arabism  
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5. (SBU) Anti-Arab sentiment played a part in the public reaction, as evident in some of the more overwrought letters

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to the editor. (One suggested that DAE would not allow Jews to use the airport.) However, public opposition goes beyond ethnicity. A poll taken in June when the only bidder on the airport was a Canadian pension fund revealed that 84% of Manukau and Auckland residents opposed sale of their councils' AIAL shares, with an equal proportion of the broader New Zealand public opposing sale of the airport to a single foreign entity. A more recent poll revealed 81% disapproval of the DAE bid. It is also worth noting that

few, even among vehement opponents of the deal, have argued that putting the airport in "Arab control" would make the facility less secure or somehow expose New Zealand to a greater terrorist threat.

6. (SBU) The real source of public opposition is New Zealanders' recollection of past privatizations. Much of the commentary since the DAE announcement has called attention to the sale in the 1980s of the state-owned phone company, railway, postal bank, insurance company, forestry corporation, Bank of New Zealand, and Air New Zealand. In the popular mind, buyers (often foreign) stripped these companies of assets, or ran them into the ground, or both. Similarly, that all of New Zealand's significant newspapers, banks and supermarkets are foreign-owned breeds suspicion and resentment.

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Those in Favor  
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7. (SBU) Not all voices are opposed or silent. Editorials in the country's two biggest newspapers, the Herald and Dominion Post, urged that the bid be judged on its merits. Free market economists poke holes in the anti-DAE arguments. They argue that problems in the 1980s were not due to sales to foreigners per se, but rather due to poor government management of the process. As a result, the phone company, for example, simply went from being a badly-run state enterprise to a badly-regulated private monopoly. They point out that other countries have sold airports to foreign buyers without the sky falling in. Heathrow is owned by a Spanish consortium and New Zealand's Infratil owns airports in Kent, Glasgow and Luebeck. They also claim that AIAL is not particularly well-run. It collects stiff fees (Air New Zealand is suing over AIAL's latest landing fee hike), but lacks the amenities one would expect from an OECD country's gateway airport - it has no brand-name hotel, no rail link to the city, and a road link often so clogged that getting to and from the airport is more easily accomplished by navigating through suburban neighborhoods.

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Comment  
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8. (C) Reaction to the DAE bid shows how ambivalent New Zealanders are about globalization. Most Kiwis understand that countries with thriving economies are those that are open to the world. So in public they recognize that the country needs immigrants to replace the thousands of young Kiwis who emigrate each year, but they mutter in private (and sometimes publicly) that Asians are lousy drivers and are bidding up real estate prices. They insist that they want an FTA with the U.S. but reject on largely nationalistic grounds a reasonable and cost-saving proposal to set up a joint drug testing agency with Australia. Their own airport company owns facilities abroad, but their foreign minister describes the proposed sale of New Zealand's airport, inevitably described as "a strategic asset" or "the family silver," as "economic treachery."

9. (C) DAE's bid probably will not succeed. Under the complicated terms of its proposal (apparently cheaper for DAE than simply going to the market to buy 51% of openly-traded shares), DAE needs the support of at least one of the two city councils. While it could technically reach 75% shareholder support without the 23% of shares owned by Manukau and Auckland, most commentators believe that gaining the support of virtually all of the holders of publicly-traded shares is just too high a bar to overcome.

10. (C) Manukau Mayor Curtis has already made clear where he stands. Auckland Mayor Hubbard, a businessman, is probably philosophically open to the sale, but he faces a tough reelection campaign and will probably bend to popular will.

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The major national parties will be reluctant to get involved. One National MP told Auckland PO that, while he is depressed that the DAE bid is not being considered on its commercial merits, his party will certainly lie low and say as little about the situation as it can get away with. Against all this, the support of a few liberal economists, newspaper editorial writers, and New Zealand's leading pornography vendor is probably little consolation to DAE.  
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date:2007-08-30T19:47:00  
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 RUEHNE/AMEMBASSY NEW DELHI 0139 RUEHOT/AMEMBASSY OTTAWA 0295  
 RUEHPB/AMEMBASSY PORT MORESBY 0677 RUEHUL/AMEMBASSY SEOUL 0263  
 RUEHSV/AMEMBASSY SUVA 0627 RUEHKO/AMEMBASSY TOKYO 0648 RUEHBN/AMCONSUL  
 MELBOURNE 0114 RUEHBAD/AMCONSUL PERTH 0027 RUEHDN/AMCONSUL SYDNEY 0573  
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 WASHDC  
 classification:CONFIDENTIAL  
 reference:07STATE56424  
 □ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000653

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NSC FOR WILL INBODEN; G FOR PAUL LETTOW; EAP FOR RSP

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▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000653

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NSC FOR WILL INBODEN; G FOR PAUL LETTOW; EAP FOR RSP

E.O. 12958: DECL: 07/30/2017  
TAGS: PGOV, PHUM, NZ, KDEM  
SUBJECT: ASIA DEMOCRACY PARTNERSHIP PITCHED TO NEW ZEALAND

REF: STATE 56424

Classified By: Poloff Gary Rex, for reasons 1.4(b) and (d)

1. (C) SUMMARY: On July 23 and 24, National Security Council Senior Director William Inboden and Senior Advisor Paul Lettow from the State Department's Global Affairs Bureau briefed the U.S. proposal for an "Asia Democracy Partnership" (ADP) (reftel) to the Ministry of Justice (MOJ), the Ministry of Foreign Affairs and Trade (MFAT), and with John Hayes, an opposition party spokesman for foreign affairs. MFAT and MOJ officials posed questions about how the initiative could be most practically structured and implemented. MFAT officials stated that New Zealand was in complete agreement with the goal of ADP and is likely to participate from the beginning, though the GNZ has not yet made a decision. At the same time, MFAT desires to continue discussions with the USG to address "modalities" and questions relating to the South Pacific. END SUMMARY.

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ADP PRESENTATIONS  
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2. (SBU) Inboden and Lettow provided three separate briefings on the concept of ADP: to a roundtable organized by MOJ; to a roundtable organized by MFAT; and to MP John Hayes. Inboden and Lettow first explained the genesis and purpose of ADP, which emerged from the lack of a central resource to coordinate and promote democracy programs in the Pacific region. They explained that ADP would provide a forum and a structure for prioritizing and coordinating such programs among donor nations and for receiving requests for assistance from nascent and struggling democracies in the area. Membership in ADP would be by invitation only. Inboden/Lettow described ADP as being demand driven and modular, similar to the Tsunami core group, and explained that it would not function to raise funds, establish a secretariat or implement military or other sanctions. The

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next step would be to establish an ADP "core group" at the upcoming Community of Democracies meeting in Bamako in November 2007. That group would invite potential members to an organizational and planning meeting in January/February 2008 at a location to be determined. Inboden and Lettow reported that India was supportive of the ADP concept, that Indonesian parliamentarians embraced the idea, and that the Japanese and Canadian governments also favored the plan. The Australian government, they added, is currently studying the proposal but is positive about it.

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MINISTRY OF JUSTICE BRIEFING  
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3. (C) Officials representing MOJ consisted of Gregor Allan (Manager, International Law), Boris van Beusekom (Senior Advisor, International Law), Stuart Beresford (Manager, Public Law), Malcolm Luey (Manager, Criminal Law), Kelvin Ratnam (Senior Advisor, Criminal Law), Chelly Walton (Criminal Law Team), and Professor Jim Veitch (Victoria University and MOJ Consultant). The MOJ interlocutors commented that many small Pacific countries are already overburdened with reporting and fora responsibilities, some of them duplicative, and it is important to not add to that burden. They also stated that ASEAN currently has hundreds of committees with plenty of talk and no action. It would be counterproductive to undercut existing processes, though the proposal should move forward if the new process has a positive effect, perhaps using the Pacific Island Forum as a good model. They also pointed out that some coordination in this subject is already occurring within the Asia Development Bank, and similar organizations. Adding the word "Pacific" to the title of ADP was recommended as well, if the organization is serious about including the entire region.

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MINISTRY OF FOREIGN AFFAIRS AND TRADE BRIEFING  
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4. (C) Officials representing MFAT included Carl Worker (Director, Americas Division), Elizabeth Halliday (Co-director, Americas Division), David Taylor (Director North Asia Division) and Rupert Holborow (APEC Directors), Tim McIvor (Asia Division), and Rich Woodham (NZAID). They raised several issues relating to ADP membership, and asked how membership would be determined? Would only states be invited? For example, what about Taiwan and Hong Kong? They commented that use of the term "Asia" in the organization's title would not seem to cover Australia, New Zealand, the Pacific Islands or, for that matter, the U.S. and Canada, and suggested the term "Asia-Pacific" in the organization title. They also commented that a narrow invitation-only membership could create problems. For example, Indonesia would naturally want to become a member, Malaysia would expect to be invited, and China might expect to be involved as well. They stated that China's response to ADP would be critical, and even the use of the term "democracy" within the ADP title could be problematic for China. Furthermore, they asked how ADP would involve the large number of civil society organizations which play a significant role in supporting good governance within the region?

5. (C) MFAT representatives also expressed concern about duplication of effort, noting that ASEAN already works to address good governance issues among its members. They suggested that ADP's integration within the ASEAN framework would be crucial. Woodham of NZAID stressed the already ongoing efforts of the Pacific Island Forum's Secretariat (PIF) and its initiatives in building democratic institutions in Pacific Island countries as possibly being duplicative. MFAT officials emphasized that they supported the goals of



ADP, but that the structure and process raised some questions. In the words of one MFAT interlocutor, "This is a mine field. The goal is fine, but the process and details will be difficult to work out. The challenge is how to do it without creating more problems."

6. (C) Carl Worker, Americas Division Director, stated that the GNZ desires to be closely abreast of USG efforts in this area, and that MFAT will consult internally on the proposal. He said he has every expectation that New Zealand will join on. He asked that the U.S. keep New Zealand informed as planning for the initial stages of the ADP goes forward.

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INBODEN AND LETTOW REPLY TO MOJ AND MFAT QUESTIONS  
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7. (SBU) Inboden and Lettow responded to comments by MOJ and MFAT by emphasizing that the ADP would merely help to prioritize and coordinate programs promoting democracy in the region, and would operate without a secretariat or formal structure that might overlap or encumber the activities of other multilateral frameworks. The ADP structure would be flexible and action-oriented, with the intent of supplementing the efforts of existing organizations, and not duplicating them. Participation would also be "modular" (meaning that participants could opt-in or opt-out of particular programs as they desire) and demand driven (meaning that ADP activities would be determined largely by the expressed needs of nations requesting assistance). NGOs and other civil society partners that support democracy programs would, of course, be invited to participate in ADP efforts. Inboden and Lettow also recommended that the initial efforts of ADP should modestly target "low-hanging fruit" -- that is, easy to accomplish projects such as facilitating parliamentary exchanges, or helping to establish effective civil/military relations.

8. (SBU) Regarding the name of the organization and whether 'Pacific' should be included in the title, Inboden and

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Lettow expressed openness to other monikers. In any event, they emphasized that the name should not stand in the way of going forward and that the USG is willing to consider other titles.

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MP JOHN HAYES' BRIEFING  
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9. (C) John Hayes commented that the concept and goal of ADP would obviously receive widespread endorsement. However, according to Hayes, the Pacific is already crowded with similar regional architectures promoting democracy and good governance. Small Pacific nations have limited ability to participate in yet another regional forum. He cautioned that any such initiative must demonstrate political accountability

and the capacity to make a significant difference. In order to produce gains, Hayes suggested that ADP must have direct ministerial-level participation and backing. Inboden and Lettow both assured Hayes that the ADP would have full senior level support within the NSC and State Department.

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LATER COMMENT FROM MFAT  
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10. (C) on August 17, in a subsequent private conversation between Carl Worker and DCM Dave Keegan, Worker stated that while the GNZ has not yet made a decision on ADP, he could not imagine that NZ would not participate. Although, according to Worker, without Indonesia's participation it will be difficult for other nations to join. He commented that the GNZ shares the same objectives with respect to ADP and is supportive, but the GNZ still has questions relating to "modalities" and to the South Pacific, and wants to have more constructive discussions on the subject when the USG is ready. "We're in much the same space on this as Australia," he added.

11. (U) Senior Advisor Paul Lettow has cleared on this message.  
KEEGAN

date:2007-09-04T23:03:00  
source:Embassy Wellington  
origin:07WELLINGTON658  
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RUEHSV/AMEMBASSY SUVA PRIORITY 0630 RUEHGP/AMEMBASSY SINGAPORE  
PRIORITY 0504 RUEHBJ/AMEMBASSY BEIJING PRIORITY 0358 RUEHIN/AIT TAIPEI  
PRIORITY 0088 RUEHPB/AMEMBASSY PORT MORESBY PRIORITY 0680  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000658

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C-041-07

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STATE FOR EAP/ANP  
OSD FOR JESSICA POWERS USDP/A..  
▼ C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 000658

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C-041-07

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STATE FOR EAP/ANP

OSD FOR JESSICA POWERS USDP/APSA/SSEA

E.O. 12958 : DECL: 08/24/2014

TAGS: PREL, MARR, NZ

SUBJECT: BGEN TOOLAN (OSD) VISIT TO NEW ZEALAND

Classified By: DCM David Keegan; Reason 1.4 (A, B and D)

1. (C) Summary. Brigadier General John Toolan's visit marked the highest level OSD visit to New Zealand in years. The General met with the leadership of the New Zealand Defense Force and Ministry of Defense, including Chief of Defense Force (CDF) LTGEN Jerry Mateparae, Secretary of Defense John McKinnon, and Chief of Navy, RADM David Ledson. He met with other senior MoD personnel, GNZ intelligence and police officials, and discussed the range of bilateral security and intelligence sharing activities. BGen Toolan met with the Ministry of Foreign Affairs (MFAT) and the Ministry of Agriculture and Fisheries (MAF) regarding aircraft sovereignty issues, which have now been resolved. MOD officials outlined the challenges facing New Zealand's military in the coming decade, GNZ concerns surrounding instability in the Pacific and long-term demand on New Zealand security forces, a fear of ungovernable spaces in the region and the ill effects of China-Taiwan competitive diplomacy in the Pacific Island arena. GNZ interlocuters were unanimous in their support for greater USG/GNZ synergy on security issues and applauded the improving bilateral relationship. End Summary.

Toolan Discusses Full Range of Defense Issues with GNZ Officials  
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2. (C) Brigadier General John Toolan, Principal Director of OSD's Office of South and Southeast Asia in Asian and Pacific Security Affairs, visited Wellington on 10 August and Auckland on 11 August. After an Embassy country team briefing, the General attended a Defense roundtable discussion chaired by Deputy Secretary of Defense Chris Seed and Vice CDF Air Vice-Marshal David Bamfield. Discussions included New Zealand's military modernization programs in the 2009-2010 timeframe (after the 2008 national elections); New Zealand's possible uses for its new multi-role vessel and two off-shore patrol vessels; disaster relief using the Pacific Island Forum as a vehicle; and security discussions surrounding several key South Pacific islands, including Fiji, the Solomon Islands, Timor Leste, and Tonga.

3. (C) Seed explained that the New Zealand military has reconfigured and realigned itself to allow for greater commitment to areas of risk and instability, due to New Zealand's recognition of its regional and global obligations. Seed said that the policy decisions largely were borne out of New Zealand's need to extend its sovereignty and protect its interests with respect to the large growth in the flow of illegal immigrants and narcotics in the region, and the sheer volume of ships moving through the southern Pacific. In addition, there may be times, such as in the case of

Afghanistan, where New Zealand will contribute to global security operations outside its normal sphere. In response to Toolan's question regarding sustainability of GNZ expenditures on the military, Bamfield noted that the MOD is into year three of its 10-year funding program, and so far the Government is holding to it. New equipment for the air force is still a couple years out for delivery; the new Navy is still three years away. While continued funding is always a concern, a greater challenge is recruitment and retention of qualified personnel. Bamfield added that the current reconfiguration plan will address the present generation of needs but there will be a different set of needs by 2015, including replacement of aircraft. In order to plan properly, the GNZ will need to begin planning in 2009/2010.

4. (C) In addition to personnel and finance issues, MOD officials noted that pre-2006 assumptions about stability in the Pacific had proven wrong. Beginning in 2006, the GNZ had witnessed increased demands on its security services in four areas: the Solomon Islands, Tonga, Fiji, and Timor Leste. Both Australia and New Zealand are now grappling with the responsibility of being the long-term security guarantors in

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multiple islands, which is also stretching resources and personnel. Chris Seed added that the political instability of the last two years had also reinforced the need to plan for evacuation of personnel, as well as to respond effectively to natural disasters. Seed mentioned that the GNZ and the Australian government are working on a model evacuation plan for the Fiji islands; Toolan responded that PACOM has evacuation plans for Fiji and other areas he said that such plans should be shared. Seed welcomed the idea, and said that once New Zealand and Australia are finished comparing notes, they should jointly approach PACOM.

5. (C) Both Seed and MOD Director for International Relations Wayne Higgins flagged GNZ concern over the Pacific Island militaries. Higgins offered that in his view, current Tongan Defense Service expansion plans are unrealistic and the role of the military in domestic security matters seems inappropriate to New Zealand. David Bamfield added that whenever the GNZ raises concerns regarding Pacific Island military forces with the respective governments, they inevitably raise China or Taiwan as alternative supporters. Toolan responded that the USG had put Taiwan on notice, and had urged them to play a more responsible role in conducting diplomacy in the Pacific region. Chris Seed suggested that such issues might be usefully discussed in greater depth at the March 2008 Quadrilateral meeting between the U.S., NZ, Australia, and France.

Intelligence Sharing Relationship Lauded  
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6. (C) General Toolan had a working lunch with representatives from NZ Security Intelligence Service, External Assessments Bureau, Government Communications Security Bureau and NZ Police, as well as Ambassador for Counter-Terrorism Dell Higgie and other Defense Ministry and U.S. Mission personnel. Ambassador Higgie

explained that her office manages a gamut of programs to address terrorism, including the Proliferation Security Initiative (PSI) and export controls, as well as non-traditional security-related programs designed to discourage extremism. Each bureau then recapped their respective intelligence relationship with U.S. counterparts. Both sides agreed to continue moving the positive intelligence-sharing relationship forward, especially in the South Pacific island-nation region.

7. (C) The General attended a meeting with MFAT and MAF to specifically discuss the sovereignty of aircraft issue. (Comment: NZ agricultural inspectors have, for years, been granted permission by U.S. aircrews to board arriving international military aircraft to spray insecticide and perform a cursory inspection in contravention of long-standing U.S. assertion of sovereign immunity. The U.S. Foreign Clearance Guide was clarified several months ago, reiterating U.S. sovereign immunity policy instructing U.S. aircrews to not permit New Zealand inspections of U.S. state aircraft. With the upcoming Antarctic season looming, this issue had the potential for flight delays until a resolution could be found. End Comment.) In response to USG concerns, MAF proposed a work-around procedure whereby the spray bottles would be given to an American and that person would do the spraying at the direction of the MAF official. The General thanked MAF for their flexibility in developing this proposal. MAF stated that final approval was still needed by the government but in the interim, their new procedure would be used. (Comment: While the above procedure is indeed in effect, we learned since the General's departure that additional MAF changes in the normal SOPs to the crew and cargo would apply, but MFAT and the Embassy have resolved these issues. End Comment.)

8. (C) General Toolan met briefly with Secretary of Defense John McKinnon. The meeting was very cordial and recapped the issues already discussed above. The discussion turned to the upcoming visit to New Zealand by DASD James Clad 30-31 August. Secretary McKinnon has known Mr. Clad for years and was eager to meet with him to share views regarding the U.S.-NZ relationship.

6. (C) Navy Chief Rear Admiral David Ledson met with BGen Toolan, with discussion centering on two maritime events that

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were currently underway -- the deployment of a NZ medical team aboard the USS Pelilieu and the deployment of two NZ junior officers aboard the U.S. Coast Guard Cutter Walnut. Both deployments have ushered in a new era of engagement between NZ and US and were received very favorably by the Navy Chief. The Navy Chief discussed the recent Quadrilateral (U.S., NZ, Australia, and France) Maritime conference held in New Zealand and the progress made in the area of maritime cooperation between the four participants. The Admiral discussed the new vessels purchased under Project Protector and the challenge the Navy will have operating the new multi-role vessel (MRV). Admiral Ledson suggested that perhaps a small team of experts from U.S. Navy amphibious operations could help NZ establish clear operating procedures and roles for the ship and avoid some pitfalls U.S. operators have experienced. (Note: In an earlier

conversation with DCM, Ledson emphasized the NZ desire for assistance i integrating helicopter operations on board the MRV. End Note.) The Admiral also said that when Endeavour (tanker supply ship) is decommissioned, the navy may replace her with another MRV capable of carrying fuel.

9. (C) The General flew to Auckland on August 11 for a tour of the NZ SAS (Special Forces) facility. The SAS Commanding Officer gave the General a presentation on past operations and briefed the General on the recent award presentation to a NZ SAS soldier for heroism in Afghanistan. The Victoria Cross (equivalent of U.S. Medal of Honor) was awarded to one of his soldiers, the first Kiwi to receive this award since WWII. Other discussion involved the training, increased rotation schedule among military personnel and quality of the NZSAS. Attrition and high pace of operations have resulted in NZ unable to commit SAS troops for further deployments to Afghanistan, but NZ Defense Minister Phil Goff has not ruled out future deployments. Toolan toured the new multi-role vessel, HMNZS CANTERBURY at Devonport Naval Base, and had a productive discussion with Commodore David Anson over the future of US-NZ defense relations as well as Anson's upcoming assignment to Washington as the NZ defense attaché.

10. (C) Comment: General Toolan's visit was eagerly anticipated by NZ Defense leaders. His is the highest level OSD visit in years, to be followed by DASD Clad's visit 30-31 August. At every level, NZ leaders stressed that they did not want to appear to be pushing the envelope and were very cautious about probing into sensitive policy areas. Chris Seed said that his Ministry was under instructions from the Labour Government to be as transparent as possible, and characterized their policy as one of no surprises. All agreed the relationship is in better shape than it was two years ago, and New Zealand defense officials would welcome further collaboration on issues of mutual security concern, particularly with PACOM. The NZ leadership has changed tack on dealing with the US, and recognized that there it is in our mutual interest to seek out a better working relationship on common security issues without focusing on our few areas of disagreement. End Comment.

date:2007-09-17T23:50:00

source:Embassy Wellington

origin:07WELLINGTON680

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4704 INFO RUEHBY/AMEMBASSY CANBERRA 4960 RUEHPB/AMEMBASSY PORT MORESBY  
0683 RUEHSV/AMEMBASSY SUVA 0641 RUEHDN/AMCONSUL SYDNEY 0579  
RUEKJCS/OSD WASHINGTON DC RHHMUNA/CDR USPACOM HONOLULU HI  
RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC RHHJJAA/JICPAC HONOLULU HI  
RUEAHLA/HOMELAND SECURITY CENTER WASHINGTON DC

classification:CONFIDENTIAL

reference:07WELLINGTON419

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STATE D FOR FRITZ, EAP/FO, EUR/RPM, EAP/ANP, INL/LP FOR  
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STATE D FOR FRITZ, EAP/FO, EUR/RPM, EAP/ANP, INL/LP FOR  
GWELZANT, L/OES FOR JROACH, OES FOR WGIBBONS-FLY  
SUVA FOR REO JMURPHY  
NSC FOR KATRIN FRASER  
SECDEF FOR OSD/ISD JESSICA POWERS  
PACOM FOR J01E/JA/J233/J5/SJFHQ  
HOMELAND SECURITY FOR PAUL FUJIMURA

E.O. 12958: DECL: 09/17/2027

TAGS: EWWT, EMIN, KTIA, PBTS, PREL, SNAR, XB, XV, NZ, SW  
SUBJECT: DISCUSSION WITH COOK ISLANDS DEPUTY PM ON MARITIME  
COOPERATION

REF: WELLINGTON 419

Classified By: Consul General John Desrocher for reasons 1.4 (b) and (d).

This message was drafted by ConGen Auckland and approved by Embassy Wellington.

1. (C) During a recent visit to Auckland, Cook Islands Deputy Prime Minister Sir Terepai Maoate, along with Associate Minister Junior Maoate (his son) and CEO Ratu Mato, met with the Ambassador and Auckland CG. Maoate explained that the Cooks are anxious to expand their thin economic base beyond fishing and tourism. The GCI is particularly interested in finding ways to exploit what Maoate described as vast mineral wealth under the seabed. Maoate claimed that the sea floor of the Cooks's economic exclusion zone (nearly 700,000 square miles) held vast reserves of manganese and other minerals potentially worth billions of dollars to the small island nation. Maoate insisted that much of this is recoverable with current technologies and could transform the Cooks's economy. Maoate expressed great interest in U.S. investment in mineral exploitation.

2. (C) Maoate also explained that the GCI is hamstrung in its efforts to patrol its economic exclusion zone. The country's lone patrol boat depends on private, island-hopping aircraft for leads on vessels fishing illegally, vessels that inevitably disappear long before the patrol boat can intercept them. The Deputy PM sought U.S. help in expanding an airfield in the Cooks to beef up patrolling. Specifically, expanding the facilities at this airfield would make it usable for a French government aircraft that provides surveillance for French territories in the region. In exchange for use of the facility, Maoate suggested, the French would help patrol the Cooks's territorial waters. Maoate proposed a "joint venture" with the U.S. to expand the airstrip.

3. (SBU) Maoate also strongly encouraged the Ambassador to visit the Cooks in the near future; an invitation the Ambassador promised to take advantage of as soon as his

schedule allowed.

4. (C) Comment. Maoate seemed only superficially aware of the USG's proposed Bilateral Maritime Security Treaty (reftel). Not surprisingly, Maoate was less interested in how such an agreement would aid USG efforts to combat drug smuggling in the Caribbean than in how it might help the GCI police its own territorial waters. End comment.  
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AMEMBASSY WELLINGTON TO RUEHC/SECSTATE WASHDC IMMEDIATE 4711 INFO  
RUCNARF/ASEAN REGIONAL FORUM COLLECTIVE PRIORITY RUEHZU/ASIAN PACIFIC  
ECONOMIC COOPERATION PRIORITY RUEHBUL/AMEMBASSY KABUL PRIORITY 0035  
RUEHSV/AMEMBASSY SUVA PRIORITY 0642 RHHMUNA/CDR USPACOM HONOLULU HI  
PRIORITY RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC PRIORITY  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0092 RUEAIIA/CIA WASHINGTON DC  
PRIORITY RUEHUNV/USMISSION UNVIE VIENNA PRIORITY 0012 RUEKJCS/SECDEF  
WASHINGTON DC PRIORITY RUEKJCS/JCS WASHINGTON DC PRIORITY  
classification:CONFIDENTIAL  
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FOR EAP, EAP/ANP  
NSC FOR D. WILDER  
STATE PASS USTR  
DOD/OS...  
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FOR EAP, EAP/ANP  
NSC FOR D. WILDER  
STATE PASS USTR  
DOD/OSD FOR JESSICA POWERS

E.O. 12958: DECL: 09/17/2027  
TAGS: PREL, PGOV, ETRD, PARM, KNNP, NZ, XV, AF, KN, FJ, TT,  
BP, CH, IR, CVIS  
SUBJECT: NEW ZEALAND: ASSISTANT SECRETARY HILL'S MEETINGS  
WITH NEW ZEALAND OFFICIALS IN AUCKLAND, SEPTEMBER 10, 2007

Classified By: Consul General John Desrocher for reasons 1.4 (b) and (d).

1. (U) Assistant Secretary Hill has cleared this message, which was drafted by ConGen Auckland and approved by Embassy Wellington.

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Summary

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2. (C) Assistant Secretary Hill's New Zealand interlocutors emphasized the need to ensure that, as New Zealand approaches national elections, the recent improvement in relations is not undermined by political posturing. With that in mind, New Zealand officials expressed caution about high-profile visits, but said a visit by the Secretary early in the year would be welcome. GNZ officials understood the difficulty of opening bilateral FTA discussions and expressed great interest in a regional trade arrangement should the Doha round collapse. All of Hill's interlocutors emphasized the GNZ's determination to "stick with Afghanistan." On Fiji, GNZ representatives expressed hope that the Fiji establishment will eventually turn on Bainimarama. End summary.

3. (SBU) During the U.S.-New Zealand Partnership Forum in Auckland, EAP Assistant Secretary Hill met separately with New Zealand Trade and Defence Minister Phil Goff, Ministry of Foreign Affairs and Trade CEO Simon Murdoch, and opposition leader John Key. Full participant lists are at the end of this message.

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Bilateral Relations

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4. (C) Hill's interlocutors expressed considerable satisfaction with the improvement in U.S.-New Zealand relations over the preceding year. Murdoch noted that both countries were moving into election mode, describing Kiwis as facing a "watershed, generational" election. He stressed that the two sides need to handle the next year carefully in order to avoid suffering any setbacks. Murdoch proposed to avoid the most high-profile bilateral issues during this period ("the 20% of the iceberg that's above the waterline") while working away on the other 80%, "so that we're well poised when new governments take over in 2009."

5. (C) Murdoch expressed a general reluctance to see any high-level visits during 2008, especially later in the year, fearing New Zealand's elections would so politicize such visits that they risked doing more harm than good. It was noted that Secretary Chertoff was planning to make a trip to New Zealand, and it was agreed that a visit by USTR Schwab would be useful. Hill encouraged his counterparts to consider a visit by Secretary Rice, who already had two more Asia visits planned in the year ahead. Murdoch said that such a visit, especially early in the year, would be welcome.

6. (C) Key noted that his opposition National Party had gained the support of roughly half of New Zealand's voters in recent polls, compared to Labour's 35%. New Zealanders were tired of Labour, Key said, and projected GDP growth next year of barely 1% would make them even more "grumpy." If the polls held true, Key said the U.S. would find a National government to be a friendly as well as "pragmatic, realistic" partner. For example, Key said, National would never change NZ's anti-nuclear policy but it also would not press other

nations to eschew nuclear power. Key endorsed the wisdom of keeping the bilateral relationship out of New Zealand's upcoming elections.

7. (C) Shadow Foreign Minister McCully noted that National is finishing a white paper on foreign and defense policies.

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On the defense side, the paper would focus on niche capabilities. McCully said that National is also "considering further investment" on the defense side - National is sensitive to Australian complaints of New Zealand freeloading and "we know that Washington thinks this (more defense spending) is important."

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Trade  
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8. (C) Murdoch expressed appreciation for Hill's public remarks to the Forum supporting, in general terms, a U.S.-NZ FTA. The NZG is increasingly alarmed at the situation in the Doha round; Murdoch noted that "failure of Doha would hurt New Zealand a lot." So much so, Murdoch continued, that the GNZ is very interested in discussing next steps if Doha does indeed fail. NSC Senior Director Dennis Wilder said that the USG is very interested in multilateral options, noting that the concept of a Free Trade Agreement of the Pacific (FTAP) was gaining acceptance, even with China.

9. (C) Murdoch expressed frustration with NZ's own FTA negotiations with Beijing. China was "very risk averse" on tariff elimination, Murdoch said, initially putting products covering 80% of New Zealand's trade with China on a "sensitive" list. On services, he continued, China has "low ambitions" with discussions on education services (particularly important to New Zealand) going badly. The outcome could still be positive, Murdoch concluded, but the pace is slow.

10. (C) Opposition leader Key noted that his National Party hoped to "get in (power) and stay in" after next year's elections. He expressed hope that a bilateral FTA would be possible during the lifetime of a National government, possibly in its second or third three-year term, a timeframe Hill called "realistic." The Australia-U.S. FTA made a New Zealand deal all the more important, Key stressed. New Zealand already loses 35,000 people to Australia every year, and the Australia FTA will only encourage more companies to shift operations across the Tasman.

11. (U) When asked by a reporter in his subsequent press conference whether a U.S.-NZ free trade agreement was "inevitable," Hill responded that he considered such an FTA "logical," something which could happen "eventually." It made sense given the way our relationship is developing, but would require hard work and negotiations by both sides.

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Afghanistan

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12. (C) Murdoch emphasized that New Zealand remains firm in its support of coalition operations in Afghanistan. There is "no question of the criticality of sticking with Afghanistan," he said. While authorization of New Zealand's PRT deployment must be renewed from time to time, McKinnon said "withdrawal is not on the table." New Zealand's Afghanistan deployment stirred little controversy in New Zealand, he added, describing the degree of public support as "reasonable," no doubt because New Zealand troops have not suffered significant casualties. Opposition leader Key made the same point in a later meeting. Both Murdoch and Key noted that the only recent attention New Zealand's deployment had received was a result of the awarding of a Victoria Cross to SAS Corporal Willy Apiata for heroism under fire in 2004, the first VC awarded to a New Zealander since World War Two.

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North Korea

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13. (C) Discussion of recent progress in Hill's talks with

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the DPRK dominated the Goff and Key meetings. Hill explained how recent meetings in Geneva resulted in a DPRK commitment, by the end of 2007, to provide a complete and correct declaration of all its nuclear programs and to disable its existing nuclear facilities. In parallel with the completion of these steps, the DPRK would continue to receive energy assistance and the U.S. will consider terminating application of the Trading with the Enemy Act and removing the designation of the DPRK as a state sponsor of terrorism. Hill also related that he stressed to the DPRK the importance of progress on the Japanese abductions issue. Hill noted that the very day he was meeting with the New Zealanders, a joint U.S.-Russian-Chinese technical team was traveling to Yongbyon to determine how to disable the reactor.

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Fiji

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14. (C) Goff complained that Commodore Bainimarama had been spooked by former PM Qarase's return to Suva and had "gone off the deep end" with his recent declaration of a state of emergency; Murdoch suggested that Bainimarama might have declared the state of emergency to secure his position before visiting the MFO in the Sinai. Goff described Bainimarama as "just a tool of the Muslim Indian population" and concerned with self-preservation above all.

15. (C) Noting how sensitive the issue was in Washington, Hill asked how great an impact termination of Fiji's participation in multilateral deployments like the Sinai MFO would have on the Fijian economy and support for the interim regime. Goff said the impact would be considerable, as would

an end to UK recruitment of Fijians into the British military. Murdoch later said that the NZG appreciated the steps the USG has taken for far regarding Fiji and, when Hill asked if the USG should "step it up," Murdoch replied, "not necessarily." Regarding the UK, Murdoch said that New Zealand understood that British armed forces could not stop recruiting Fijians altogether. Nonetheless, the GNZ was pushing the UK to "do less" recruiting and, just as important, tell the Fijian government that they are doing less, which New Zealand calculates would have a significant impact on attitudes within the Fijian military.

16. (C) Murdoch emphasized that criticism of the interim government is growing and that only "30-40 members of the military back" the Commodore. The ultimate goal is to have the "Fiji establishment" turn on Bainimarama. The opprobrium of other Pacific Island leaders was key to this, Murdoch said, noting that Australian and New Zealand opposition to Bainimarama was often perceived by other regional leaders as overbearing and too direct.

17. (C) Murdoch described the upcoming Pacific Islands Forum (PIF) as "a defensive operation for us." The NZG worries that Pacific leaders, out of a mistaken sense of solidarity with Bainimarama, will "clam up" on the situation in Fiji. The Samoans and Tongans are firm, but Murdoch expressed concerns that the Tongans, as hosts, would waver rather than be embarrassed by divisions at the PIF. The Solomons Murdoch described as "a wildcard" regarding Fiji. Hill said that he had no plans to meet with Bainimarama at the PIF, but that DAS Davies might meet Bainimarama during the U.N. General Assembly.

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Timor Leste  
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18. (C) Goff expressed satisfaction that FRETILIN was out of power, but noted that the new ruling alliance was inexperienced and "lacked clout." Goff described PM Guzman as having integrity, but also unfocussed and surrounded by an unhelpful "old crowd." Timor-Leste faced a "big rebuilding

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job," Goff warned. NZ would continue to work with Australia to improve police-army coordination in Timor-Leste. A sound security review, with capacity building, "is the path to the exit for Australia and New Zealand," Goff said. Murdoch emphasized that "it's time to stop thinking about Timor-Leste as a cause and start thinking about it as a strategic issue."

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Solomons  
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19. (C) New Zealand "will hang in" in the Solomons, Goff confirmed, and will hope for a leadership change. RAMSI has great popular support but cannot go on if its authorities and immunities are removed. Goff added that, while many "bad

guys" are in jail, they are simply replaced by others. More positively, he said that civil society is starting to develop and popular pressure is beginning to have an impact on the government.

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China  
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20. (C) Hill expressed hope that fruitful cooperation on North Korea would help build "a sense of community" in northeast Asia, particularly between Beijing, Tokyo, and Seoul. At the same time, he voiced frustration that Beijing does not understand how concerned the U.S. is by China's weapons trade with Iran. Were Chinese arms shipped to Iran to end up in the hands of Iraqi insurgents and used to kill U.S. troops, consequences for the U.S.-China relationship would be severe, Hill noted.

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Iran  
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21. (C) In response to a question from Goff, Wilder said that under Ahmedinejad Iran is playing games with the EU and IAEA rather than engaging seriously. In response, the U.S. was looking for "new pressure points" in hopes of changing Iran's internal dynamics. Ahmedinejad is overplaying his hand, Hill argued, leaving average Iranians feeling anxious and isolated. He expressed hope that improved cooperation with China resulting from work together on the DPRK nuclear program would have a beneficial spinoff on Iran. He noted that Beijing "is not defending Ahmedinejad as it once did." Nonetheless, he continued, the USG is frustrated that Beijing is so vigorously protecting its Iran trade, which accounts for only one per cent of China's total trade.

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Partnership Forum and Work/Travel Agreement  
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22. (C) These meetings took place during the second "U.S.-New Zealand Partnership Forum," a gathering of prominent figures from the public and private sector who meet to seek ways to improve the bilateral relationship. The highlights were speeches by PM Clark and opposition leader Key, as well as A/S Hill. All noted the significant improvement in the tone of the relationship over the past few years. His Partnership Forum speech was Key's first major foreign policy address as opposition leader. The text was balanced and supportive of our bilateral relationship, but he came across as uncharacteristically tentative. National's shadow trade minister, Tim Groser, said to Auckland CG at a post-Forum event that Key was "nervous as hell" about his first foray into an area - foreign policy - considered one of PM Clark's great strengths. Above all, Key did not want to put a foot wrong, and in the end he did not.

23. (SBU) Participants called the Forum a considerable success, particularly since participation of many significant

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players remained so uncertain right up to a few weeks before the event that the organizers considered pulling the plug. Despite the success, there was general agreement that it was time for the Forum to move beyond the talking stage and, at its next meeting in 18 months time, consider producing concrete proposals for policymakers. Many participants also agreed with former Deputy Secretary Armitage's suggestion that Forum delegations, a rather grey-haired crowd (particularly on the U.S. side), needed to draw in younger participants and also put the bilateral security relationship on the agenda.

24. (SBU) Hill and Murdoch signed an agreement during the Forum that will permit young New Zealanders to travel and work in the U.S. for up to 12 months during their college years, an extension beyond the current four-month limit. Such an "overseas experience," or "OE," is an iconic right of passage for young Kiwis, many of whom currently spend it in the UK or Canada where work rules are friendlier. Judging by the flood of inquiries to our press and consular operations in the hours after the announcement of the signing, the new agreement will prove popular.

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Participants  
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25. (SBU) Assistant Secretary Hill was joined in all his meetings by Ambassador McCormick, NSC Senior Director Wilder, DCM Keegan, EAP/ANP Director McGann, Auckland CG Desrocher (notetaker) and EAP Special Assistant Klein.

26. (SBU) New Zealand participation was as follows:

Murdoch Meeting  
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MFAT CEO Simon Murdoch  
MOD Secretary John McKinnon  
Ambassador Roy Ferguson  
MFAT John McArthur  
MFAT Carl Worker  
MFAT Elizabeth Halliday  
Goff Special Assistant Taha McPherson  
MFAT James Waite

Goff Meeting  
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Same as above plus Trade and Defence Minister Goff.

Key Meeting  
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National Party leader John Key  
Shadow Foreign Minister MP Martin McCully  
Key Chief of Staff Wayne Eagleson  
MCCORMICK

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origin:07WELLINGTON704  
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RUEHFR/AMEMBASSY PARIS PRIORITY 0301 RUEHPB/AMEMBASSY PORT MORESBY  
PRIORITY 0688 RUEHSV/AMEMBASSY SUVA PRIORITY 0651 RUEHKO/AMEMBASSY  
TOKYO PRIORITY 0658 RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY  
RUEKJCS/OSD WASHINGTON DC PRIORITY RUEHC/DEPT OF INTERIOR WASHDC  
PRIORITY RUEHUB/USINT HAVANA PRIORITY 0002 RHEHAAA/NATIONAL SECURITY  
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STATE FOR EAP/ANP; NSC FOR KATRIN FRASER; OSD FOR JESSICA  
POWERS; PACOM FOR FPA, J-5

E.O. 12958: DECL: 09/26/2017  
TAGS: PREL, PGOV, MARR, NZ, US  
SUBJECT: EAP/ANP DIRECTOR MCGANN'S SEPTEMBER 12-13 MEETINGS  
IN NEW ZEALAND

Classified By: DCM David J. Keegan; Reason 1.4 (b) and (d)

1. (C) Summary. Following the successful US-NZ Partnership Forum (reftel), ANP Director McGann visited Wellington on September 12-13 for discussions with MFAT and MOD officials covering a range of bilateral issues with an emphasis on the Pacific Islands. On Guam, McGann urged MFAT officials to be realistic in how New Zealand can best help Pacific Island economies benefit from the Guam project and to work closely with Australia. McGann previewed the USG strategy on Fiji for the UNGA and relayed USG thinking on the upcoming Pacific Island Forum. MFAT Deputy Secretary James McArthur and McGann discussed prospective high-level visits and McArthur updated McGann on Cuban activities in the region. On security issues, McGann offered that the bilateral cooperation is moving from being circumstantial to one of more routine coordination. The MOD's International Defense Relations head Paul Sinclair agreed the threats to stability in the southern Pacific are internally driven and will continue to pose a long-term demand on GNZ security assets. MOD officials lauded the recent visits by BGen Toolan and DASD Clad, noting that they represented the most substantive defense/security discussions in over two decades. End Summary.

MFAT: Guam, PIF, Maritime Cooperation  
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2. (C) While in Wellington, EAP/ANP Director McGann met with MFAT Deputy Secretaries Alan Williams and John McArthur, Americas Division Director Carl Worker and Deputy Director Elizabeth Halliday, and other staff members of the Pacific Islands and Americas Divisions. In his September 12 meetings, EAP/ANP Director Steve McGann encouraged NZ to approach the Guam relocation project in realistic terms. The contracting for the base relocation would likely go to large firms; subcontracting is probably a better fit for NZ companies. McGann predicted there will be an entire service industry needed to support the construction project, an influx of 20,000 new workers of varying skill levels -- many of whom will need training. Guam lacks a public transportation system and one will be needed. All of these areas are targets of opportunity for New Zealand as well as the Pacific Islands. The USG is committed to seeing the Guam relocation project provide a Pacific-wide boost to island residents in terms of skills training and income through remittances. The key will be to make those populations "labor ready," and McGann encouraged New Zealand and Australia to help in this area. He noted that by October, the USG will better understand the labor sectors needed. Alan Williams and McGann discussed the risks associated with labor mobility for many of the Pacific Islands, which may lose to Guam some of the skilled workers that they can least afford to lose. Finally, McGann welcomed the news that the GNZ plans to send a NZ business delegation to Guam in early October.

3. (C) On the Pacific Island Forum (PIF), MFAT DepSec Alan Williams outlined GNZ thinking regarding the proposed Regional Institutional Framework (RIF). He prefaced his remarks by noting that PM Clark will stay for the post-Forum dialogue, to show high-level GNZ interest in advancing more substantive discussion on PIF issues. MFAT officials deplored the "silo mentality" of government agencies around the islands, noting that respective governing councils need to work together. The benefits of regionalisation cannot be realized in the absence of a more integrated framework. McGann said the USG philosophically supports the RIF initiative; the "Pacific way" of slow moving consultations does not provide for timely results. Both the Forum and other institutions require active support from key countries to help strengthen their initiatives. Within the USG, there remain concerns within various agencies that some sectors (e.g., environment) may be weakened. How the RIF is rolled out in Tonga will be important to Washington perceptions. Williams responded that the RIF will take time to implement, requiring legal and technical work. PM Clark is willing to invest the political capital to move it to the "next stage;" the GNZ would like the USG to be comfortable with the

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proposal and supportive.

4. (C) McGann raised the issue of maritime law enforcement



in the southern Pacific, highlighting USG satisfaction with GNZ cooperation. He explained that the original USG efforts to translate a Caribbean-style model to the Pacific had been too ambitious. The US Coast Guard was instrumental in helping to develop a different model that was based on information sharing. The structure and relevant officials would be the same for law enforcement purposes, search and rescue, and protection of fisheries. McGann credited the GNZ for helping to push the process and recognized that the French have also been supportive. DepSec Williams noted that he had heard very encouraging reports from the August Quad plus one meeting in Washington. McGann said that law enforcement cooperation in the Pacific on a multilateral basis will facilitate greater bilateral interoperability between the USG and GNZ. Williams responded that the model is supportive of the GNZ's Project Protector and sustainability of migratory tuna stocks, which are essential for economic stability and development for the Pacific islands.

5. (C) On a different aspect of regional law enforcement, MFAT's Mike Shaw added that the Pacific islands were slow to respond to the international requirements outlined in various UN Security Council resolutions. Relevant UN agencies have since visited the region and recognized the challenges these requirements posed for small island nations with limited personnel. For that reason, the Pacific Island region was at the bottom of the compliance list, and Shaw pointed out that USG and GNZ recognition of the problem has helped advance PI understanding of their obligations. Shaw said that the level of sophistication, report writing, and legislative drafting has improved as a result.

Fiji

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6. (C) On Fiji, Alan Williams said that the GNZ was not totally surprised at the reimposition of martial law. There had been increased paranoia on the part of Bainimarama, economic deterioration, lessening of popular support, and the continued legal action by the former PM. Most senior judges resigned en masse and tribal chieftains have called for reconciliation. Williams added that the GNZ has seen no signs of genuine commitment to the March 2009 election date, although he added that there is a census underway with Australian support. Williams remarked that the GNZ would like to incentivize the election process but will not throw away money on a process which goes nowhere. The reimposition of martial law was seen by the GNZ as Bainimarama trying to shore up support in the military. MFAT officials warned that there exists an alliance between the leaders of the Solomon Islands and Fiji within the PIF that could be problematic. Fundamentally, however, the international community needs to address the coup culture in Fiji. There will be opportunities to press Fiji in the near term, said Williams. The EU is considering a process linking financial disbursements to benchmarks; NZ is worried that the EU may go soft. With the PIF coming up, there needs to be affirmation of the need to return Fiji to democracy, and the UNGA is another venue for pressuring Bainimarama. Finally, Williams mentioned the upcoming Kampala Heads of Government from

Commonwealth countries as a third opportunity, although Pakistan may be problematic.

7. (C) McGann said that the USG view matches that of New Zealand; Fiji is moving in the wrong direction and Bainimarama has shown no indication he will hold elections as promised. McGann outlined USG thoughts for handling Fiji at UNGA, where Bainimarama will try to buy more time and skirt the PIF process. McGann said that A/S Hill will not/not meet with Bainimarama in Tonga; PDAS Davies will meet with Bainimarama in New York, and US Burns will meet with PI leaders (but not Bainimarama) in New York. The USG also plans to chair an Arias-style meeting of the UNSC on Fiji in mid-November. This forum would include the 15 Security Council members, non-UNSC members, interested delegates,

WELLINGTON 00000704 003 OF 005

international organizations as well as NGOs, and will be geared to increase pressure on Bainimarama. For the November meeting, McGann indicated that the USG would welcome GNZ representation from Wellington. MFAT Deputy Secretary John McArthur said that the USG strategy for handling Fiji will be welcomed by FM Peters.

8. (C) Williams mentioned Bainarama's proposal to form a PI peacekeeping force for UN operations with Fiji to do the training. McGann noted that the USG has supported continued Fiji participation in UNAMI and Lebanon; however, the USG has said no to future deployments and rejected a Fiji offer to send troops to Iraq. The regional PKO proposal has merit and the USG could entertain a PI force minus Fiji.

Cuba  
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9. (C) McGann and DepSec McArthur discussed Cuba's request to open a diplomatic mission in New Zealand, and Cuban assistance efforts in the Pacific region. McArthur explained that the Cuban FM has been on a charm offensive, and the Cuban government has a request for agreement in with MFAT. The GNZ delayed a response until after the US-NZ Forum, he said, adding that the GNZ will respond by September 21. Cuba, he continued, looked to establish a mission either in Australia or New Zealand. In choosing New Zealand, the Cuban FM reportedly told the GNZ that Australia was "unfriendly" and working on behalf of the USG at UNGA. Cuba has an odd history of people-to-people programs in New Zealand, such as an agreement with Maori University where there have been 2,000 graduates of a Cuban-taught course. New Zealand will watch the Cubans closely, indicated McArthur, and work closely with relevant USG agencies. In Timor Leste, the medical corps outside Dili is Cuban, and the Cubans have shown interest in other parts of the Pacific. McGann responded that the USG has no concerns about Cuba providing humanitarian medical assistance; it's what comes with it that raises Washington concerns.

Defense/Security Meetings  
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10. (C) McGann discussed a range of security issues with MFAT Deputy Secretary John McArthur, Paul Sinclair, head of the International Defense Relations Branch at the MOD, and Wayne Higgins, Director of the Defense Policy and Planning Unit within Paul Sinclair's office. Sinclair reviewed the substance of the BGen Toolan and DASD Clad meetings, and Sinclair reiterated GNZ desire for a better relationship with PACOM, while noting GNZ capacity constraints. McGann observed that USG-GNZ security cooperation within the Pacific is central to the bilateral relationship, and the key will be to sustain current momentum. Sinclair stated that the recent visits to New Zealand have been the most substantive discussions with DOD since the mid-1980s. McGann said that the USG appreciates the resource and personnel limitations of the NZ armed forces, but urged the GNZ to find more opportunities to say "yes," particularly on high-profile issues of importance to the USG. MFAT Deputy Secretary McArthur agreed that the GNZ needs to go the extra mile, particularly on the defense side. Paul Sinclair assured McGann that the GNZ commitment in Afghanistan will be maintained, and that the GNZ is considering strengthening their non-military contribution towards the police. New Zealand may also lift its diplomatic contribution and is examining NZAID's role. McGann reinforced A/S Hill's suggestion that the GNZ provide training assistance to the Afghan National Army.

11. (C) MFAT Deputy Director for International Security/Disarmament Paul Ash reviewed New Zealand's recent Proliferation Security Initiative (PSI) efforts, emphasizing that the GNZ values PSI on its own merits but also for exchanges on counterproliferation issues in general. He noted that the GNZ is trying to persuade some Pacific islands to adopt the PSI Statement of Principles. New Zealand has found the PSI exercises useful and believes they will be helpful to other countries in the region. Mike Shaw added

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that New Zealand was pleased to be participating in the PSI exercise hosted by Japan, and was glad that the USG supported GNZ inclusion.

12. (C) On peace support operations, Ash echoed MOD officials regarding the increased tempo of operations, the long-term constraints represented by the Solomon Islands, Timor Leste, Afghanistan, and the implications for governance as well as security. Ash said that New Zealand would welcome more dialogue on lessons learned from similar types of interventions and operations. Regarding the Solomon Islands in particular, Ash shared his pessimism as the SI government's agenda runs counter to that of the international community and RAMSI. McGann reported on his conversations with Taiwanese officials with respect to the SI. Paul Sinclair said that interventions for peace support are long term; any expectation that they can be done quickly is unrealistic, citing Tonga as an example. McGann observed that there are no external threats to the Pacific islands, only internal threats to stability -- Sinclair agreed.

13. (C) Americas Desk Director Carl Worker said New Zealand remains keen to promote an alliance of civilizations/interfaith dialogue initiative to counter radicalism within the region. Although the Pacific region's Muslims are generally moderate, there is potential for change. The GNZ sees its initiative as a means to engage large blocs of moderate leaders in a softer manner, which is a better fit for a small country like New Zealand. Paul Ash noted that New Zealand has engaged in this type of work domestically, now it is time to extend it further into the region. McGann welcomed the GNZ work in this area, particularly in how it may apply to Southeast Asia.

#### Visits

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14. (C) McGann, Carl Worker, and MFAT Deputy Secretary John McArthur discussed timing for a possible FM Winston Peters visit to Washington. Although the dates keep slipping for a Peters visit to North Korea, McGann offered that a swing through Washington after such a visit could be useful and that there are other offices in Washington besides the State Department where Peters could have productive meetings. The FM could also present a speech before the Asia Society; such a visit would continue the positive bilateral momentum but not cloud the electoral processes underway in both countries, offered McGann. Worker noted that the FM has not made plans to be in New York for the UNGA; if Peters had not met with the Secretary in Sydney, he would have gone to New York. Both Worker and McArthur encouraged greater law enforcement cooperation, adding that DHS visits have been very useful and the GNZ is willing to increase engagement. Worker said that the GNZ would also be receptive to greater engagement and discussion with USG counterparts on internal disaster management and relief work.

#### Trilateral PIF Lunch

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15. (C) Over lunch, McGann and DCM joined DepSec Williams and Patrick Coles from Australia's Department of Foreign Affairs and Trade to review Pacific Island issues before the PIF meeting in October. McGann invited Australia and New Zealand to send representatives to New York for a meeting of the Core Partners. He stressed that there was a need for the Post Forum Dialogue to focus on real issues facing the Pacific Islands, including regional architecture and Fiji. Both Coles and Williams responded that their countries would be eager to participate in the proposed Core Partners meeting. Coles urged that the partners take a maximalist approach in their ambitions for the RIF, while recognizing that there were significant financial and legal questions remaining to be resolved. McGann responded that the U.S. philosophically favors RIF, but we need to see the details. We must keep the focus on achieving greater efficiency within existing resources.

16. (U) EAP/ANP Director McGann has cleared this message.

MCCORMICK

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reference:07STATE140048|07STATE141698  
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STATE FOR EAP/ANP AND ISN

E.O. 12958: DECL: 10/10/2017  
TAGS: PARM, MNUC, ...  
▼ C O N F I D E N T I A L WELLINGTON 000742

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STATE FOR EAP/ANP AND ISN

E.O. 12958: DECL: 10/10/2017  
TAGS: PARM, MNUC, PREL, UNGA, NZ  
SUBJECT: NEW ZEALAND WILL PURSUE PROPOSED RESOLUTION ON  
DE-ALERTING OF NUCLEAR FORCES

REF: A. A) STATE 141698  
B. B) STATE 140048

Classified By: P/E Counselor Margaret McKean; Reasons 1.4 b and d

1. (C) On October 10, P/E Counselor met with Carolyn McDonald, Director of the Ministry of Foreign Affairs and Trade's Disarmament Division, Deputy Director Jillian Dempster, and Policy Officer Raylene Liufalani regarding the USG position on New Zealand's draft resolution on de-alerting of nuclear forces (reftel B). McDonald had received a report from the New Zealand Embassy in Washington on the October 5 meeting between Acting ISN DAS Andrew Semmel and representatives of the New Zealand and Swedish Embassies (reftel A).

2. (C) P/E Counselor provided the draft points to McDonald and urged that New Zealand not take the draft resolution further. McDonald responded point for point using the same arguments as the New Zealand Embassy had in its meeting with Semmel; the resolution is balanced and does not target any

nuclear state, de-alerting was one of 13 steps outlined by the 2000 Nuclear Nonproliferation Treaty Review Conference, and New Zealand felt there was adequate support from other countries to move the resolution forward. She added that Nigeria, Switzerland, and Chile had joined with New Zealand and Sweden to support the resolution. New Zealand, continued McDonald, had taken comments and altered (slightly) some wording in the draft resolution. The revised draft has been provided to P-5 members, she said, noting that the draft went out to regional coordinators in New York on October 10. There is an NGO meeting scheduled for next Tuesday in New York as well. Open consultations on the draft resolution will begin next week.

3. (C) McDonald allowed that the USG has made progress in the area of modifying its rapid reaction posture, and welcomed the USG steps outlined in the draft points provided. Nevertheless, McDonald said that New Zealand and other like-minded countries believe that not all nuclear weapons states have done what the U.S. has done, and all could make further progress to reduce the operational status of nuclear arsenals and increase transparency. P/E Counselor argued that the USG cannot accept measures that would affect its readiness posture and undermine its deterrence capabilities because of the proposed risk of accidental use. Any suggestion that the USG has lowered its response capacity could be equally dangerous, and the USG already has taken a number of steps and put into place safeguards to mitigate the scenarios outlined in the resolution.

4. (C) McDonald gave no indication that the GNZ would rethink its support for the resolution; she underscored that all the Cabinet Ministers had endorsed the draft resolution before Minister of Defense and Trade Philip Goff announced the proposed resolution in late August.

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 C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000751

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STATE FOR EAP/ANP

E.O. 12958: DECL: 10/11/2017

TAGS: PRE...

C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000751

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STATE FOR EAP/ANP

E.O. 12958: DECL: 10/11/2017

TAGS: PREL, KDEM, NZ

SUBJECT: NEW ZEALAND'S PRIORITIES FOR UPCOMING PACIFIC ISLAND FORUM (PIF) MEETINGS

Classified By: Pol/Econ Counselor Margaret McKean; Reasons 1.4 (b) and (d)

1. (C) Summary. The Ministry of Foreign Affairs and Trade's (MFAT) Pacific Division views Fiji's return to democracy, the status of RAMSI in the Solomon Islands, and support for the Regional Integrated Framework (RIF) as the GNZ's key issues for discussion at the PIF. New Zealand worries that Fijian leader Frank Bainamarama, absent strong external pressure, will continue to delay elections and use his people's charter initiative to establish an alternative political process. New Zealand is concerned about Solomon Island's PM Sogavare's absence from the PIF and the SI's lack of support for RAMSI; the GNZ worries that the SI may be more difficult an issue at the PIF than Fiji. New Zealand maintains that the RIF is the best mechanism by which the goals of the Pacific Plan can be realized. End Summary.

Fiji, Solomons: Both Problematic Issues  
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2. (U) On October 9, Pol/Econ Counselor met with John Adank of MFAT's Pacific Division to discuss GNZ priorities at the upcoming PIF meetings in Tonga. Adank attended the senior officials meeting in Tonga in late September, and will be accompanying PM Clark to the PIF meetings in Tonga next week. The GNZ delegation will consist of about 18 people, he said. Three main issues will dominate the leaders' agenda at the meetings, he continued.

3. (C) The primary issue remains Fiji and a return to democracy, said Adank. The PIF will be the first time since December of last year that the Pacific Island leaders will have the opportunity to take stock of what the PIF has accomplished. Much of the dynamic for how this issue is treated in Tonga will be determined by the makeup of the Fiji delegation sent to Tonga. Adank discounted press stories claiming that PM Helen Clark will meet with Frank Bainamarama in Tonga, saying that it was "unlikely" that Clark would hold bilateral meetings with the Fiji military leader or any of his ministers. Although Bainamarama has spoken publicly about coming to Tonga, Adank said that the sense at the senior officials meeting in Tonga two weeks ago was that Bainamarama might not show up. Irrespective, New Zealand remains concerned that Bainamarama is not committed to carrying out the election timetable and may use his people's charter initiative to set up an alternative political process. New Zealand recognizes that there are internal political fault lines (e.g., Fijian vs. Indian) within Fiji, but these must be handled by a legitimate government.

Bainamarama, on the other hand, would rather address Fiji's internal divisions first but lacks the popular mandate and legitimacy that an elected government has to deal with national reconciliation and other problems.

4. (C) Adank noted that the Solomon Islands continue to pose problems for both New Zealand and Australia; Adank said that the SI may be an even more difficult issue at the PIF than Fiji. The SI government has indicated that Sogavare will not attend at the leadership level. Foreign Minister Patterson Oti will come, but Sogavare's boycott will have a negative impact on discussions. Of greatest concern to New Zealand is the SI government's lack of support for the Regional Assistance Mission to the Solomon Islands (RAMSI). Sogavare has been critical of RAMSI, despite a PIF-mandated review's conclusions that were in support of the assistance mission. Although Australia has borne the largest share of the criticism, Adank said that the Solomon Islands was not paying due regard to the investment in RAMSI by other Pacific Island states and the PIF. PM Clark has tried to call PM Sogavare but to no avail. New Zealand believes that Papua New Guinea (PNG) will play an important role in how the PIF handles SI's complaints about RAMSI, offered Adank. Adank explained that at the senior officials meeting in Tonga two weeks ago, the PNG High Commissioner from Suva made clear that he was very unhappy that the SI had abruptly canceled a consultation meeting on RAMSI. New Zealand had hoped that the PIF would provide an unqualified endorsement of RAMSI, but without Sogavare's participation, it is unclear whether the meeting can discourage the PM from further attempts to undermine and discredit RAMSI.

RIF -- Best Hope for the Pacific Plan to Succeed  
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5. (C) New Zealand will continue to press for acceptance of the Regional Integrated Framework (RIF) at the PIF, said Adank. Senior officials at the planning meeting in Tonga did

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not reach consensus; however, the outstanding issues were identified and included in a letter. The GNZ, continued Adank, believes that it should be possible to address the key issues (mostly surrounding fisheries), and recognizes there are entrenched interests among those island nations where various regional agencies (e.g., Samoan concern over the future of the South Pacific Regional Economic Program) are headquartered.

6. (C) Adank said he understood USG concerns surrounding legal issues and possible budgetary increases. Adank acknowledged that if the RIF were to go forward, there would be legal questions but that fact alone should not preclude its consideration. There may have to be changes to some underlying treaties, but if doing so provides better regional coordination and delivery of services, then that should be the overriding consideration. New Zealand, continued Adank, believes that the RIF is a way to re-organize resources and agencies into a more coherent whole. The U.S. does not need



to increase budgetary amounts unless it is the USG interest to do so, he affirmed.

7. (C) Adank said that the only way the Pacific Plan is to have greater promise for success is to press forward with the RIF. He urged the USG to support the initiative, underscoring that the issue was very important to New Zealand.

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PACOM FOR FPA, PACFLT FOR FPA, OSD FOR JESSICA POWERS

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▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000763

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PACOM FOR FPA, PACFLT FOR FPA, OSD FOR JESSICA POWERS

E.O. 12958: DECL: 10/16/2022  
TAGS: MARR, MASS, PGOV, PREL, NZ, US  
SUBJECT: NATIONAL PARTY DEFENSE POLICY CONTINUES LABOUR COURSE

REF: WELLINGTON 757

WELLINGTON 00000763 001.2 OF 002

Classified By: Classified by DCM David J. Keegan. Reasons E.O. 12958, 1.4 (a), (b), (C), and (d).

1. (SBU) Summary. National's recent "discussion paper" on foreign policy, trade, and defense, committed the party to continue the rebuilding of the New Zealand Defence Force (NZDF) initiated by Labour PM Clark. National MP Wayne Mapp argued that it was Labour who began its term in 1999 by accepting and implementing a new approach proposed by

National. He endorsed Labour's emphasis on a maritime patrol and logistics support role for the Navy and said that the abortive F-16 sale of 1999 was an ill-conceived effort to buy American friendship. The challenge ahead would be to deepen capabilities without substantially expanding the defense budget much beyond the current 1.1% of GDP. Approaching 2011, the government would confront the need for a new maritime patrol aircraft, a possible second multi-role vessel, and perhaps a frigate. He agreed that reliability and sustainability for all services would be key challenges. End Summary.

2. (SBU) National Party Defense spokesman, MP Wayne Mapp, told DCM that National's defense policy laid out in its recent discussion paper (see Reftel for overview) was the product of many years of discussion dating back to a Parliamentary Select Committee that National Party MP Derek Quigley had chaired in 1999. He noted that many of the decisions taken by the Labour Party in 1999 were in fact National Party initiatives. Thus it made sense that National is now largely endorsing the approach that Labour has pursued over the past eight years. After all it is the approach they designed

F-16s and Buying Friends  
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3. (SBU) The exception was Labour's decision to cancel the sale of F-16s, which the then National Government had wanted to secure. Mapp explained that only the long time it took for the first delivery gave Labour the opening to cancel the contract when it came into office. He noted that National chose in its last days in office however not to push to accelerate lease/purchase arrangement, which would have gotten at least a few aircraft to NZ and made the contract impossible for the incoming Labour Government to cancel.

4. (SBU) Mapp said that the National Government had been considering either a third ANZAC class frigate to improve relations with Australia or the F-16 purchase to improve relations with the U.S. They decided that the politics of the U.S. relationship made the F-16 purchase more important. He said he shared, albeit very quietly, Labour's judgment that the F-16s did not make operational sense for the NZDF. They would simply soak up too much funding.

Labour Policy is Correct  
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5. (SBU) Mapp gave credit to the Labour Government for following through on the approach that the National Government had developed in the 1990's. It emphasized certain key competencies: a small expeditionary ground force, with both special ops and mil/police expertise; maritime surveillance and patrol using both air and sea; and a limited transport capability using the MRV and the C-130s. He said that a new National Government would continue that mix.

6. (SBU) He added that he was confident that a future National government would keep military funding at the current 1.1%, perhaps a little more, which would be

sufficient to continue and even deepen the support for the New Zealand Defence Force's current capability mix. Adding a combat air would require going up to 1.5% of GDP, which would not be politically sustainable.

The Future for the NZDF

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WELLINGTON 00000763 002.2 OF 002

7. (SBU) The challenge would be two-fold. First, before 2011, NZ would need to decide on the next generation of acquisitions. He cited particularly the need to replace the current Orion maritime patrol aircraft with the new generation of U.S. aircraft, Poseidon, which are also being acquired by Australia. The second challenge would be whether and where to deepen capabilities. He noted that there could be a real value to acquiring a second MRV, a sister ship to the Canterbury. A second option would be a third ANZAC class frigate.

8. (SBU) Any of these choices would only make sense in close coordination with Australia. The Poseidon would most effective if its use were coordinated with the Australian military. The MRV would provide a capability to the combined Aus/NZ military, but would not really be appropriate for NZDF use alone. The frigate would need to be completely interoperable and logistically compatible with Australia.

The Challenge of Sustainability

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9. (C) DCM noted that the approach Mapp laid out made sense and seemed to track very closely with the current Labour Government's approach to defense strengthening, which we believed had been valuable. The challenge was to ensure that it was sustainable. Mapp said that he was confident that current levels were sustainable, but 1.5%, even 1.3% would be very difficult. DCM also noted that we pay very close attention to NZ's efforts to ensure that its forces are logistically sustainable. We recognized that the could not do everything, but it was important to continue recent progress in that area. In addition, intelligence coordination and NZ's recent efforts to provide insights to the U.S. were highly valued.

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RUEHXS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS

classification:SECRET

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OSD PASS JESSICA POWERS; PACOM PASS FPA

E.O. 12958: DECL: 10/21/2032

TAGS: MARR, MOPS...

▼S E C R E T WELLINGTON 000769

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OSD PASS JESSICA POWERS; PACOM PASS FPA

E.O. 12958: DECL: 10/21/2032

TAGS: MARR, MOPS, PREL, NZ, AF, US

SUBJECT: NEXT ROUND OF NEW ZEALAND DEPLOYMENTS TO AFGHANISTAN -- MAYBE SAS, MAYBE TRAINERS

Classified By: Embassy Wellington DCM David J. Keegan, Reasons E.O. 12958, 1.4 (a), (b), and (d)

1. (C) DCM recently discussed current mil-mil relations with New Zealand Ministry of Defence (MOD) CEO John McKinnon. McKinnon reported that MOD was preparing a submission to a select Cabinet committee on future deployments to Afghanistan after the current deployment cycle concludes in September 2008. The report would need to be approved and then signed off by the full Cabinet no later than early December in order for the New Zealand Defence Force (NZDF) to be ready to deploy or redeploy any forces by the September 2008 time frame.

2. (C) McKinnon noted that the Government was very conscious that the New Zealand public continues to express support for NZDF deployments to Afghanistan. However, the Prime Minister particularly is quite conscious that there is a mix of factors contributing to that support, one of which is the relative dearth of casualties. That factor will weigh in, though not necessarily determine, the Cabinet's decision.

Victoria Cross & the SAS  
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3. (SBU) The Government was also quite conscious that the awarding of the Victoria Cross to SAS Corporal Willie Apiata had drawn a unique and positive public spotlight on the SAS role in Afghanistan. Even given that Apiata received his decoration for valor in a very bloody fight, both Apiata's action and the role of the SAS in Afghanistan had received near universal public support. A documentary by a local TV network on the SAS and its training camp has also been viewed very positively.

4. (S) Any deployment of SAS forces back to Afghanistan would

have to take into account the fact that the force is under-manned. It is also the most ready of any NZ forces and therefore would be the first force to be called into any contingency such as Fiji or an evacuation from Fiji. Having mentioned Fiji, McKinnon immediately said that he should only have been speaking of the Pacific Islands in general, but he left no doubt that Fiji was the first and most pressing contingency. He suggested that even if SAS forces deployed to Afghanistan, it might be necessary to consider how and whether they might be extracted to respond to an island crisis.

#### Training the Trainers

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5. (C) In addition, MOD was evaluating a "train the trainer" program as one of several other options for a NZDF role in Afghanistan. It was still too early to assess how this or other options would eventually be handled in a paper for Defence Minister Phil Goff to present to Cabinet. One issue would be logistical and transport support, but it was difficult to assess at this point how large a factor that would be.

#### A-4 Options

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6. (C) MOD is in the preliminary stages of attempting to flesh out and verify another approach to selling its retired A-4 attack aircraft. While it is aware that OSD has promised to inform GNZ as soon as possible on whether its current sales proposal will be approved, NZ has recently become aware of another opportunity, which he declined to specify. When and if that possibility becomes more defined, MOD will brief OSD in Washington to ensure maximum coordination. McKinnon made it clear that the factor driving MOD was simple: "the money would be nice."

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 SINGAPORE PRIORITY 0514 RUEHSV/AMEMBASSY SUVA PRIORITY 0671  
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 PRIORITY 0120 RUEHDN/AMCONSUL SYDNEY PRIORITY 0587 RHEHAAA/NATIONAL  
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 classification:SECRET  
 reference:07WELLINGTON686  
 □ S E C R E T SECTION 01 OF 03 WELLINGTON 000785

SIPDIS

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OSD FOR JESSICA POWERS; PACOM FOR FPA

E.O. 12958: DECL: 10/21/2032

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▼ S E C R E T SECTION 01 OF 03 WELLINGTON 000785

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OSD FOR JESSICA POWERS; PACOM FOR FPA

E.O. 12958: DECL: 10/21/2032

TAGS: PHUM, PREL, KN, NZ, US

SUBJECT: A/S HILL REVIEWS REGIONAL AND BILATERAL ISSUES  
WITH NEW ZEALAND MFAT SECRETARY MURDOCH

REF: WELLINGTON 686

Classified By: Embassy Wellington DCM David J. Keegan. Reasons E.O.  
12958, 1.4 (b) and (d).

1. (S) Summary. During an October 19 stopover in Auckland, EAP A/S Christopher R. Hill met MFAT Secretary Simon Murdoch to review regional and bilateral issues. They agreed that the Pacific Islands Forum had produced good results, holding the line on elections in Fiji and RAMSI in the Solomons. Prospects in Fiji remained uncertain with a fractured opposition facing a military accustomed to authority. Hill said he had told Solomons Foreign Minister Oti that RAMSI is the best thing the Solomons has going for it. Murdoch then turned to Foreign Minister Peters' upcoming trip to Pyongyang and his determination to support the Six-Party process; he asked what topics the U.S. would want Peters to emphasize or avoid. Hill stressed the need to emphasize that New Zealand and others could offer substantial assistance to North Korea, but it was conditional on DPRK implementation of its Six-Party commitments. He reviewed the latest Six-Party developments and next steps on disablement and further denuclearization. Hill said he had urged Pyongyang to respond to Japan's concern over abductees, and he recommended Peters do the same. On bilateral relations, Murdoch indicated that when Peters meets the Secretary in Washington, he would renew an invitation for her to visit New Zealand on her way to or from Ausmin next year. He said New Zealand is actively considering ways to increase its development assistance in Afghanistan, initiate training for Afghan police, and possibly deploy the SAS to Afghanistan. Murdoch said that Peters also hopes to explain New Zealand's response on the Asia Pacific Democracy Partnership. Hill urged Peters to review these developments with the Secretary. End Summary.

2. (SBU) During an October 19 stopover in Auckland after the Pacific Islands Forum (PIF), EAP Assistant Secretary Christopher R. Hill discussed a range of regional

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and bilateral issues with Secretary Simon Murdoch of New

Zealand's Ministry of Foreign Affairs and Trade (MFAT). MFAT Deputy Secretary John McArthur and America's Division officer James Waite accompanied Murdoch; Wellington DCM David Keegan (note taker) and EAP Special Assistant Christopher Klein accompanied A/S Hill.

PIF Outcomes Positive on Fiji and Solomons  
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3. (C) A/S Hill said the PIF had produced a good outcome on pressuring the interim government in Fiji to move toward elections without delay. Commodore Frank Bainimarama had been looking for the Forum to help give him a way out of the political crisis he had created, but that was placing hope over reality. Murdoch said he had feared that the Forum would "choke" on Fiji and on RAMSI, but the member states had held the line. Prime Minister Clark, Papua New Guinea Prime Minister Sir Michael Somare, and the Samoan Prime Minister Tuila'epa had all taken a strong position. Australian Foreign Minister Downer had said he was pleased with the outcome, especially with Clark's performance.

4. (C) Murdoch added that these positive results will make it easier to move Fiji forward toward elections with a carrot and stick approach. Bainimarama had urged the Forum leaders not to endorse the roadmap laid out by the PIF foreign ministers, but they held the line. The U.S. and New Zealand now need to work with the PIF members to counter Bainimarama's efforts to portray the Forum members and partners as bullies. He added that New Zealand very much appreciated that DAS Davies had pushed back during his meeting with Bainimarama in New York against Chinese efforts to undercut international and regional pressure on the Fijian interim regime.

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5. (C) Hill observed that Bainimarama appears to be casting himself as a Chavez-style populist, but the Fijian people do not seem persuaded. Still, the U.S. Embassy in Suva was very concerned that the opposition remained fractured and apparently incapable of forming a strong coalition. He concurred with Murdoch's observation that the Fijian military had had three generations to build itself into a strong cohesive political and social force. Nonetheless, it remained for the Fijian people to make democracy work.

6. (C) A/S Hill reported that in his meeting with Solomons Foreign Minister Patteson Oti he said RAMSI is the best thing that has happened to the Solomon Islands, and the government should support it. It would not help the Solomons to get cross-wise with the countries in the region that have contributed to RAMSI. Oti responded by insisting that the government supports RAMSI but has to honor its own parliamentary processes in completing the current review of RAMSI, A/S Hill said. These were excuses for the government's current refusal to support RAMSI. The decision

of the Solomon's Prime Minister to boycott the PIF, citing a prior obligation to attend the Taiwan meeting of Pacific heads of government, had not gone over well with the assembled leaders.

Preparing Foreign Minister Peters' Visit to North Korea  
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7. (S) Murdoch then turned to preparations for Foreign Minister Winston Peters' November visit to North Korea. He said the Minister is determined to use the visit to support the Six-Party process in every way possible. Peters plans to stress to the North Koreans that he considers it the responsibility of all nations to support the Six-Party Talks. New Zealand wants to help bring North Korea out of its isolation, but only provided that North Korea follows through on its Six-Party commitments. It would be helpful, Murdoch added, to know what the "red lines" would be for the U.S.

8. (S) Hill observed that North Korea has something of a "Cargo Cult" mentality and expects visitors to offer presents. It might be helpful for New Zealand to offer some small form of aid during Peters' visit, while saying that it could do far more, such as provide economic and financial assistance, and training in English language proficiency, but only if the North follows through on its Six-Party commitments. The message would be that New Zealand and like-minded countries are prepared to offer more, but only if the DPRK denuclearizes.

9. (S) Turning to the current status of the Six-Party Talks, Hill observed that the talks are coming to three critical milestones. The first involves disabling the plutonium enrichment facilities in Yongbyon. The second step is securing a full declaration from Pyongyang of all its nuclear programs. The third is persuading the DPRK to surrender the enriched plutonium it already possesses. This material is likely in the hands of the Korean People's Army, and it will take considerable effort to persuade them to release it.

10. (S) Murdoch asked where the U.S. stands on the normalization track of the talks. Hill said that the U.S. would move ahead with removing North Korea from the list of state supporters of terrorism and terminating application of the Trading with the Enemy Act only if the DPRK makes continued progress on denuclearization. In this context, Murdoch asked about the current status of Japan's demand for North Korea to make progress on Japanese abductees. McArthur noted that Japan had asked New Zealand to raise the issue in Pyongyang. Noting that abductions had become a

WELLINGTON 00000785 003 OF 003

major political issue in Japan, Hill said he had urged North Korea to find a way to be more responsive and to help new Japanese Prime Minister Fukuda make progress on this issue. He emphasized that he had told North Korea it is in its own



interest to improve relations with Japan -- and for the U.S. to have good relations with Japan. Meanwhile, normalization discussions could proceed in parallel with progress on denuclearization.

11. (S) As for a Korean peninsula peace settlement, Hill also noted that the ROK Reunification Ministry had sought prematurely for the North-South summit to make a declaration that a peace treaty would be completed. MOFA had then worked to persuade President Roh not to support such a declaration. Against this backdrop, the U.S. wants to avoid becoming an issue in the current election campaign in South Korea so we intend to take a low-key approach. A/S Hill urged Peters to beware of any reference to a "peace declaration."

U.S.-N.Z. Relations  
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12. (C) Murdoch then turned to U.S.-New Zealand bilateral relations. He said he was still hearing good feedback from the Partnership Forum in Auckland in September. He thanked Hill for attending and noted that the Forum had strengthened both public and private sector support for efforts to improve the relationship. Murdoch recalled that he had mentioned to Hill when they met during the Forum (Reftel) that a Presidential visit in a year with elections on both sides might be difficult to manage, but New Zealand would welcome a visit by the Secretary of State. He had subsequently spoken to the Prime Minister and Foreign Minister, and they had both endorsed that assessment. He suggested that a visit by the Secretary on the way to or from the AUSMIN would be very welcome, and he expected the Foreign Minister would renew that invitation when he visits Washington November 19. Hill responded that the Secretary very much appreciates the Foreign Minister's strong support on North Korea and is interested in coming.

13. (C) Murdoch said he considers the coming year a time to bank the gains we had made over the past year and keep the public profile of the relationship positive through the course of our elections. New Zealand is very conscious of the importance the U.S. attaches to New Zealand's support in Afghanistan. The government is considering expanding its development assistance, initiating police training, and possibly deploying the SAS again. New Zealand is also considering bringing Afghan police trainees to New Zealand, probably under NATO auspices. He added that Foreign Minister Peters would try to have something to say on the Asia Pacific Development Partnership (APDP) when he sees the Secretary.

MCCORMICK

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□ C O N F I D E N T I A L WELLINGTON 000791

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STATE FOR EAP/ANP; NEA/IR - REBECCA HUMMEL; WHA/BSC: JANINA SLATTERY, CAROLI...

▼ C O N F I D E N T I A L WELLINGTON 000791

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STATE FOR EAP/ANP; NEA/IR - REBECCA HUMMEL; WHA/BSC: JANINA SLATTERY, CAROLINE CROFT; S/CT ARNOLD SIERRA; L/LEI HEATHER MCSHAIN

E.O. 12958: DECL: 11/02/2017

TAGS: PTER, KJUS, PREL, NZ

SUBJECT: SUPPORTING ARGENTINA'S REQUEST FOR INTERPOL APPROVAL OF RED NOTICES

REF: SECSTATE 147320

Classified By: Pol/Econ Counselor Margaret McKean; Reason: 1.4 (b) and (d)

1. (C) In response to reftel demarche, Pol/Econ Counselor spoke with an Argentine Embassy official, who related that the Government of Argentina's Ministry of Foreign Affairs had discussed the issue of the red notices with the New Zealand Embassy in Buenos Aires. The Argentine Embassy in Wellington was unaware that its government had asked the USG or any other foreign mission to support its position, but they did not have any objections if the U.S. mission weighed in. In discussion with the French DCM, Pol/Econ Counselor learned that he had not been asked by Paris to assist. The U.S. Embassy did ascertain that the GNZ would be represented at the Interpol General Assembly meeting, but that the New Zealand position on this issue would be determined in Morocco based on their representative's discussions with colleagues at the GA and the dynamic established during the meeting.

2. (C) Pol/Econ Counselor met on October 31 with MFAT Director of the Americas Division, Carl Worker, to deliver the demarche. Worker confirmed that the New Zealand Embassy had been approached by the Government of Argentina. Worker noted that the GNZ sense was to be supportive in this situation. Nevertheless, as a former ambassador to Argentina, Worker said that the Argentine judiciary and police investigations in general leave much to be desired; however, he understood that the Argentine government was trying to make a proper case in this instance. He asked if the USG had information bearing on the investigation and its quality; Pol/Econ Counselor responded that such information had not been included in the demarche request.  
McCormick

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□ C O N F I D E N T I A L WELLINGTON 000806

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STATE FOR EAP/ANP, EAP/MLS

E.O. 12958: DECL: 11/09/2017

TAGS: PREL, PHUM,...

▼ C O N F I D E N T I A L WELLINGTON 000806

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STATE FOR EAP/ANP, EAP/MLS

E.O. 12958: DECL: 11/09/2017

TAGS: PREL, PHUM, ASEAN, BM, NZ

SUBJECT: NEW ZEALAND TO REMAIN TOUGH ON BURMA

REF: A. A) STATE 148530

B. B) STATE 148528

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.4 (b) (d)

1. (C) Pol/Econ Counselor met on November 5 with Bernadette Cavanaugh, the newly arrived head of the Southeast Asian office at the Ministry of Foreign Affairs and Trade (MFAT) to discuss Burma and next steps for the GNZ. Cavanaugh related that her office has been working on a proposal for the government that outlines various ideas to remain engaged on Burma. She underscored that PM Helen Clark has been clear that New Zealand will raise Burma at every appropriate bilateral and multilateral meeting, and at all levels. The PM plans to discuss Burma at the East Asian Summit Leaders lunch. During the recent ARF intersessional meeting Brunei, Burma was a topic of discussion, according to Cavanaugh.

2. (C) Raising Burma to the level of the Security Council would be a new step for New Zealand, allowed Cavanaugh, but New Zealand is looking at a variety of options. Regarding sanctions, absent a Chapter 7 resolution, New Zealand domestic law does not allow imposition of sanctions. However, the violence in Burma has underscored to the government that there may be instances where New Zealand may want to impose sanctions without the benefit of a UNSC resolution. Therefore, the government has asked MFAT's legal

division to examine if New Zealand might usefully be amended to allow for such a possibility. The legal division has also been asked to discuss the matter with other partner governments.

3. (C) Cavanaugh reported that the GNZ assesses the most useful avenues for positive action on Burma are China, India, and the ASEAN countries. To that end, New Zealand missions in China and New Delhi and in those ASEAN capitals where New Zealand has a diplomatic presence were asked last week to demarche the Foreign Ministries in capitals regarding Burma, said Cavanaugh. In all instances, New Zealand officials pressed host country governments to do more as well as stated New Zealand's position that the issue should go to the Security Council. In Beijing, Chinese authorities reportedly told New Zealand interlocutors that China believed that Gambari was doing a good job and to allow him to continue to work. In New Delhi, the New Zealand embassy's attempts to schedule a meeting with the Foreign Ministry have been rebuffed; Cavanaugh opined that their mission believed Indian officials were trying to avoid discussing Burma.

4. (C) New Zealand's assistance program to Burma amounts to roughly NZ\$500,000, with all of it going through international agencies such as UNDP and WFP. The GNZ is examining if any of that money is more available to Burmese officials as opposed to the public. There are also a small number (approximately 6) English-language training scholarships and roughly a dozen other scholarships; the GNZ is also analyzing if those benefit officials or their families.

5. (C) Finally, New Zealand has put off indefinitely its ASEAN dialogue meeting, originally scheduled for later this year. New Zealand is Burma's dialogue partner, and the GNZ has informed other ASEAN countries that there will be no meeting with ASEAN because of Burma. Initial reaction within ASEAN has been positive, and Cavanaugh acknowledged that pressure on New Zealand to schedule a meeting may materialize in the future, as there remains 18 months before the rotation to Malaysia -- a long time without a dialogue meeting between ASEAN and New Zealand.

6. (C) P/E Counselor noted that the Asian Pacific Parliamentary Forum (APPF) would be meeting in January 2008, and that might be a useful venue for discussions on Burma, particularly with those ASEAN countries represented. Cavanaugh responded that the APPF was a useful idea and agreed to include it in the MFAT proposal to government. Cavanaugh offered to provide a readout to us regarding New Zealand's discussions on Burma at the EAS

McCormick

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E.O. 12958: DECL: 12/04/2022  
TAGS: KNNP, MNUC, PARM, IR, NZ  
SUBJECT: NEW ZEALAND RESPON...  
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E.O. 12958: DECL: 12/04/2022  
TAGS: KNNP, MNUC, PARM, IR, NZ  
SUBJECT: NEW ZEALAND RESPONSE TO NIE ON IRAN'S NUCLEAR  
PROGRAM

REF: STATE 162558

Classified By: U.S. Embassy Wellington DCM David J. Keegan, Reasons 1.4  
(b) and (d).

1. (S) DCM met with MFAT Deputy Secretary Alan Williams  
December 4 to present NIE and talking points per reftel.  
Williams said that MFAT would immediately prepare a summary  
for cabinet and the Prime Minister.

2. (S) Williams commented that New Zealand has been clear in  
its messages to Iran in all fora that New Zealand will honor  
all UN mandated sanctions and that Iran must take the actions  
called for by the international community and the UN Security  
Council. It will be impossible for anything approaching a  
normal political or economic relationship until Iran does so.  
He added that trade between Iran and New Zealand is minimal,  
and even the scale of that trade is exaggerated by the record  
high prices for dairy products, one of New Zealand's major  
export commodities.

3. (S) Williams added that, while some may seek to use the  
new NIE to argue against U.S. policy, our willingness to look  
critically at earlier assessments, reflects "all that is best  
in America." The message he would take from the NIE  
conclusions is that this is not the time to relax the  
international pressure, including sanctions, on Iran to meet  
IAEA and UNSC demands.

McCormick

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HONOLULU HI PRIORITY

classification:CONFIDENTIAL

reference:

☐ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000866

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STATE FOR EAP/ANP; PACOM FOR JO1E/J2/J233/J5/SJFHQ; OSD FOR ...

▼ C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000866

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STATE FOR EAP/ANP; PACOM FOR JO1E/J2/J233/J5/SJFHQ; OSD FOR  
JESSICA POWERS

E.O. 12958: DECL: 12/06/2017

TAGS: PREL, MARR, NZ

SUBJECT: NEW ZEALAND AND US MIL-TO-MIL COOPERATION

WELLINGTON 00000866 001.2 OF 004

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1,4 (b) and (d)

1. (C) Summary. During a December 4-5 visit to New Zealand, OSD New Zealand Director Jessica Powers and PACOM New Zealand Desk Officer Rick Bairett reviewed US-NZ military cooperation, discussed the implementation of a new notification policy covering eight areas of mil-to-mil engagement, and Powers updated MOD officials on the status of the GNZ pending request to sell its inventory of A-4 planes. Both Air Vice Marshal David Bamfield and MOD Secretary John McKinnon underscored the importance the GNZ attaches to the successful resolution of the A-4 sale. Powers pressed GNZ officials on further commitments to Afghanistan; she allowed that DOD would work with the GNZ on addressing logistics concerns surrounding a renewed SAS deployment to Afghanistan. USG and GNZ officials discussed future activities for engagement and cooperation, and agreed to work closely to enhance cooperation within the region (through the ARF). New Zealand officials noted their efforts to encourage other countries to expand contributions in Afghanistan. End Summary.

A-4 Sale of Major Concern to GNZ  
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2. (C) In her opening call on Ministry of Defense Secretary John McKinnon, OSD Director Jessica Powers explained that her visit to New Zealand had two objectives: clarify the status of the A-4 sale and review the USG decision to move eight categories of military cooperation to a notification process

within DOD to expedite planning facilitation. Powers introduced Major Rick Bairett from PACOM, and encouraged GNZ interlocutors to reach out to PACOM if there are questions surrounding GNZ participation in upcoming activities. Sec McKinnon welcomed the USG visitors and the opportunity to discuss the relationship in broad terms, noting that the GNZ owes the U.S. a response to the US decision regarding the notification process. The new arrangements, McKinnon continued, have been expected for some time and MOD is pleased that it's happened. He advised that both Minister of Defense Phil Goff and Minister of Foreign Affairs Winston Peters had both signed off on the document; PM Clark has been traveling for three weeks and simply has not yet had an opportunity to review the new procedures and draft press language. Minister Goff briefly referred to the policy during a recent trip to Canada.

3. (C) In moving to the pending A-4 sale, Powers prefaced her remarks by noting the issue is complex in that it involves a DOD Inspector General investigation; nothing that OSD does in terms of following up on the progress of the proposed sale can be perceived as interfering in the legal process. Powers related that she is aware the GNZ is considering another buyer of the planes; the State Department will consider the sale as long as the company in question has a USG contract. She noted that the proposed buyer is only one dimension of the sale; there is also the issue of DOD responsibility and potential liability for such planes, and this factor also has a bearing on the delay.

4. (C) McKinnon thanked Powers for the update and offered that Minister Goff is getting "quite agitated" about the A-4 issue. The GNZ appreciates the legal aspect of the ongoing application, said McKinnon, and opined that another buyer would probably be the preferred option for moving this issue forward. The Secretary emphasized that if another suitable company can be identified, the GNZ would appreciate expeditious processing of the request. Powers urged that the NZ Embassy in Washington work closely with OSD/DSCA on the A-4 issue.

Afghanistan: NZ to Stay "as Long as Necessary"

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5. (C) On Afghanistan, McKinnon said that Ministers had recently agreed that New Zealand would continue its

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participation for another year. The one-year review is only a function the GNZ's internal administration process, said the DepSec, and he opined that New Zealand would continue its deployment "as long as it's necessary to do so." A Canadian independent panel recently visited the New Zealand PRT in Bamiyan, and Paul Sinclair said that GNZ officials stressed the importance of the Canadian contribution to Afghanistan and the need for the international community to stay the course in Afghanistan. McKinnon observed that Bamiyan has become synonymous with New Zealand, adding that the New Zealand government will review in early 2008 the whole

spectrum of NZ assistance in Afghanistan as well as the prospect of a presence in Kabul.

6. (C) McKinnon noted that the number of security incidents in Bamiyan has risen recently, and that is a concern. What is not clear, he continued, is whether the problem stems from political or criminal problems; the GNZ has deployed personnel to assess the situation and make recommendations. Powers responded that continued New Zealand PRT assistance in Afghanistan is of great importance, and that the USG would welcome the return of the New Zealand Special Forces (SAS). She said that if the GNZ were to consider a redeployment to Afghanistan, the USG would prefer that the SAS conduct special operations rather than perimeter security for the Bamiyan PRT. The USG is cognizant of GNZ transportation concerns and competing demands for New Zealand Defense Forces in the south Pacific. She urged the MOD to identify constraints and work with the USG to resolve issues surrounding the SAS. McKinnon took the message on board, but noted that the decision rests with the Prime Minister.

7. (C) Powers asked if there were other military resources that might be considered -- trainers or Operational and Military Liaison Teams (OMLTs). McKinnon responded that the trainer issue was under consideration with particular attention to the availability of the relevant personnel. New Zealand was also looking at police training. Powers suggested that New Zealand, in considering options beyond the Bamiyan PRT, look at the OMLTs, which interface between ISAF and the ANA in providing both training and operational support. Paul Sinclair said that the OMLT issue has been examined by GNZ officials, but has not been put forward to Ministers for a decision. McKinnon offered that the GNZ will review its Afghanistan contribution in the first half of 2008, looking at what others are doing and how New Zealand might mix in with other elements. Powers asked if the GNZ were planning to send an assessment team to Afghanistan, but McKinnon said there were no plans at present. Powers suggested that if a team were to go out, it would be useful for the team to stop at CENTCOM and in Washington. She also urged New Zealand to get the Singaporeans to do more in Afghanistan. Paul Sinclair said that Singapore is considering a GNZ request to place medical personnel in a Dutch-run hospital in Uruzgan province. In addition, New Zealand has approached Japan about the possibility of contributing to the Bamiyan PRT with engineers and medics. Powers was aware of the request to Japan, noting that the USG has encouraged Japan to do what it can.

Improved US-NZ Mil-to-Mil Cooperation  
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8. (C) In a broader meeting at the Ministry of Defense chaired by Director for International Defense Relations Paul Sinclair, Powers and Bairrett met with Director of Defense Intelligence Kevin Arledge, MFAT Division of the Americas Senior Policy Officer Justin Fepuleai, Director of Strategic Commitments Ian Gore, Director of Defense Policy and Planning Wayne Higgins, Warren Whiting (his replacement) and MFAT's Security and Disarmament Division's Rick Prendergast. Paul Sinclair praised the increased tempo of bilateral visits and



mil-to-mil interaction over the past year, and welcomed the recent USG notification policy decision for the eight areas of engagement. Powers and Bairrett discussed various upcoming operations with officials, including a possible Te Mata long distance training linkup while the ship is en route to the

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Mideast, a Proliferation Security Initiative exercise (Maru in September 2008) in which PAC Fleet and the US Coast Guard will participate depending on how much of the exercise will be in port or in international waters. Ian Gore said that the detail of the exercise will be worked out during the Operational Experts Groups (OEG) meeting in London in early 2008.

9. (C) Activities in Dili involving US and NZ forces may also fall within the eight categories, and both sides agreed that there could be opportunities there. Bairrett offered that Australia has asked PACOM to do more in Dili; the U.S. will be deploying Marines to Timor Leste next year. Powers and Bairrett agreed that PACOM would keep New Zealand in the loop on military planning for exercises and training in Dili. Paul Sinclair said that the New Zealand police in Dili spend the majority of their time mentoring other members of the international UN police contingent, as opposed to working with the Timor police. The UN, continued Sinclair, has recommended that the New Zealand defense forces liaise with the Timor police but New Zealand does not believe military should do police work. Just as in Afghanistan, there is a weakness in the international police development efforts in Dili, agreed USG and GNZ officials.

10. (C) Powers noted that before the recent USG policy decision, operators on the US side often assumed the answer regarding joint mil-mil activities with New Zealand would be negative, and therefore they would not pursue permission; others would wait until the last minute to propose activities. Now OSD and PACOM need to ensure the questions are asked early and that communication with GNZ operators is encouraged; Powers said that the USG would welcome feedback from the GNZ as to how the new policy is working. Major Bairrett noted that Admiral Keating had wanted a PACOM official to visit New Zealand as Rear Admiral Ledson will be exploring a possible PAC Fleet visit to New Zealand in April 2008. Paul Sinclair requested that the instructions provided by OSD to US commands be given to the New Zealand Ministry of Defense so that parallel instructions are handed down to New Zealand counterparts. Powers agreed to explore the possibility. Bairrett and Sinclair discussed the need to arrive at a common definition of third-party hosted operations, as it is not always clear as to sponsorship. Paul Sinclair raised the issue of a NZ liaison officer at PACOM, as had been proposed by New Zealand during the previous visits of Brigadier General Toolan and DASD Clad. Powers noted that the U.S. owes New Zealand a response on this issue. She suggested that given New Zealand's current list of activities for 2008, it may be worth sending a GNZ official to PACOM every six months for a discussion on opportunities for greater collaboration. Regular PACOM

contact through Rick Bairett is another area for enhancing PACOM-New Zealand coordination and dialogue.

11. (C) Bairett said that the USG would like to see the ARF do more, particularly on maritime security. He added that the US does not have to be in the lead all the time and would welcome other partners pushing the ARF to assume greater ownership of this issue. New Zealand officials agreed, noting that the GNZ is like minded and would like to see more defense dialogue within the ARF.

Comment  
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12. (C) GNZ officials were very appreciative of the visit by Jessica Powers and Rick Bairett, particularly the update on the status of the A-4 sale, which is increasingly of concern to senior GNZ officials and a potential bilateral irritant. Representatives of the various MOD offices welcomed the opportunity to discuss the recent USG policy shift from an operator/technical level, and the impact on scheduled and planned activities over the next year. Both US and NZ officials agreed that with the change in USG policy, improved lines of communication are necessary as the bilateral mil-to-mil relationship has shifted accordingly.

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To that end, GNZ officials were pleased to meet Major Bairett and discuss enhanced NZ-PACOM coordination. End Comment.

13. (U) OSD Director Powers has cleared this message.  
Keegan

date:2008-01-18T03:37:00  
source:Embassy Wellington  
origin:08WELLINGTON15  
destination:VZCZCXRO5591 PP RUEHPB DE RUEHWL #0015/01 0180337 ZNY  
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RUEHFR/AMEMBASSY PARIS 0309 RUEHPB/AMEMBASSY PORT MORESBY 0708  
RUEHUL/AMEMBASSY SEOUL 0278 RUEHSV/AMEMBASSY SUVA 0698 RUEKJCS/OSD  
WASHINGTON DC RUEHNO/USMISSION USNATO 0061 RHHMUNA/CDR USPACOM  
HONOLULU HI  
classification:CONFIDENTIAL  
reference:  
 C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000015

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STATE FOR EAP/ANP; OSD FOR JESSICA POWERS  
STATE ALSO FOR H ...

C O N F I D E N T I A L SECTION 01 OF 04 WELLINGTON 000015

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STATE FOR EAP/ANP; OSD FOR JESSICA POWERS  
STATE ALSO FOR H - JREDDY AND CAUSTIN

E.O. 12958: DECL: 01/18/2018  
TAGS: PREL, KGHG, MOPS, MARR, AF, NK, NZ  
SUBJECT: CODEL HOYER MEETS WITH GNZ LEADERSHIP

Classified By: DCM David Keegan for reasons 1.4(b) and (d)

1. (SBU) Summary. On January 9, a 13-member Congressional delegation led by House Majority Leader Steny Hoyer (D-MD) and Minority Whip Roy Blunt (R-MO) met with Deputy and Acting Prime Minister Michael Cullen and Ministry of Foreign Affairs and Trade (MFAT) Chief Executive Simon Murdoch to discuss bilateral priorities and issues of common interest. The cordial discussion covered NZ/US bilateral relations, global climate change, trade, the south pacific islands, Asia, Afghanistan, North Korea, domestic politics and the respective roles of NZ and the US in world affairs. End Summary.

Bilateral Relations Growing

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2. (SBU) On January 9, a 13-member Congressional delegation led by House Majority Leader Steny Hoyer (D-MD) and Minority Whip Roy Blunt (R-MO) met with Deputy and Acting Prime Minister Michael Cullen and Ministry of Foreign Affairs and Trade (MFAT) Chief Executive Simon Murdoch to discuss bilateral priorities and issues of common interest. Also attending were Charge d'Affaires David Keegan, former NZ ambassador to the US Dr. John Wood, MFAT Americas Deputy Director Elizabeth Halliday, Poloff, and Codel staff. In opening remarks, both sides agreed that the two countries have a close bilateral relationship, that the relationship is becoming stronger, and that the USG and GNZ have many common interests. "Though," according to Cullen, "we may sometimes differ in our approaches."

3. (SBU) Cullen began his remarks to the delegation by citing the interests which the US and NZ have in common:

- International security (including terrorism, security within the South Pacific islands, and the growing influence of the PRC and Taiwan);
- Climate Change (including energy security and development of alternative energy sources);
- Agriculture and trade (noting that NZ desires greater trade liberalization with the US); and
- Antarctica

Climate Change and Genetic Modification

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4. (SBU) Cullen expressed his desire that the US and NZ should develop a joint perspective on what should happen after the Kyoto Protocol expires, and that the two countries

should work to resolve climate change issues while allowing the third world to develop.

5. (SBU) On the subject of genetic modification (GM) technology and how it could contribute toward resolving climate change issues, Cullen admitted that there is some disagreement within New Zealand regarding the use of GM technology. However, he added that "we will risk losing traction on research and technology development unless we take hold of GM technology."

The South Pacific Islands  
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6. (C) Cullen described the South Pacific as "a region of increasing political instability, for example Tonga and Fiji." While the islands in this region may be small -- these states can be channels for undesirable activities, such as drug trafficking and money laundering. The island governments lack the resources and personnel to adequately prevent or investigate such activities and are especially vulnerable during periods of political instability. "These small island nations can barely manage their own governments," he said, "and they have no systems to control illegal financing opportunities."

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7. (C) With respect to the potential for terrorism, Cullen suggested that the South Pacific islands are not likely to provide recruits for terrorists from within. Rather, those recruits will come from Indonesia and Malaysia, he said. However, such small island states are extremely susceptible to being used by terrorist organizations as a conduit for their finances.

8. (C) Representative Bordallo (R-Guam) asked for the GNZ perspective on the "dollar diplomacy" occurring in the Pacific island region. Cullen stated that there are two aspects of the issue. First, there is a growing involvement in the region by the PRC and Taiwan as they vie for political support in the UN. Second, there is a broader geopolitical question: "The Pacific is a large space out there that may be important some day, and how do we position ourselves?" As a result, stated Cullen, the GNZ is concerned that the region is becoming "a place for great power rivalries." That places a duty on NZ, the US, France and Australia to assist governments in the region, "particularly in governance and the infrastructure for governance."

Asia -- NZ and US Roles  
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9. (SBU) Hoyer asked about the influence of mainland Asia in the South Pacific region. According to Murdoch, NZ is finding itself more closely involved in Asia and NZ is "constantly drawn into the Asian architecture." Australia is even more involved as a result of its closer geographic and economic connections with Asia. And that, according to

Cullen, poses a danger for NZ because "unless we're with Australia, we're very isolated."

10. (SBU) Murdoch credited the past involvement of the US as the reason for Asia's current development. That demonstrates what US influence in Asia can do, he added. Moreover, Murdoch stated that "there is a lot of desire for the US to be more involved in Asia" and there are "tons of scope" for further US influence.

Afghanistan  
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11. (SBU) Hoyer asked for the NZ perspective on the current state of affairs in Afghanistan. Cullen stated that NZ shares Australian Prime Minister Rudd's view that it is difficult to establish a democracy in a country with such strong tribal traditions. Murdoch added that NZ established the first non-US Provincial Reconstruction Team in Afghanistan and that "our guys have received more fire in the last four months than in the last four years."

North Korea -- NZ's Supporting Role  
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12. (C) Blunt expressed US appreciation for the GNZ's role on North Korea. Cullen stated that it was an opportunity to work with the USG in accomplishing a common goal, which the two countries have shared for years. Cullen added that it is also a good example of how the USG can work together with other countries in a multilateral framework. According to Murdoch, the DPRK must be shown the "goody bag" of benefits that could result from normal relations with the world, and the GNZ is perfectly positioned to fulfill that role, rather than the US, Russia or Japan, which have less credibility with the DPRK. "That is the kind of role we see ourselves playing," said Murdoch. When asked by Representative Granger (R-TX) how the GNZ came to assume that role with respect to North Korea, Murdoch replied it was at the invitation and with the encouragement of the USG and, in particular, Secretary Rice.

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NZ's Role in World Affairs

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13. (SBU) Cullen commented on the role of the NZ armed forces, stating that NZ has limited capacity to mount a high-level, high-tech military force. Consequently, NZ has, out of necessity, developed a low-tech army with highly professional special services, and a naval and air capacity sufficient for patrolling its "own patch" ) i.e., its EEZ, NZ's associated islands, and supporting its base in Antarctica. Use of those forces for other purposes has been limited, such as in East Timor and Afghanistan.

14. (SBU) Hoyer inquired whether NZ sees an opportunity to engage with the new leadership in Europe, specifically with UK Prime Minister Gordon Brown, German Chancellor Angela Merkel, French President Nicolas Sarkozy and Russian leader Vladimir Putin. Cullen agreed and stated that Sarkozy is not defensive but rather willing to engage and develop relations with the US (which is good from the NZ perspective, he added, as France is a player in the Pacific). PM Clark, he added, has developed a good personal relationship with Merkel. Hoyer commented that all four leaders want to play on the world stage and that engagement with Europe is a must. Moreover, Hoyer suggested, NZ can play a role in engaging with those governments.

15. (SBU) Hoyer asked what impact the upcoming NZ elections may have on NZ foreign policy. Cullen expressed his opinion that if there is a change of government, there would be little change in foreign policy. Most changes would be on the domestic front, he said.

The US Role in World Affairs  
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16. (SBU) Representative Chandler (D-KY) noted the loss of US popularity in the world and asked for ideas on how to reverse that perception. Cullen commented that, as a historian, he tends to take a long-term view. The US is number one now, he said, but the chances of remaining in that position by 2100 are slim. He suggested that the US should develop and implement international rules and practices "that will be there when you are no longer number one." He mentioned, as an example, endorsement of the international criminal court, which would be "a signal to the world." He cautioned that the US should avoid being regarded in the same way as the Australian cricket team, where "the rules are not quite symmetrical."

Domestic Politics  
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17. (C) With respect to the NZ's current domestic political environment, Cullen commented that there is a certain sentiment among New Zealanders that the Labour Party has been in power long enough and that Johnny (National Party leader John Keys) "should have a chance at bat." However, he added, even though the polls seem to be in Keys' favor, "you never know what rabbits the wily old curmudgeons (i.e., Labour) can pull out of what hats."

Comment  
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18. (SBU) The Codel arrived during the peak of the NZ summer when school was out, most New Zealanders were on vacation and celebrating the holidays, and the GNZ was, for all practical purposes, shut down. In spite of this, the GNZ pulled out all the stops to provide Codel Hoyer with a meaningful program of meetings and activities ) with some government officials coming in from planned vacations to meet with the Codel. This effort illustrates the GNZ's high regard for, and interest in further development of, its longstanding and

productive relationship with the US.

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19. (U) Codel Hoyer did not have an opportunity to clear this message before departure.

MCCORMICK

date:2008-01-29T21:38:00

source:Embassy Wellington

origin:08WELLINGTON24

destination:VZCZCXRO4376 PP RUEHPB DE RUEHWL #0024/01 0292138 ZNY  
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WASHDC PRIORITY 5024 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 0383  
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RUEHSV/AMEMBASSY SUVA PRIORITY 0702 RUEHKO/AMEMBASSY TOKYO PRIORITY  
0684 RUEHHK/AMCONSUL HONG KONG PRIORITY 0133 RUEKJCS/OSD WASHINGTON DC  
PRIORITY RUEHNO/USMISSION USNATO PRIORITY 0065 RHHMUNA/CDR USPACOM  
HONOLULU HI PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 0109  
classification:CONFIDENTIAL

reference:

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E.O. 12958: DE...

▼ C O N F I D E N T I A L SECTION 01 OF 08 WELLINGTON 000024

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STATE FOR G, S/P FOR DEAN PITTMAN, EAP/ANP

E.O. 12958: DECL: 01/22/2018

TAGS: PREL, KCGC, PHUM, KDEM, MOPS, NZ

SUBJECT: UNDERSECRETARY DOBRIANSKY EMPHASIZES STRONG US-NZ  
COOPERATION ON CLIMATE, ENVIRONMENT, AND HUMAN RIGHTS

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) Summary. During her January 14 meetings with Ministry of Foreign Affairs and Trade (MFAT) officials, Undersecretary of State for Democracy and Global Affairs Paula Dobriansky highlighted the recent successful discussions in Bali, underscored USG support for a

multilateral approach to climate change in the post-2012 period, and applauded the close bilateral cooperation between the U.S. and New Zealand on a range of issues covering the environment, Antarctica, human rights and democracy and governance. U/S Dobriansky also highlighted the strong premium the USG places on interfaith dialogue and public diplomacy programs to counter radicalism among youth. On January 15, the Undersecretary met with Sir Geoffrey Palmer, New Zealand's Whaling Commissioner, who urged the US to use its influence with Japan to see a diplomatic resolution to Japanese whaling policy. In all of her meetings, the Undersecretary paid tribute to Sir Edmund Hillary and expressed USG condolences at his passing. End Summary.

2. (U) Undersecretary Dobriansky was accompanied by S/P staff member Dean Pittman; Embassy Charge d'Affaires David Keegan and Pol/Econ Counselor also participated in MFAT meetings.

Meeting with MFAT CEO Simon Murdoch  
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3. (C) MFAT CEO Simon Murdoch met on January 14 with Undersecretary Dobriansky to preview the Prime Minister's views on a range of foreign policy issues in advance of the US' meeting with the PM on January 15. Murdoch led off with climate change and global warming, noting that the PM had attended APEC and the East Asian Summit (EAS) meetings in late 2007 and was struck by the prominence of climate change at both meetings -- the EAS had focused on energy security in 2006 but the recent meeting had seen a significant shift in priority to emissions reductions. The GNZ thought the Bali meetings had been constructive, and New Zealanders want to know what the climate change policy center of gravity in the US will be over the next several years. He added that for the Labour Party, the PM led a domestic policy review in the past year on New Zealand's approach toward climate change; with 2008 being an election year, the issue will remain very important to the Prime Minister. On Bali, Dobriansky characterized the outcome as a success, noting that she had met with Minister for Climate Change David Parker while in Indonesia.

4. (C) Afghanistan is also an important issue to New Zealand, and the PM believes the international community's strategy must focus on both a military approach as well as the development of political institutions, remarked Murdoch. On human rights matters, the US and New Zealand are largely of the same mind, continued Murdoch. The PM supported UNSG Special Representative Ibrahim Gambari's participation at the EAS leader luncheon. Murdoch allowed that GOS PM Lee Hsien Loong had to "drag comments" on Burma out of the Indian and Chinese leaders. Within the region, Murdoch said that New Zealand has strong views on good governance. Democracy in the post-colonial period is rather fragile, as the second generation leaders in the Pacific islands struggle with governance issues. Murdoch underscored GNZ appreciation for cooperation in this regard with the USG. Undersecretary Dobriansky noted that the USG values cooperation with the GNZ on the human rights situations in Burma, Fiji, and North



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Korea. Murdoch stressed New Zealand's concern for the future of the Pacific islands, which are increasingly turning away from Australia and New Zealand to seek ties with Taiwan, China, Cuba and others. The Undersecretary responded that the USG wants to collaborate with NZ on more practical approaches to democracy within the region, and is pleased that the GNZ has indicated a willingness to join the Asia Pacific Democracy Partnership (APDP). She added that she had appreciated that Phil Goff, while serving as foreign minister, has briefed her on his visit to Tibet, since as Tibet coordinator she could not travel there.

5. (C) Murdoch also emphasized the PM's support for counterterrorism (CT), particularly the soft side of the GNZ's CT approach that encompasses interfaith dialogue and the UN initiative on dialogue among civilizations. New Zealand is a firm supporter of the Proliferation Security Initiative (PSI), intelligence sharing, and CT efforts in Afghanistan. However, the GNZ -- and the PM in particular -- also considers religious tolerance and interfaith dialogue programs to be an important component of New Zealand's overall approach, which is conducted with Australia and Indonesia. Domestically, such soft support helps the PM within the non-centrist left of the Labour Party, added Murdoch, which is very critical of US policy towards Israel. In conjunction with the UN dialogue project, New Zealand has hosted a regional meeting that produced a report addressing disaffected youth; the report was presented to the EAS for funding consideration and commitment, said Murdoch.

6. (C) Undersecretary Dobriansky agreed that CT efforts should include hard and soft tactics and programs; the USG has a number of interfaith initiatives incorporated into US efforts in Afghanistan. Also important is the role of Muslim democracies, such as Indonesia, which are represented in the Community of Democracies, said Dobriansky. Dean Pittman added that the USG is working on a number of initiatives to combat radical Islam, particularly among young people, as part of our "war of ideas." The United States would welcome the opportunity to collaborate with New Zealand on these efforts. The Undersecretary stressed that the USG welcomes other countries taking the lead on such issues and applauded GNZ efforts. She agreed that progress in Afghanistan will rely not only on assistance funds and military action, but also on education, an open media, political institutional development and many practical aspects of developing a democratic society, including academic exchanges. Murdoch noted that NATO will host a special meeting on Afghanistan in Bucharest at the 2008 NATO Summit in late April; the PM plans to attend and has been critical that the Europeans have not delivered adequately on the military side. Murdoch also said that the GNZ is considering how to "lift" the New Zealand civilian presence in Afghanistan to match the GNZ PRT contribution but no decision has yet been made.

7. (C) Returning to the environment and climate change issues, Murdoch informed the USG visitors that New Zealand's foreign policy used to be centered on trade; while trade

remains an important issue, the GNZ now also takes into account environmental concerns and resource depletion. Concerning the latter, the GNZ is concerned about the future of the southern oceans due to overfishing, illegal fishing, seabed mining, bio-prospecting in and around coral reefs, and the increasing encroachment further south into Antarctic waters of commercial fishing. Undersecretary Dobriansky said that the USG shares these concerns and wants to work with the GNZ on White Water to Blue Water initiatives, and overfishing and sustainable management of ocean resources. Murdoch

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responded that the US as a world leader in public-private partnerships, scientific research and responsible public policy can have an impact on rapidly developing countries that need tangible environmental policies. Murdoch offered that the USG support for the Antarctica program beginning in the 1950s was instrumental to the successful cooperation over the past half century; the GNZ could not have afforded it at the time and would not be able to continue now without USG help.

MFAT Roundtable

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8. (C) In a follow-on roundtable meeting chaired by MFAT Deputy Secretary Carolyn Forsyth, GNZ officials discussed a range of environmental issues and good governance/democracy/human rights matters of importance to the bilateral relationship. In Antarctica, Forsyth noted the excellent US-NZ cooperation, discussed the wind energy generation proposal for McMurdo, and referred to NZ's contribution to the logistics pool. Trevor Hughes of MFAT's Antarctic Policy Unit discussed two key concerns of the GNZ in the Antarctic region: expansion/diversification in tourism and illegal fishing in the Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR) zone. Regarding tourism, Hughes pointed out that the numbers of tourists coming to Antarctica have grown exponentially -- now at 35,000 in the Treaty area; 10 years ago the numbers were only 10% of that figure. Hughes remarked that the GNZ has been grateful for the policy coordination between New Zealand and the US in Antarctic treaty meetings, and for the recent USG-proposed resolution to limit landings of groups of 500 or more people on the continent. Environmental issues surrounding tourists are also of concern to the GNZ, continued Hughes, as the number of ships lacking ice protection is growing. In addition, 40% of the tour ships in Antarctica are flagged to countries that are not treaty partners, said Hughes, adding that the M/S Explorer, which sank off the coast of Antarctica in November 2007, was flagged to Liberia. Undersecretary Dobriansky agreed that tourism was an issue that needed to be addressed -- perhaps at the next Antarctic Treaty Consultative Meetings; Pittman suggested that the next consultative group meeting in Kiev in June 2008 could look at enforceable protocols. Hughes noted that New Zealand places observers on all tourism vessels passing through NZ ports to ensure compliance with treaty obligations. He added that some South American countries run

small hotels in Antarctica to fund their research programs.

9. (C) On illegal fishing and destructive fishing practices, Carolyn Forsyth was pleased that the US and NZ cooperate in the South Pacific Regional Fisheries Management Organization; she applauded the Organization's establishment of interim measures during the April 2007 meetings in Chile. New Zealand assesses the oceans and fish stocks as in a poor state and there is increasing pressure in the southern oceans. Trevor Hughes pointed to specific problems in the Antarctic seas and damage to toothfish stocks, offering that Hong Kong and Spanish fishing syndicates are the worst offenders and that most of the fishing masters aboard the illegal fishing boats are of Spanish nationality. He added that the illegal fleets are using gill netting in the Indian Ocean region below Australia but are being monitored by Australian and French authorities; he worries as they are pushed from that zone the fleets will move to the Ross Sea. Undersecretary Dobriansky responded that one approach to addressing the problem would be the actual implementation of the 2006 UNGA resolution on destructive fishing practices.

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She agreed with the GNZ analysis of the illegal fishing problem, noting that improved surveillance and information sharing is needed. (Note: The New Zealand media on January 17 reported that a blacklisted fishing vessel flagged to Sierra Leone and operated by a Spanish company was reported in the Ross Sea CCAMLR zone; the GNZ reported the incident to CCAMLR. End Note.)

Climate Change and Sustainability  
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10. (C) Turning to climate change and Bali, Carolyn Forsyth said that the GNZ was pleased there was agreement under the UNFCCC and glad the USG is part of the new negotiations. She noted the differences between the US and NZ concerning deforestation. Developing countries have moved to the point of quantifiable, verifiable emissions measures, she observed, and New Zealand hoped the Major Economies Meeting under US auspices would feed into UNFCCC. Dobriansky offered that the US was pleased that developing countries are part of the negotiating process post-2012 and that the Major Economies Meeting would complement and not compete with the overall UNFCCC process. She underscored that there is united bipartisan support in the U.S. for the major economies initiative. The Undersecretary emphasized USG support for the elevation of mitigation and adaptation discussions and the financing of technological transfers. She agreed that differentiation discussions are also timely as there are significant differences between large, middle-income countries such as Brazil and small island states. In looking at the longer term global goals, inclusion of the major economies is crucial, as China is overtaking the US in emissions, added Dobriansky. She noted that the Ad Hoc Working Group meeting in March/April 2008 will be important. Pittman underscored the importance of countries such as New Zealand adding their voices in support of a climate change

agreement that includes all major emitters, not just developed countries.

11. (SBU) Carolyn Forsyth discussed sustainability in New Zealand, and the GNZ's goal of becoming the first society to be truly sustainable. The policy is multifold, drawing in businesses, government procurement, waste minimization, and households. Six government agencies are scheduled to become carbon neutral by 2012, noted Forsyth. Yvonne Lucas from the Ministry of Economic Development explained that the GNZ is placing emphasis on both the public and private sectors; there is great activity on energy efficiency and improved environmental outcomes, but the GNZ is still wrestling with coordination issues. Undersecretary Dobriansky congratulated GNZ officials for their sustainability approach, noting that New Zealand can be a model for other countries. She applauded New Zealand for hosting UN Environment Day in June, and announced that the US would host the Washington International Renewable Energy Conference (WIREC) in March and would welcome GNZ participation. In a subsequent meeting with New Zealand Prime Minister Helen Clark (septel), Dobriansky on behalf of the Secretary invited her to attend.

Pacific Islands

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12. (C) Moving to Pacific island governance issues, MFAT Pacific Director John Adank briefed the Undersecretary on GNZ views towards the southern Pacific region. The succession of coups in Fiji has been worrisome, said Adank, and the GNZ has seen the challenges of reinstating democracy in the lead up

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to the March 2009 elections. The international community should ensure the Fiji interim government puts in place the necessary milestones to achieve successful elections; the GNZ worries that the interim government is trying to change the constitution before the elections, noted Adank. The Pacific Island Forum results from Tonga in 2007 were not encouraging, he added. New Zealand and others should promote an environment whereby the Fijian people believe elections will take place; the current environment on the island suggests the military is firmly in control, said Adank. Undersecretary Dobriansky mentioned that the USG had found Cape Verde to be a useful partner to the Timor Leste electoral process as both were small islands. Adank said a major concern is the Fiji interim government's promotion of a People's Charter and a review of the Fijian constitution, which only an elected government should do. He added that PM Clark had sent a detailed letter outlining the GNZ's views on the Charter to Frank Bainimarama. Both Adank and Dobriansky agreed that women's participation in elections was important. Carolyn Forsyth added that Pacific Island politicians do not always see themselves as accountable to the people they represent. Dobriansky updated MFAT officials on the Mali Community of Democracies discussion surrounding the Asia Pacific Democracy Partnership.

Tibet

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13. (C) Undersecretary Dobriansky outlined the interactions between the Dalai Lama and Chinese officials over the past six years, and noted that these meetings still had not translated into practical results. The Dalai Lama would like to see three issues addressed by the GOC: environmental sensitivity, economic development that aids Tibetans and not just Han Chinese, and an immigration policy that preserves Tibetan culture and religion, which is threatened by the influx of Han Chinese into Tibet. The Dalai Lama would also like to make a pilgrimage to Beijing as well as Tibet, said Dobriansky. MFAT Director for Asia David Taylor asked Dobriansky if there was a way in which the GNZ and USG might work together in the lead up to the 2008 Olympics to pressure Beijing vis-a-vis Tibet; the Undersecretary promised to reflect on the question and get back to New Zealand officials.

Burma

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14. (C) On Burma, Undersecretary Dobriansky underscored the importance of this issue to the USG and the President's personal commitment to continue the pressure on the military regime. Carolyn Forsyth noted that Rangoon's leaders had made some initial concessions after the crackdown but there was little interest in genuine reform. Nigel Moore of MFAT offered that New Zealand had put in place visa sanctions in 2003, was considering economic sanctions (although these would have little to no tangible impact), and that China, India and the ASEANs were key to applying pressure to Rangoon's leadership. Although New Zealand has not favored UN Security Council involvement up to this stage, PM Clark is now considering support for UNSC action. Undersecretary Dobriansky said that within the Council there exists greater support than one year ago, and that the USG has pressed both China and India.

North Korea

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15. (C) The Undersecretary thanked the GNZ for its help on North Korea. MFAT's David Taylor noted that the GNZ ensures that human rights issues figure in their conversations with North Korean officials and that FM Winston Peters raised human rights during his visit to Pyongyang in November 2007. GNZ officials asked for an update on USG actions to remove North Korea from the state sponsors of terrorism list and if there had been a lifting of any trade sanctions under the Trading with the Enemy Act.

PKO and CT Issues

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16. (C) Wayne Higgins, Director for International Defense

Relations at the Ministry of Defense, briefed the Undersecretary and Dean Pittman on the status of GNZ peacekeeping deployments in Afghanistan, Timor Leste and the Pacific region, Lebanon, and other parts of the globe. Higgins noted that New Zealand's armed forces have focused on "niche" contributions, but that the GNZ is committed to international peace and security. Pittman noted USG appreciation for the New Zealand Provincial Reconstruction Team (PRT) contribution in Bamiyan Province, Afghanistan, and asked if the New Zealand public remained supportive of New Zealand's work in Afghanistan; Higgins replied affirmatively and added that Singapore had contributed medical and dental officers to the Bamiyan PRT, just as New Zealand the GOS had worked in Timor Leste. Pittman pointed out that New Zealand was already very active in support of international peacekeeping efforts and said it would be a natural for the GNZ to join the Global Peacekeeping Operations Initiative (GPOI). Finally, Undersecretary Dobriansky discussed TIP issues and prospects for US-NZ cooperation on TIP issues of mutual concern through the establishment of a joint working group. MFAT officials said that New Zealand is "on the same page" as the US with respect to trafficking in persons, and New Zealand is placing a great deal of emphasis on TIP in their immigration and labor departments.

17. (C) Carolyn Forsyth briefed Undersecretary Dobriansky about GNZ efforts to promote interfaith dialogue and how these dovetail with counterterrorism security outcomes. New Zealand, Australia, and Indonesia began a regional interfaith program in 2004 following the first Bali bombing; meetings in the Philippines and most recently (May 2007) in New Zealand have followed. Forsyth underscored that the meetings are not about religion; rather, participants seek to empower moderates and marginalize radicalism. One of the positive outcomes of the regional meetings has been improved Muslim networks between countries and discussion about a Muslim intra-faith meeting. New Zealand hopes to implement the action plan put forward during the May 2007 meeting, she said. Looking to the UN Alliance of Civilizations (AOC) initiative, Forsyth mentioned that the absence of a USG contribution garnered some criticism from speakers to the October 2007 meeting in Spain. The GNZ interest in the AOC is largely confined to practical projects on media, education, and youth. Dobriansky responded that the USG also appreciates the practical elements of the AOC but has noted politicization within the Initiative. She said that the USG has a number of lessons learned from US-led interfaith initiatives that may be relevant to the GNZ; both she and Pittman agreed that S/P would discuss these initiatives with the New Zealand Embassy in Washington, particularly the War on Ideas and ways to move Muslim youth away from radicalism.

US Dobriansky Meets Whaling Commissioner Palmer

WELLINGTON 00000024 007 OF 008

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18. (C) NZ International Whaling Commissioner (and former

PM) Sir Geoffrey Palmer, accompanied MFAT Environment Division Director Jan Henderson met with US Dobriansky and Dean Pittman on January 15 to discuss GNZ concerns with the IWC and Japanese whaling policy. Palmer urged the USG to use its influence with Tokyo to seek resolution of Japanese whaling policy and the GOJ's role within the IWC, which Palmer characterized as a "dysfunctional" organization that has lost credibility as an international body among many diplomats due to Japanese vote buying and a membership that includes landlocked countries with no interest in whaling. In New Zealand, Palmer underscored that the anti-whaling movement is strong and the new Rudd government in Australia has taken a tougher stance on whaling by threatening legal action at the International Court of Justice. New Zealand believes that a legal case at the ICJ will probably not succeed and a diplomatic solution is needed; the Japanese government needs to get something out of any GOJ decision to curtail its so-called scientific research approach to whaling, said Palmer, who added that the scientific loophole needs to be closed.

19. (C) Undersecretary Dobriansky offered that the USG and GNZ have good collaboration on whaling and both share a pro-conservation approach to the issue. She agreed to meet with US Commissioner Hogarth as well as Deputy Secretary Negroponte to discuss and solicit ideas. Palmer said that with New Zealand in an election year and public opinion staunchly opposed to whaling, no NZ politician can support any level of whale slaughter; privately, he conceded that there may be a sustainable harvest that can be applied to some whale species. He applauded the work of Remi Parmentier and the Pew Environment Group and noted that even Greenpeace is not opposed to a deal with the Japanese; the Latin American countries are firmly opposed to whaling. Palmer proposed that the GNZ and the USG work towards what would comprise a resolution during the March 6-8 IWC Intersessional meetings in London in the lead up to the annual IWC meetings in Chile in June. Dobriansky said that she would confer with Washington officials and Japanese experts on her return to Washington.

US Dobriansky Meets Human Rights Commission Chairman  
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20. (SBU) Also on January 15, Undersecretary Dobriansky met the Chairman of the New Zealand Human Rights Commission, Rosslyn Noonan, in Auckland. At Dobriansky's request, Noonan reviewed the independent commission's mandate to advocate human rights and encourage harmonious relations among groups within New Zealand as well as to receive and seek to resolve complaints. Since 2001, it has placed a particular emphasis on the concerns of Maori over inequitable implementation of the 1840 Treaty of Waitangi, signed between the Crown and Maori chiefs. The Commission participates in UN Human Rights Commission meetings separate from the New Zealand Government. While international activities have not been a major part of its efforts, it has worked to strengthen the capacity of the often small and understaffed human rights commissions in the Pacific. This year the Commission will undertake, at the request of the GNZ, a project with the Philippine military and police to enhance their adherence to human rights

principles in carrying out their duties. The New Zealand Police will assist by providing specific training to the Philippine police in handling violence against women. In response to U/S Dobriansky's question about whether the

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commission had established a counterpart relationship in the U.S., perhaps with the Civil Rights Commission, Noonan said that they had contacts with NGOs and state and local commissions. She agreed it would make sense to reach out to the federal level as well.

21. (U) Undersecretary Dobriansky and S/P policy officer Dean Pittman have cleared this message.

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classification:CONFIDENTIAL  
reference:  
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DOE FOR A/S KARSNER  
NSC FOR K. FRASER  
BRUSSELS FOR USEU

E.O. 12958: DECL...

C O N F I D E N T I A L WELLINGTON 000035

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DOE FOR A/S KARSNER  
NSC FOR K. FRASER  
BRUSSELS FOR USEU

E.O. 12958: DECL: 01/17/2028

TAGS: OVIP, PREL, PGOV, SENV, NZ, AY, AF, BM, FJ, UK, IN, MY

SUBJECT: NEW ZEALAND: UNDER SECRETARY DOBRIANSKY'S JANUARY

15 MEETING WITH PRIME MINISTER CLARK

Classified By: Consul General John Desrocher for reasons 1.5 (b) and (d).



This message was drafted by ConGen Auckland and approved by Embassy Wellington.

1. (C) Summary. New Zealand PM Clark believes the indifference of most Japanese to whaling leaves the most extreme whaling advocates free to drive GOJ policy. Clark opposes Antarctic tourism and she is pleased with her government's efforts to get developing economies to accept some responsibility for reducing greenhouse gases. Clark also told Under Secretary Dobriansky she is disturbed by Burma's neighbors' attitudes towards that government's repression, as well as by European unwillingness to put strong conditions on its aid to Fiji. Clark reported that the U.K. believes a dual-track approach is necessary to succeed in Afghanistan. Clark and Dobriansky discussed their efforts to promote interfaith dialogue as well as the Secretary's possible visit to New Zealand. End summary.

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Antarctic Tourism  
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2. (C) Prime Minister Clark opened her meeting with Under Secretary Dobriansky by describing her concern about tourism

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at the bottom of the world. Clark said that she "had always been down on tourism" in the Antarctic and adjacent waters, citing its harm to the area's fragile environment and the danger to tourists from the challenging climate and sea conditions. Clark noted that tourism numbers were up, particularly in the areas claimed by Chile and Argentina. Dobriansky emphasized the U.S. desire to work with New Zealand on the problem, and suggested the appropriate commission should consider the imposition of binding rules governing tourism.

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Whaling  
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3. (C) Clark called attention to the controversy over Japanese whaling and expressed appreciation for the "staunch" attitude of the U.S. Clark noted that, this season, Japanese whalers were far from New Zealand in Australia's Antarctic waters, a vast area very difficult to patrol. Clark argued that Japan will relent on whaling only when the attitude of the Japanese public changes. Most Japanese are indifferent to whaling, she said, leaving the most adamant proponents free to drive GOJ policy.

4. (C) Dobriansky replied that she has met with New Zealand's International Whaling Commission representative Sir Geoffrey Palmer to consider next steps. The big challenge, Dobriansky explained, was "salvaging the Commission" and dealing more effectively with Japan. With regards to the latter, Dobriansky noted she would sit down with USG's Japan experts to plot out a strategy to be shared with partners like NZ, Australia and the U.K. Regarding the IWC, Clark

noted that she has found Malaysia traditionally difficult but, in recent conversations, Malaysian Prime Minister Badawi has sounded more cooperative.

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Climate Change  
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5. (C) Dobriansky expressed satisfaction with the outcome of the Bali Climate Change Conference, particularly the commitment of developing countries to contribute to efforts to reduce greenhouse gases (GHG). She promised that the U.S. would remain active in climate change negotiations as well as in its own major emerging economies program. Clark highlighted her own efforts to "get good statements" on climate change from major international meetings in the run up to Bali, such as Asian regional meetings (APEC, ASEAN) and Commonwealth meetings, in order to draw developing countries like India towards GHG commitments. Clark and Dobriansky agreed that a key argument to make to developing countries like India is that efforts to reduce GHG offer poor countries an opportunity to make technological leaps over the dirty technology that fueled much of the developed world's economic growth.

6. (C) Energy A/S Karsner described U.S. efforts to tackle climate change, citing a USD one billion investment this year to produce cellulose ethanol and reduce tailpipe emissions from cars by up to 87%. The U.S. was working with smaller developed countries like Sweden and Iceland on GHG reduction programs that, if successful, could be scaled up and implemented in large economies like the U.S. Karsner shared his desire to "green" our stations in Antarctica, both to protect the environment and to reduce costs. He noted that it costs more to deliver fossil fuels to the Antarctic stations than to anywhere else on earth and that the U.S. wants to work with NZ and others to meet the stations' energy needs more efficiently. Similarly, the U.S. was interested in working with NZ in the Pacific on community-scale integrated reduction programs that would help reduce emissions in very small economies, like the Pacific islands.

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Emissions Efforts in New Zealand  
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7. (C) Dobriansky praised Clark's initiative to ensure that 90% of New Zealand's energy needs are met by renewable sources. Clark noted that New Zealand already gets two-thirds of its energy from such sources and can make up the rest with more wind, geothermal and hydro power. Banning new fossil fuel-powered energy generation projects will force the country to find alternatives, Clark explained.

8. (C) New Zealand faced particular pressure to be green, Clark continued. "We must put substance into the green slogan," Clark said, if NZ is to push back successfully against misguided popular concerns about food miles and tourists' carbon footprints. Clark added that agriculture and tourism form the basis of NZ's economy and must be, and must be perceived to be, environmentally-friendly.

9. (C) On the Secretary's behalf, Dobriansky invited Clark to the Washington International Renewable Energy Conference (WIREC) in March. Dobriansky and Karsner pointed out the strong interest in the conference from German Chancellor Merkel and the Swedish premier.

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Secretary's Visit

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10. (C) Clark expressed appreciation for Dobriansky's visit, noting that she was the most senior administration official to visit New Zealand in quite some time. Clark said that she was looking forward to a possible visit from the Secretary, but understood the need to avoid discussing the

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visit publicly until it was officially agreed and the details were settled. Dobriansky promised to pass in Clark's interest to the Secretary and the Charge noted that the Embassy and Department were working with MFAT on a possible program.

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Burma  
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11. (C) Dobriansky thanked Clark for her personal involvement on Burma, prompting Clark to recall her role as the "bad fairy" at a recent ASEAN lunch at which she, to the consternation of Burma's neighbors and while seated directly across from her Burmese counterpart, condemned the junta's

human rights violations. China, India and ASEAN "need to stand up," Clark continued, explaining that she had recently told the Chinese premier that it was time for the PRC to take a strong stand on Burma just as it had done on North Korea. Clark added that she also raised the issue with her Indian counterpart and described the Indian attitude as "reprehensible."

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Fiji  
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12. (C) Clark complained that, while the U.S. has been very supportive of NZ's position on Fiji, the Europeans are "not helpful." She cited European attitudes at the time of the Pacific Islands Forum (PIF). PIF members were ready to recommend that a non-military interim leader be appointed, but the EU declined to condition its aid on that step and the idea faded. Now, Clark added, New Zealand is "brainstorming to find a path around Bainimarama," who can be rigid. "There are others in Fiji to engage," Clark said.

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Afghanistan  
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13. (C) Clark reported that, during her just-completed visit to London, PM Brown pushed for a dual-track approach to Afghanistan and expressed regret over the Afghan Government's recent expulsion of two European diplomats accused of having talks with Taleban leaders. Her U.K. interlocutors, she said, "were surprised by how many Taleban leaders want to talk."

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Interfaith Dialogue  
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14. (C) After Dobriansky reiterated the President's commitment to resolve the Israeli-Palestinian dispute by the end of his administration, Clark recalled her own efforts to promote interfaith dialogue. Dean Pittman referenced the State Department's initiative in that regard, cautioning that such efforts by governments "need to be subtle." It is a particular challenge for the U.S., Pittman added, because any such initiative from Washington tend to be viewed with suspicion by the intended audience. Dobriansky explained that reaching out to Muslim youth was particularly important. Clark agreed, noting with regret the success that extremists have had using the Internet to recruit young people.

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Participants  
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15. (SBU)

New Zealand:  
Prime Minister Helen Clark  
Deputy Secretary Carolyn Forsyth, Ministry of Foreign Affairs and Trade (MFAT)  
Andrea Smith, Department of the Prime Minister and Cabinet  
Justin Fepulea'i, MFAT

U.S.:  
U/S Paula Dobriansky  
A/S Andrew Karsner, DOE  
David Keegan, Charge d'Affaires  
Dean Pittman, Policy Planning  
John Desrocher, Consul General (notetaker)  
MCCORMICK

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STATE FOR EAP/ANP; EAP/RSP AND S/CT

E.O. 12958: DECL: 02/08/2018

TAGS: PR..

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STATE FOR EAP/ANP; EAP/RSP AND S/CT

E.O. 12958: DECL: 02/08/2018

TAGS: PREL, MARR, ASEAN, NZ

SUBJECT: GNZ SHARES SIMILAR VIEWS ON ARF; PROSPECTS FOR  
REAL CHANGE REMAIN UNCERTAIN

REF: STATE 8005

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) On February 7, Pol/Econ Counselor delivered reftel demarche material to Tim McIvor, Ministry of Foreign Affairs and Trade (MFAT) head of the Asia Regional Unit that deals with ARF and ASEAN affairs. McIvor indicated that the GNZ had already supplied comments to the USG's ARF proposal to EAP/RSP. McIvor underscored that New Zealand shares USG views on needed changes to the ASEAN Regional Forum (ARF). ARF, he said, needs to look afresh at its role and priorities. He agreed that the organization needs to transition from a forum ("talk shop") to an activities-based organization that addresses issues of regional concern in cooperative fashion. McIvor offered that Singapore should look at ARF more fundamentally than perhaps the GOS would like to. Nevertheless, he sees Indonesia, Singapore, and Thailand as the likeliest countries within ASEAN to promote real reform.

2. (C) McIvor agreed that the Friends of the ARF Chair has been a helpful mechanism; he also agreed with the USG proposal to split the ARF chair from the ASEAN chair, but argued strongly that the USG should clarify that the ARF chair would remain with another ASEAN nation -- otherwise, ASEAN will reject the concept to protect the primacy of ASEAN within ARF. McIvor added that the notion that ASEAN has primacy within ARF is "a fiction," noting that ASEAN's partners continue to drive the organization. ARF should have a vision statement, which will hopefully lead Singapore to review more closely how ARF can add value in a region that has a larger number of organizations with overlapping agendas. He agreed that ARF should move past dialogue towards more practical activities, and urged that the activities be selected carefully to ensure maximum participation. McIvor said that the ever-expanding number of ARF meetings has made it difficult for some countries to send representatives; even New Zealand is finding it challenging, he added.

3. (C) On the USG-proposed Counter Terrorism and Transnational Crime (CTTC) workplan, McIvor said he would have to confer with MFAT colleagues who deal with counterterrorism (CT) issues -- most of whom are out of the country at the moment. In principle, CT issues should be exactly what the ARF should be focused on, noted McIvor, who said he would study the proposed workplan.

4. (C) Finally, concerning the ASEAN Defense Ministers Meeting Plus, McIvor said that New Zealand is waiting for a revised paper from Singapore and is consulting closely with the GOS on the issue. MFAT has instructed its diplomatic missions in ASEAN countries to stay in touch with their Singaporean counterparts on reactions by host country governments. Singapore has recommended that the Plus mechanism include EAS members plus the United States, offered McIvor.

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E.O. 12958: DECL: 02/13/2023  
TAGS: PGOV, PREL, NZ, UN, YI, EU, UNMIK  
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E.O. 12958: DECL: 02/13/2023  
TAGS: PGOV, PREL, NZ, UN, YI, EU, UNMIK  
SUBJECT: LOBBYING NEW ZEALAND ON KOSOVO INDEPENDENCE

REF: STATE 13716

Classified By: DCM DAVID J. KEEGAN, EMBASSY WELLINGTON. REASONS 1.4 (B) AND (D).

1. (C) DCM presented the demarche reftel to Caroline Forsyth, MFAT Deputy Secretary for Multilateral and Global Affairs, on February 12. She responded that New Zealand has been following developments in Kosovo closely. GNZ has a long-standing established practice of not making declarations

of recognition, but it rather allows that to be inferred from its actions. She said that she expected the GNZ would do the same in this case.

2. (C) DCM urged that New Zealand consider some public statement in support of Kosovo's declaration of independence, perhaps in the form of a press release from the Foreign Minister. Forsyth promised to discuss the matter with others in the Ministry and get back to post.

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E.O. 12958: DECL: 02/21/2018  
TAGS: PREL, UN, UNMIK, PGOV, Y...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000059

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E.O. 12958: DECL: 02/21/2018  
TAGS: PREL, UN, UNMIK, PGOV, YI, EU, KV, NZ  
SUBJECT: NEW ZEALAND RESPONSE ON KOSOVO INDEPENDENCE

REF: (A) STATE 16319 (B) WELLINGTON 44

WELLINGTON 00000059 001.2 OF 002

Classified By: Embassy Wellington DCM David J. Keegan, reasons 1.4 (b) and (d).

1. (C) Summary. Charge presented reftel demarche to MFAT Deputy Secretary Peter Hamilton who repeated Prime Minister Clark's earlier insistence that New Zealand has an established practice of not publicly announcing diplomatic recognition but allowing it to be inferred over time from its actions. Charge noted that New Zealand had publicly accelerated the recognition process in a few sensitive cases and urged it do so for Kosovo. If it could not, Charge said New Zealand should make a public statement expressing support for the action taken by the people of Kosovo. Hamilton said he would highlight Charge's demarche in a paper for the PM later that day. End Summary.

2. (C) Charge David Keegan sought an appointment to deliver ref A demarche to New Zealand Foreign Minister Winston Peters or, in his absence, CEO Simon Murdoch of the Ministry of Foreign Affairs and Trade (MFAT). With both Peters and Simon traveling abroad, Charge was scheduled to meet February 21 with MFAT Deputy Secretary Peter Hamilton, whose responsibilities include Europe. Charge had earlier conveyed U.S. concerns to Dep. Sec. Carolyn Forsyth, who handles IO affairs (ref B). Charge emphasized to Hamilton, as he had in that earlier demarche, the importance of New Zealand and other democracies demonstrating their support for Kosovo's Unilateral Declaration of Independence by announcing diplomatic recognition as soon as possible. Hamilton responded that New Zealand had a long-standing policy of not announcing recognition but allowing its recognition to be inferred from its actions. He noted that New Zealand Prime Minister Helen Clark had laid out this policy to reporters earlier in the week (see para 6 below for text).

3. (C) Hamilton emphasized that New Zealand remained intensely concerned over developments in the Balkan region, noting its participation in the UNMIK process. It had followed closely the announcements by the U.S. as well as EU and other states regarding Kosovo. It had been approached by Russia and received a letter from the President of Serbia, to which the PM would respond in due course.

4. (C) Charge said that he was not seeking to change New Zealand's long-standing policy, but he noted that New Zealand chosen to accelerate the establishment of diplomatic relations in sensitive cases such as Timor Leste and Latvia. Hamilton suggested Croatia could be added to that list. Charge urged that Kosovo's special circumstances warrants its being added as well. If for whatever reasons New Zealand concludes it cannot announce recognition, Charge argued, it is important for New Zealand to speak out immediately and clearly as a democratic member of the international community, expressing support for the decision taken by the people of Kosovo and calling on all concerned to act peacefully. That could be from the PM or the Foreign Minister. Charge provided Hamilton a copy of the Secretary's statement included in ref A.

5. (C) Hamilton thanked Charge, noting that he was instructed to provide a report and recommendations to the PM later that day. He promised to highlight the request from the U.S. and the call for public support of Kosovo's Unilateral Declaration of Independence. He undertook to inform the embassy of any next steps by New Zealand regarding Kosovo.

6. (U) Prime Minister Clark on Kosovo at weekly Post-Cabinet Press Conference, 18 February 2008

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Q. What is New Zealand's position on Kosovo declaring independence from Serbia especially given (inaudible) the Security Council, NATO (inaudible) maintain peace (inaudible)?

A. PRIME MINISTER CLARK: Well we are disappointed what was



called the Troika Process didn't get results. There was a three way process between the United States, Russia and the European Union to try and work out an agreed position on Kosovo's status and that fell over in December so the possibility of Kosovo unilaterally declaring independence has been there for a couple of months now. With respect to New Zealand's position, it has never been the New Zealand government's position to recognize in such circumstances. We neither recognize nor not recognize. Over time the way in which we deal with those who govern territory will, I suppose, imply whether there is recognition, but we are not intending to make a formal statement. This is quite a

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divisive issue internationally obviously, and it is not clear to me that all EU states will want to recognize.

Q. What about the response from Serbia? Are you concerned that tensions might flare up, that there might be more violence in that region given the history (inaudible)?

A. PRIME MINISTER CLARK: For sure there is a troubled history but then Serbia has just had elections, and the candidate described as the more moderate of the two, the incumbent president, was reelected so we would certainly hope that that would be reflected in a more sober reaction to what has happened in Kosovo.

Q. It certainly remains a volatile situation though?

A. PRIME MINISTER CLARK: Oh for sure because Serbia would say that they regard Kosovo as being at the heart of traditional Serbia. It happens to have a large majority Albanian population. It would be tremendously distressing if there was now in effect an outbreak of civil war there which would see persecution and the death of those in the minority.

(Embassy Public Affairs transcription)

KEEGAN

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STATE FOR EAP/ANP, WHA FO

E.O. 12958: DECL: 02/27/2018  
TAGS: PGOV, PREL, ...  
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STATE FOR EAP/ANP, WHA FO

E.O. 12958: DECL: 02/27/2018  
TAGS: PGOV, PREL, NZ, CU  
SUBJECT: US AND NEW ZEALAND ON THE SAME PAGE REGARDING CUBA

REF: STATE 18306

Classified By: Acting DCM Margaret McKean; Reason: 1.4 (b) and (d)

1. (C) On February 27, A/DCM met with MFAT Deputy Secretary John McArthur to deliver demarche points. A/DCM noted that the handover to Raul Castro would not constitute systemic change; only elections and improvement in human rights will signal meaningful progress towards democracy. McArthur agreed with the USG message, noting that the change was anticipated over a year ago when Castro's brother took power temporarily from the ailing Cuban leader. Even with his brother officially in charge, McArthur predicted that Fidel Castro would continue to wield influence from the behind the scenes. He referred to PM Helen Clark's comments regarding Raul Castro's selection by the Cuban Assembly, in which the PM noted that Fidel Castro's decision to step down had not come as a surprise, and that Fidel Castro's continued influence "is to be expected." The Deputy Secretary summarized New Zealand's position on the Cuban leadership transition by saying that the US and New Zealand "are on the same page."

2. (C) McArthur reminded A/DCM that NZ-Cuban bilateral ties are minimal and dominated by NZ dairy exports, which comprise an estimated 70 percent of the milk drunk in Cuba. He noted that the GNZ's interest in Cuba is designed to protect those trade links as well as to maintain a communication mechanism for discussion of human rights and other topics. The Cuban government engages in limited educational exchange programs in New Zealand, he added. New Zealand does not maintain a Embassy in Havana; rather, Cuba is covered by GNZ diplomats in Mexico. Cuba's mission in Wellington was only established late last year, consisting of its Ambassador, Jose Luis Robaina Garcia. McArthur informed us that a Cuban delegation will be visiting New Zealand in mid-March as part of an Asian tour. Head of the delegation will be Ruben Perez Valdes, Ambassador and Deputy Director of the Asia and Pacific Division. McArthur speculated that the visit may coincide with the official opening of the Cuban Embassy in Wellington, adding that a Deputy Chief of Mission is also slated to arrive in the near future.

3. (C) A/DCM thanked the Deputy Secretary for his response, noting that the US Embassy appreciates updates on the Cuban mission's activities. McArthur offered that the Cuban

government's decision to open a mission in either Australia or New Zealand had been predicated on a desire to conduct greater outreach to the Pacific island nations. To date, however, the GNZ has not detected an uptick in activities, he said.

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STATE FOR EAP/ANP, AF/E, AF/RSA, IO/UNP, EEB/TRA/OTP,  
OES/OA, L/OES

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STATE FOR EAP/ANP, AF/E, AF/RSA, IO/UNP, EEB/TRA/OTP,  
OES/OA, L/OES

E.O. 12958: DECL: 02/28/2018

TAGS: PREL, PBTS, KCRM, EWWT, NZ

SUBJECT: SOMALIA AND PIRACY: NEW ZEALAND RESPONSE

REF: STATE 18101

Classified By: A/DCM Margaret McKean; Reason: 1.4 (b) and (d)

1. (C) On February 28, Andrew Robinson, a Middle East and Africa policy officer from the Ministry of Foreign Affairs and Trade (MFAT) contacted the Embassy to report on his initial feedback from the Ministry of Defense regarding possible GNZ assistance on addressing piracy off the Somalian coast. Robinson contacted Lt. Colonel Justin Emerson in the MOD's legal division, who indicated that the GNZ would be interested in maintaining a dialogue with the USG on the types of specific requirements that might be requested from the UN. Robinson indicated that the GNZ was aware of the UNSC discussion surrounding Somalia. The New Zealand Navy, he continued, has specialized skills in addressing piracy/maritime thuggery, such as nighttime boarding of suspect vessels. He also noted that the New Zealand Navy will be sending a frigate to the Gulf region in June. While not making any commitments at this stage, Robinson said that

the MOD will continue to explore and discuss how New Zealand might assist in addressing this issue, and asked that the GNZ be kept in the information loop.

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STATE FOR EAP/ANP

E.O. 12958: DECL: 02/28/2018  
TAGS: PREL, ECON, OECD, NZ...  
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STATE FOR EAP/ANP

E.O. 12958: DECL: 02/28/2018  
TAGS: PREL, ECON, OECD, NZ, CM, TW  
SUBJECT: NEW ZEALAND IN STEP WITH USG VIEWS ON TAIWANESE  
PARTICIPATION IN THE OECD

REF: STATE 20058

Classified By: A/DCM Margaret McKean; Reason: 1.4 (b) and (d)

(C) In a January 28 conversation with Ministry of Foreign Affairs and Trade (MFAT) Northeast Asia Director David Taylor, A/DCM reviewed reftel points regarding Taiwan. Taylor responded that much of the USG argument "could have been drafted by our people." The GNZ, he said, shares the view that it is inappropriate to lock Taiwan out of processed where there is wider benefit to its participation, and the MFAT official cited the OIE and the WHO as two additional examples.

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STATE FOR EUR/ACE, EAP/ANP

E.O. 12958: DECL: 03/07/2018

TAGS: PREL, EAID,...

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STATE FOR EUR/ACE, EAP/ANP

E.O. 12958: DECL: 03/07/2018

TAGS: PREL, EAID, EFIN, NZ

SUBJECT: NEW ZEALAND UNDECIDED ON ASSISTANCE TO KOSOVO

REF: A) STATE 18802 B) WELLINGTON 59

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.4 (b) and (d)

1. (C) In a February 29 meeting with the Ministry of Foreign Affairs and Trade (MFAT) Europe Division Director, George Kroup, and Europe Policy Officer Kate Russell, Pol/Econ Counselor outlined planning for an upcoming donors conference regarding Kosovo, provided the needs table included in reftel A, and encouraged the GNZ to respond positively to an invitation to the conference. Kroup reminded Pol/Econ Counselor that the GNZ's stance towards Kosovo remains tentative. He referred to an earlier exchange between DCM and MFAT Deputy Secretary Hamilton (Reftel B), adding that the paper on Kosovo is with the Prime Minister. Any decision regarding possible assistance to Kosovo would emanate from the PM's office, Kroup noted, adding that he does not know how long that might take. Pol/Econ Counselor asked if the GNZ would consider sending an official from their EU mission Brussels to observe in June. Kroup demurred, saying it was possible that New Zealand may not be present.

2. (C) Comment: The issue of Kosovo's independence is sensitive enough that direction from the Prime Minister's office will be necessary before MFAT can make any decisions regarding related issues surrounding Kosovo. Even an

observer at a donor meeting could be perceived as tacit endorsement of Kosovo's independent status. MFAT officials have promised to keep the Embassy apprised of any developments.

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TREASURY

E.O. 12958: DECL: 03/27/2018

TAGS: ECON, EFIN, ETRD, KNNP, PREL, PGOV, MNUC, IR, NZ  
SUBJECT: NON-PAPERS DELIVERED REGARDING UNSCR 1803 AND  
FUTURE BANK

REF: A. A) SECSTATE 29096

B. B) SECSTATE 27642

Classified By: ADCM Margaret McKean for reasons 1.4 (b) and (d).

1. (C) Per Ref A, Non-Paper regarding Iranian Banks' deceptive financial practices was delivered by Econoff to New Zealand Ministry of Foreign Affairs (MFAT) Middle East Division with responsibility for sanctions issues regarding Iran and to the Financial Intelligence Unit (FIU) of the New Zealand Police responsible for monitoring suspicious financial transactions. MFAT Iran desk officer James Munro indicated he would disseminate information contained in Ref A to both relevant government agencies and financial

institutions. He indicated that many of the major banks in New Zealand have already begun to search financial transactions in order meet compliance with the UNSCR sanctions. He went on to indicate that the Iranian Embassy had complained to MFAT that ANZ Bank, which handles the Embassy local accounts, wanted to drop them as a customer. In researching trade and financial flows, bilateral trade between New Zealand and Iran amounts to only 0.4 percent of all exports amounting to NZ\$112 million. Exports are primarily agriculture and meat products. As far as technology transfer, New Zealand exports some seismic equipment to monitor earth quakes but little other technology and certainly no technology related to nuclear power.

2. (SBU) Ref B Non-Paper regarding the designation of Future Bank under E.O. 13382 was also delivered to MFAT and FIU officials. While there was no immediate reaction, Post was informed that GNZ authorities would disseminate the information and search financial transactions to ascertain any suspicious activity. Post will follow-up with any information provided by GNZ resulting from provided information.

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classification:CONFIDENTIAL

reference:08WELLINGTON121

□ C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000140

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▼ C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000140

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STATE FOR EAP/ANP; EEB PLEASE PASS TO USTR

E.O. 12958: DECL: 04/14/2018

TAGS: ETRD, PHUM, PREL, NZ

SUBJECT: DAS CHRISTENSEN'S MEETINGS WITH GNZ ON THE  
NZ-CHINA FTA, TIBET

REF: WELLINGTON 121

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) Summary. During EAP DAS Christensen's April 7 visit to New Zealand, MFAT officials explained that the China-NZ free trade agreement (FTA) derived from New Zealand's concern over becoming marginalized in emerging East Asian trade relationships, coupled with China's willingness to enter into serious negotiations with New Zealand that could lead to the first Chinese FTA with an OECD country. GNZ officials agreed with DAS Christensen's observation on the continued utility in coordinating private messages to Beijing as a means of maintaining positive engagement with China on issues of shared interest in East Asia and the Pacific region. MOD officials downplayed growing military-to-military ties with China, noting that the exchanges and visits offer limited substance and insight. End Summary.

MFAT CEO Murdoch on NZ-China FTA: "A Strategic Decision"  
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2. (C) MFAT CEO Simon Murdoch, accompanied by MFAT Deputy Secretary John McArthur, Asia Division China Unit head Graeme

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Waters, and Americas Division Director Carl Worker, welcomed DAS Tom Christensen on April 7 by outlining their perspective on the China FTA. Murdoch placed the agreement in historic perspective, pointing out that New Zealand has been examining its regional trade relations since the mid-1990s in the context of trade liberalization talks within APEC. Three years ago, the troubled Doha Round discussions worried New Zealand, said Murdoch, and there were signs that an APEC-based trade agreement would not work. An ASEAN Plus 3 trade partnership appeared to be more promising, continued Murdoch, and that troubled New Zealand, which has a fear of being marginalized. At the same time, New Zealand has pursued bilateral FTAs with its major trading partners. New Zealand's efforts with other more developed nations in East Asia, he continued, have met with mixed success; New Zealand has concluded bilateral agreements with Australia, Thailand, and Singapore in the context of the P-4, but Japan and South Korea remain closed. New Zealand continues to discuss an FTA with ASEAN and Malaysia, noted Murdoch. However, when New Zealand pulsed the Chinese three years ago, emphasized Murdoch, there was more receptivity than New Zealand had anticipated. Given that China is one of New Zealand's most important trading partners, Murdoch said that if the Chinese were interested, New Zealand needed to be interested and the negotiations got underway.

3. (C) DAS Christensen congratulated Murdoch on New Zealand's achieving the FTA with China, asking New Zealand's thoughts on the ASEAN Plus formulations. Murdoch responded that ASEAN Plus China, ASEAN Plus Japan, and ASEAN Plus Korea talks are making progress. A New Zealand Plus Australia Plus ASEAN formula is one that appeals to New Zealand, he noted. However, given China's interest in an ASEAN Plus agreement, New Zealand decided that it would be strategic to get in now.



John McArthur explained that the recently signed FTA with China was the fourth in a series of "firsts" for New Zealand; the first to sign a bilateral agreement on China's WTO admission, the first to recognize China's market economy status, and the first to launch free trade talks with China. Murdoch added that New Zealand's views on China mesh well with former Deputy Secretary Zoellick's notion of encouraging China to be a responsible stakeholder in the international community.

4. (C) Christensen said that USG policy on China is tracking well, although China as a responsible stakeholder remains an aspirational target rather than a reality. There have been positive shifts in China's position, he said, noting that there are long-term consequences when China makes statements on other countries' internal affairs and reconsiders its relationships with friendly governments. The Chinese have been very helpful on North Korea. On a range of issues, the US often would like more from China and believes that China is generally too patient with problem regimes. On Sudan, Christensen opined that China does not get the credit it deserves. China has gone from defending Khartoum to putting pressure on the Sudanese government. China now

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supports the three-phase UN plan, has pushed Sudan to move to the second phase and deployed 135 peacekeepers (of 315 promised) to Darfur -- the first non-African peacekeepers in Darfur. This constitutes real progress from China's position on Sudan in the summer of 2006, underscored Christensen. On Burma, China is not where the US would like it to be, he said, although Christensen acknowledged that UN special envoy Ibrahim Gambari likely would not have been granted access to Burma had it not been for the Chinese. The USG was disappointed in Gambari's December visit, which China tends to label all such engagement as progress and call for more patience in Washington. Christensen said Iran is an outlier in Chinese foreign policy; although China has signed three UNSCRs, China still pursues large economic deals and sells conventional arms to Iran. Iran is exporting instability in a part of the world of strategic value to the Chinese, summed up Christensen. We are trying to convince Beijing that its actions toward Tehran are not helpful to China nor to the international community.

5. (C) The MFAT CEO asked if the North Koreans may be stalling in the Six-Party Talks until there is a new US administration. DAS Christensen emphasized that if true, this would be a mistake. President Bush is fully supportive of the Six-Party Talks process and has an excellent and experienced team in place. If North Korea is serious about negotiating on this issue, the best time to do so is this year. Murdoch offered that the New Zealand Ambassador to South Korea makes periodic visits to North Korea and he would ensure a similar message is passed at the next opportunity. He noted that FM Peters went to Pyongyang late last year and would be willing offer ODA as a sign that countries like New Zealand would be willing to normalize relations with New Zealand if there were sufficient progress in the Six-Party

Talks. Christensen responded that New Zealand's voice was important because there is an advantage to being a democracy outside the Talks that can provide an independent analysis. John McArthur said that New Zealand could also offer scholarship programs and exchanges for North Korean officials to learn English. He reminded Christensen that many officials from the Vietnamese Foreign Ministry received English language training in New Zealand in the 1980s.

MFAT Roundtable

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6. (C) MFAT Deputy Secretary John McArthur chaired a GNZ interagency roundtable with DAS Christensen, opening the meeting by characterizing the NZ-China FTA as the biggest step since the December 1972 establishment of diplomatic relations between the two countries. New Zealand's profile in China will be raised as a result, continued McArthur, and small countries like New Zealand need to take advantage of such opportunities in today's global environment. Following the signing of the deal the same day (April 7), said McArthur, the government will launch outreach events in New Zealand over the next several months to explain the agreement, address concerns, dispel rumors, and outline opportunities to New Zealand businesses. The next procedural step will be to forward the agreement to Parliament; with the two main political parties (Labour and National) supportive of the deal, it will go through, he added. New Zealand missions in key capitals have briefed counterparts in foreign trade offices in Washington, Canberra, Brussels, Seoul and Tokyo.

7. (C) DAS Christensen explained that, to appreciate US-China relations, it is important to look at the improvements in the relationship over time, and not as a snapshot. USG objectives are to shape China's choices -- both regionally and around the world. The USG is not, he emphasized, trying to contain China. Christensen rehearsed his earlier observations regarding specific countries (North Korea, Sudan, Burma, Iran), noting that China recently has shown a willingness on important occasions to move away from its policy of non-interference in the domestic affairs of friendly governments after seeing that such a policy does not always produce needed results for China's diplomacy.

8. (C) McArthur observed that Chinese economic growth is fueling military expenditures of a non-transparent nature, and asked DAS Christensen to comment on China's emergence as a military power in the region and implications for Taiwan.

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Christensen confirmed that the USG views with seriousness China's military buildup. China is developing forces that could pose challenges to other forward deployed forces, he said. We would like to know much more than we do about these deployments. Also unclear are the doctrinal shifts within the military that might be occurring as China acquires new equipment. The USG response is to keep our own presence and alliances strong, continued Christensen, while increasing

military-to-military contacts and dialogue with China.

9. (C) Deputy Secretary McArthur said that China has been courting New Zealand in its military relations, offering language training for New Zealand defense attaches, contacts at the Ministerial level, and exchange of ship visits. Such contacts date to the late 1980s, but New Zealand is approaching China in a "clear eyed" sort of way, explained McArthur, recognizing China's size but also the potential for Chinese behavior to "become ugly." It makes sense for New Zealand to have contacts and remain plugged in, the Deputy Secretary continued, not that New Zealand necessarily sees a

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role for itself. Christensen observed that New Zealand has had some genuine Chinese warfighters visit New Zealand and not just the respectable faces Beijing deploys to western countries. McArthur responded that China uses Australia and New Zealand as a "testing ground" for such visits.

10. (C) Moving to Taiwan, McArthur asked DAS Christensen to discuss next steps for Taiwan in its relations with Beijing. Christensen observed that the recent Taiwanese elections provide the potential for a return to positive momentum in areas such trade and tourism, and a degree of relaxation on the mainland could manifest itself. The Taiwanese public rejected the referendum on applying to the UN under the name Taiwan, which should reduce the military threat to Taiwan, and could make it possible for the United States and like-minded states to push more effectively for greater space for Taiwan in international organizations. In response to a question as to how well China understands the countervailing forces in Taiwan, Christensen said that there are some mainland officials who understand Taiwan much better than they used to. John McArthur allowed that the Chinese Ambassador in Wellington came in on instructions following the March 22 election of Ma Ying-jeou. Although the Ambassador gave a reasonably stolid representation, said McArthur, Beijing was clearly relieved at the results. One of the key points centered on China's continuing concern about the outgoing regime. Christensen said that the USG position to Beijing regarding the recent Taiwanese elections is that it is best for China to simply wait out President Chen Shui-ban's administration and to focus on the future administration in Taiwan. The USG message is that Beijing's continued squeezing of Taiwan in the international arena only leads to a more confrontational response by Taiwan's public.

11. (C) With respect to the Pacific Islands, MFAT's Stuart Horne noted that, with 8 countries recognizing Beijing and 6 countries linked to Taiwan, the battle lines are pretty evenly drawn. China's objective is to limit Taiwanese space in the Pacific and a few million dollars can make a huge difference in countries where the population may be in the several tens of thousands of people. McArthur added that China wants to be seen as a credible player in the Pacific, and New Zealand tries to move Beijing to follow the Paris Principles with respect to aid and development. The increased numbers of mainland Chinese and Taiwanese in the region have added to tensions, particularly in the Solomon Islands, he added, but at least China recognizes that is

acceptable to have a conversation on their role in the Pacific. In addition to China and Taiwan, however, Cuba and Venezuela have entered the picture, remarked McArthur.

12. (C) DAS Christensen offered that the USG does not get involved in the sovereign state debate but cares very much about its effect on undermining governance in the region; Undersecretary Henrietta Fore is planning to visit Beijing to engage with the Chinese on assistance issues. The USG would like China to accept the Paris Principles and work cooperatively with multilateral institutions, added Christensen. China is not well-organized internally on foreign assistance and has a multitude of actors; the MFA is not in the lead.

13. (C) Deputy Secretary McArthur briefed DAS Christensen

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on recent discussions between New Zealand and China on Tibet. He noted that had it not been for the deaths in Lhasa, the signing of the NZ-China FTA and associated bilateral dialogue might have gone reasonably smoothly. There was strong pushback from the Chinese following the New Zealand Parliamentary statement in which the Chinese used very personal language against the PM. The GNZ did not publicize it, but MFAT called in the Chinese Ambassador to underscore New Zealand's unhappiness. Christensen offered that the problem will persist until the Olympics unless Beijing decides to take positive action by reaching out to the Dalai Lama and having discussions on religious freedom and greater Tibetan autonomy. The Dalai Lama actually has met all of Beijing's conditions: he has consistently stated that he does not pursue independence, and he has rejected violence repeatedly, said Christensen. McArthur noted that the Chinese have demonized the Dalai Lama in a very public way, which makes it difficult to enter into a dialogue with him.

Discussion with MOD Assistant Secretary John McKinnon  
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14. (C) DAS Christensen and MOD CEO and Secretary John McKinnon (a former New Zealand ambassador to China) had a useful exchange on New Zealand's mil-to-mil relationship with China. McKinnon said that there is a certain amount of "defense diplomacy" but he's not certain it amounts to much substance nor provides great insights. Generally, the Chinese approach New Zealand in tandem with Australia, he said, and there are two types of mil-to-mil contacts: high-level visits by military leaders as well as conventional visits such as the Chinese ship visit of last year. New Zealand and China participated in a search and rescue exercise in the Tasman Sea with Australia; it was not of profound importance, observed McKinnon, but the fact that it took place at all was significant. Most of the senior GNZ defense officials have been to China but the Secretary characterized these as standard tours. That said, GNZ contacts promote confidence building and provide an opportunity for New Zealand to press China on transparency

issues, but McKinnon stressed that he would hesitate to say that there's more to the mil/mil relationship than that. China's ability to mix with other countries more readily suggests a growing confidence level. He added that the People's Liberation Army has asked New Zealand to send "more operational" people on staff exchanges; China is sending staff-level officers so New Zealand is expected to reciprocate. McKinnon added that due to personnel limitations, a GNZ response will be incremental.

15. (C) The US faces the same issue, noted DAS Christensen, who added that the Chinese sent to the US often speak in the abstract; the conversation is too one-sided as the Chinese always want to quiz US operators on practicalities. The USG is trying to establish better and more reciprocal mil-to-mil linkages, remarked DAS Christensen, who informed the MOD official that the US would start a nuclear dialogue with China focused on the historical lessons of crisis management involving nuclear powers; there would be no weapons-specific discussion in this dialogue. The US also conducts exercises with the Chinese, and Christensen mentioned recent search and rescue operations in the South China Sea as well as off the western US coast.

16. (C) McKinnon offered that the high-level Chinese military visits are carefully calibrated, and Chinese officials say what they are permitted to stay within certain parameters -- there is not great insight as a result but occasional frankness, he added. DAS Christensen observed that some of the Chinese military officials to visit New Zealand have been military leaders with operational portfolios and genuine military knowledge. He added that recent visits to China by senior PACOM officers have resulted in entry to some new sites and submarines, as well as agreement to establish a defense hotline. McKinnon asked about Chinese reaction to the Pentagon's annual white paper on Chinese military capability. Christensen responded that the reaction is always vitriolic, but expected by Washington; the Chinese realize that it is a Congressionally mandated report and that we have no choice but to provide one on schedule.

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17. (C) McKinnon asked about the spectrum of views within Washington regarding China policy. Christensen said that within the interagency, there is good consensus that the USG needs to remain prudent and cautious; accusations that the USG is trying to contain China are erroneous. Maintaining USG military strength is one factor in shaping China's choices and is not at all at odds with the engagement strategy. McKinnon said that New Zealand's mil-to-mil relations with Japan are also improving. DAS Christensen noted that China is concerned about encirclement, so pursues more improved bilateral relations with Korea, India, and Japan. Any perceived enhancement of GNZ-GOJ relations will likely spur the Chinese to respond in kind to the Japanese, offered Christensen, so New Zealand can play a positive role in encouraging better Sino-Japanese relations by improving

its own relationship with Japan.

18. (C) Responding to questions on Tibet, Christensen emphasized the importance of like-minded countries sending similar private messages to Beijing, although he estimated a 20-30 percent chance of success in moving the Chinese government towards a constructive dialogue with the Dalai Lama. Christensen characterized Beijing's vilification of the Dalai Lama as a public relations nightmare. Some Chinese academics who are politically well connected with Chinese authorities understand the situation; others, however, are unaware of the Dalai Lama's position on Tibetan issues because they have only heard the Beijing propaganda, remarked Christensen. DAS Christensen allowed that the Chinese had exercised some restraint in handling the riots in Lhasa, using water cannons and armored personnel carriers instead of sending in tanks. Moving the Chinese to successfully address this issue in the lead up to the Olympics will be a challenge, both DAS Christensen and McKinnon agreed.

Comment

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19. (C) Despite the absence of a number of GNZ officials who had traveled to Beijing for the NZ-China FTA signing, DAS Christensen nevertheless had a useful set of meetings, and addressed an audience hosted by the New Zealand Institute for International Affairs (NZIIA). GNZ interlocutors greatly appreciated Christensen's overview of US policy towards China. GNZ views track well with our own, and New Zealand officials agree that an engaged China is more likely to play a positive role in the Pacific region as well as in global affairs. To that end, they will continue to be willing partners in coordinating messages to Beijing on a range of issues, and New Zealand's new trade status with China ensures their voice is heard. GNZ officials are realistic, however, as to how much weight is accorded to their views, but see engagement as the best means of potentially influencing Chinese actions. All DAS Christensen's interlocutors underscored a strong desire for the USG to play a role in the East Asia Summit (EAS), to which Christensen responded by noting that USG engagement remains strong in the region and that the USG will continue to look for practical ways to engage diplomatically with regional actors. End Comment.

20. (U) DAS Christensen has cleared this message.  
KEEGAN

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classification:CONFIDENTIAL  
reference:08STATE47101  
☐ C O N F I D E N T I A L WELLINGTON 000157

SIPDIS

STATE FOR EAP/ANP, PM

E.O. 12958: DECL: 05/08/2018

TAGS: PARM, PREL, KTIA, MOPS, NZ...

▼ C O N F I D E N T I A L WELLINGTON 000157

SIPDIS

STATE FOR EAP/ANP, PM

E.O. 12958: DECL: 05/08/2018

TAGS: PARM, PREL, KTIA, MOPS, NZ

SUBJECT: NEW ZEALAND, CLUSTER MUNITIONS, AND  
INTEROPERABILITY

REF: STATE 47101

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.5 (b) and (d)

1. (C) Summary. New Zealand considers interoperability to be one of two key issues (the other issue being the definition of a cluster munition that causes unacceptable humanitarian harm) for resolution in Dublin at the upcoming cluster munitions convention meeting beginning May 19. However, MFAT indicates that New Zealand's approach will be to develop more specific language regarding interoperability as opposed to deleting clauses 1 (b) and (c) of the draft convention. MFAT does not want the issue of interoperability to preclude New Zealand's participation in the types of peacekeeping and international security roles it is involved in now with the UN as well as the United States. New Zealand, however, may be constrained from becoming a party to the convention, as the Oslo signing event will come after the New Zealand election. MFAT has acknowledged that if the opposition National Party wins the election, it is unclear if National will support the convention. End Summary.

Definition/Interoperability Critical at Dublin  
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2. (C) Pol/Econ Counselor met with Jillian Dempster, head of the Ministry of Foreign Affairs and Trade (MFAT) Disarmament Division on May 5 to provide demarche points and discuss GNZ views on interoperability concerns. Dempster will be joining New Zealand head of delegation Ambassador Don MacKay and some his Geneva-based staff in Dublin, along with members of MFAT's legal division and several Ministry of Defense representatives. Dempster noted that 105 countries have now signed the Wellington Declaration, which would permit their participation in the Dublin negotiation process that will begin on May 19. She acknowledged that the GNZ views interoperability as one of two key issues to be resolved at the two-week session. The GNZ is aware of concerns among the like-minded states as well as the US on this issue, and for that reason hosted a special break-out session on interoperability at the February 2008 meeting in Wellington. However, Dempster complained that many of the delegations were unprepared for detailed, substantive discussions and the session made little progress. She

offered that a similar session would be likely in Dublin, although it is not clear if Ireland (as host) will lead off with a plenary and then break out into smaller working groups, or if working groups will operate simultaneously with an ongoing plenary discussion.

3. (C) The other major issue for resolution, according to Dempster, will be the definition of where to draw the line on cluster munitions that cause unacceptable harm to civilians. Although NGOs continue to call for no exceptions, Dempster predicted that there would not be a total ban, and a possible exemption on high-tech cluster munitions with better guidance systems and self-destruct mechanisms. She acknowledged that an exemption would only account for less than 5 percent of cluster munitions in use, but it was important to realize that there would likely be some level of flexibility on the part of NGOs.

Interoperability: "Tricky but Manageable"  
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4. (C) Pol/Econ Counselor provided the USG points on interoperability and asked if New Zealand would consider deleting clauses 1 (b) and (c) of the draft convention. Dempster acknowledged that the two clauses had been lifted from the Ottawa Landmine Convention and had proven problematic in the past due to the ambiguity surrounding the language. Instead of deleting the clauses, New Zealand favored adding greater clarity to the language. Pol/Econ Counselor stressed that the likely envisioned workarounds to mixing treaty and non-treaty nations in coalition forces in the future would add to the cost, may discourage participation, and could result in operational delays putting lives at risk. Dempster insisted that the interoperability hurdle remains a "tricky but manageable" issue, but one that she foresees will be resolved.



What Happens After Dublin?  
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5. (C) Dempster briefly discussed the dissatisfaction felt by many of the like-minded delegations during the Wellington meetings in February, but offered strong criticism of those states' behavior -- and in some cases -- their methods. She acknowledged that having a convention acceptable to the

like-minded states would enhance the credibility of any convention. If only states that do not produce, use, stockpile, or transfer cluster munitions sign the convention, it will not have the weight of a convention that includes European countries and the likes of Canada and Australia. However, Dempster noted that the decision to sign the convention will be made at the political level, so even if some like-minded delegations are again dissatisfied with the results in Dublin, they may be overruled by their political leaders.

6. (C) Ironically for New Zealand, Dempster noted that New Zealand may not be in a position to attend the signing ceremony in Oslo in December 2008 depending on how the New Zealand election later this year plays out. (Note: There are no date set for the election but the Prime Minister must call for an election no later than mid-November. End Note.) Dempster offered that in the pre-election period, the government may not enter into new agreements; if the opposition National Party were to win, any Labour caretaker government would also be constrained during the time it would take for the transfer of power. National has not asked for a briefing on the draft convention, nor has anyone from MFAT engaged with any other political party on the issue. Pol/Econ Counselor asked about the Green Party and Dempster corrected herself, saying that the Greens have been kept in the loop regarding the ongoing Oslo Process. (Comment: We are not sure of the accuracy of Dempster's statements; our initial soundings on the question suggest that the government could indeed sign the agreement in the pre-election period as it would not be "new business;" if countries would be allowed to sign before the official signing ceremony in December is another question. We also understand that even if National won the election; a caretaker Labour government could attend the signing ceremony in December and sign if National were consulted and agreed. End Comment.)

Comment  
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7. (C) MFAT had already forwarded its policy paper to Ministers before this demarche arrived. However, New Zealand has long been aware of the significance of the interoperability issue and the concerns of like-minded states. The Australian High Commission has told us that they

have little confidence in the reassurances from MFAT and MOD interlocutors; they say the Australian Minister of Defense may call his New Zealand counterpart (Phil Goff) during the Dublin meetings. However, Goff is dual-hatted as both Minister of Defense and Minister for Disarmament -- and although he has flagged interoperability as a concern -- his

disarmament leanings may ultimately override practical military considerations. End Comment.  
MCCORMICK

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☐ C O N F I D E N T I A L WELLINGTON 000199

SIPDIS

STATE FOR EAP/ANP, IO/UNP, DRL/MLGA

E.O. 12958: DECL: 06/26/2018  
TAGS: PHUM, PREL, ...  
▼ C O N F I D E N T I A L WELLINGTON 000199

SIPDIS

STATE FOR EAP/ANP, IO/UNP, DRL/MLGA

E.O. 12958: DECL: 06/26/2018  
TAGS: PHUM, PREL, NZ  
SUBJECT: NEW ZEALAND VIEWS ON USG AND THE HUMAN RIGHTS COUNCIL

REF: STATE 61034

Classified By: Political/Economic Counselor Margaret McKean; Reason 1.4  
(b) (d)

1. (C) On June 18, Pol/Econ Counselor met with MFAT Deputy Director for the UN, Human Rights and Commonwealth Division, Michael McBryde to discuss reftel contents. McBryde had recently returned from Geneva, where he had participated in the Human Rights Council discussions. Senior MFAT Policy Officer from the same Division, Richard Kay, also participated in the meeting. Pol/Econ Counselor presented the USG arguments based on points provided in reftel. McBryde opened by stressing that New Zealand attaches a great deal of importance to the Human Rights Council and is seeking a seat during the May 2009 HRC elections. He allowed that the GNZ sees some validity to the points raised by the USG. McBryde also noted that New Zealand had high hopes that the current Human Rights Council would be an improvement over the old Commission. Nevertheless, the GNZ is committed to trying to work with the HRC.

2. (C) McBryde reported that he went to a WEOG meeting in Geneva during his two-week stay in which a USG official briefed WEOG representatives on the points outlined in reftel. The WEOG Vice President from the Netherlands, continued McBryde, represented the views of some other delegates by noting that many shared the views of the USG

regarding the HRC. The question is whether you stay in the room and try to fix the problems, or leave. He offered that the USG presence at the meetings was practically "invisible." McBryde said that while in Geneva, New Zealand Permrep Ambassador Don MacKay had noted that the USG was not in a position to complain about the structure of the HRC, having objected to universal membership in the body (which New Zealand supported). There are majorities from parts of the world that are less than helpful in the HRC. According to McBryde, there is perhaps less support for the current USG position on the HRC as a result.

3. (C) The MFAT official noted in closing that he hoped the USG decision on the HRC would not preclude US-New Zealand engagement on issues such as Burma, and that the two countries could continue close cooperation on a range of human rights issues.

MCCORMICK

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classification:CONFIDENTIAL

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☐ C O N F I D E N T I A L WELLINGTON 000257

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 08/19/2023

TAGS: PARM, PREL, ETTC, NZ

SUBJECT:...

▼ C O N F I D E N T I A L WELLINGTON 000257

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 08/19/2023

TAGS: PARM, PREL, ETTC, NZ

SUBJECT: NEW ZEALAND HAS CONDITIONS FOR US-INDIA DEAL

REF: STATE 85948

Classified By: DCM David J. Keegan; Reason 1.4 (b) and (d)

1. (C) In an August 20 meeting between the Ambassador and Minister for Disarmament Phil Goff, the Ambassador pointed

out the strategic and historic importance of the US-India deal, and the very real possibility that the Indians could shelve it if the NSG demands proved too politically difficult for the GOI.

2. (C) Goff responded that New Zealand strongly supports the objectives the U.S. had in negotiating the US-India Civilian Nuclear Cooperation Initiative. It does not want to be "unnecessarily obstructive" in reviewing the deal in the Nuclear Suppliers Group (NSG), but he said that the GNZ sees a downside to an India exemption. Other countries gave up nuclear programs and signed the NPT; that raises the prospect of a double standard if India gets something without being held to the same criteria, noted Goff. However, because New Zealand recognizes that this deal represents an opportunity for the international community, the question is how to get an NSG agreement that does not negatively impact on the global nonproliferation regime.

3. (C) Goff outlined five areas where New Zealand had concerns which it needed addressed before it could support the proposed initiative and approve the exemption for India:

-- The first area is nuclear testing; New Zealand wants to add language that would extend to all NSG states the Hyde Act's sanctions in the event of a future Indian nuclear test.

-- New Zealand would like to see the IAEA Additional Protocol established as a condition for supply of nuclear materials to India.

-- New Zealand wants measures in place to restrict the transfers of sensitive technology, such those related to enrichment and reprocessing. The GNZ concern is the possibility of India engaging in nuclear proliferation activities for military purposes.

-- The GNZ believes a review and reporting mechanism should be in put into place, perhaps to occur every two years.

-- If India unilaterally terminates the safeguards agreement, the return of nuclear fuel and supplies should apply to all NSG countries.

Goff said that he thought the U.S. would share the same objectives that led New Zealand to propose these conditions. However, New Zealand suspected that others -- he named France and Russia -- might allow commercial interests to outweigh non-proliferation concerns. These conditions would make that more difficult.

4. (C) Goff explained that New Zealand does differentiate India from Pakistan on nonproliferation matters and accepts that India has been a better nuclear citizen despite remaining outside the Non-Proliferation Treaty (NPT), although he criticized India's nuclear testing record and military weapons program. And while New Zealand is "not a great fan of nuclear energy," Goff allowed that New Zealand is blessed with other options. He noted that the GNZ understands that other countries' energy security and GHG

emission profiles are different and New Zealand does not want to stand in the way of their pursuit of legitimate energy needs.

5. (C) Goff regretted that he was out of the country during Secretary Rice's July 26 visit to Auckland, and would have liked to engage with her on the India deal. He said that New Zealand appreciates the USG desire for a clean exemption and India's domestic political situation, but that New Zealand and like-minded countries such as Ireland, Sweden, Norway, and the Netherlands want to ensure that this is the best deal possible. He said that an NSG discussion will be focused on possible changes to the text to reflect the concerns of the like-minded group, and that a second meeting will be likely. New Zealand, he continued, will go into the meeting with flexibility but must adhere to its bottom lines. If there is no flexibility on addressing New Zealand's concerns, it would be very difficult for New Zealand to support the deal, said Goff.

6. (C) Separately, Ministry of Foreign Affairs Deputy Secretary Caroline Forsyth (who heads the disarmament group at MFAT) told us that Goff had outlined these five areas to the GOI delegation that visited New Zealand recently, and none of them balked at the prospect of having to address these issues at the NSG meeting.

7. (C) Comment. Minister Goff clearly understood the emphasis the Ambassador placed on the strategic and historical importance of the US-India deal, and the possibility of the Indians walking away if the NSG demands are politically impossible for New Delhi. However, New Zealand is on the cusp on an election and Phil Goff's party (Labour) is seriously lagging in the polls. It would be political suicide for Goff, who is touted as the next Labour Party leader should Helen Clark lose this election, to appear soft on a core policy plank for Labour like nonproliferation. Goff emphasized at the end of our meeting that he would be meeting later this week with the Prime Minister and the Cabinet to review this issue. Another factor in Goff's assessment of the necessity to be tough with India in the NSG is his experience during the WTO Doha negotiations as Trade Minister. Goff was clearly frustrated with India and its adamant refusal to compromise during the recent WTO sessions. End Comment.

MCCORMICK

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WASHINGTON DC IMMEDIATE RHEHAAA/NATIONAL SECURITY COUNCIL WASHDC  
IMMEDIATE RUEHNO/USMISSION USNATO IMMEDIATE 0080  
classification:CONFIDENTIAL

reference:

☐ C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000264

SIPDIS

STATE FOR EAP/ANP; OSD FOR JESSICA POWERS

E.O. 12958: DECL: 08/05/2...

▼ C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000264

SIPDIS

STATE FOR EAP/ANP; OSD FOR JESSICA POWERS

E.O. 12958: DECL: 08/05/2018

TAGS: MARR, PREL, MOPS, NZ

SUBJECT: DASD CLAD/MAJOR GENERAL CONANT'S AUGUST 4-6 VISIT  
TO NEW ZEALAND

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.4 (b) and (d)

1. (C) Summary. During a joint visit by DASD James Clad and PACOM J-5 Major General Conant to New Zealand, both met with Minister of Defense Phil Goff, Secretary of Defense John McKinnon, and Vice Chief of the Defense Force Jack Steer. Senior MOD officials welcomed enhanced bilateral military engagement and urged USG to support New Zealand's proposed A-4 sale. DASD Clad presented a letter from Deputy Under Secretary of the Navy Billingslea offering increased engagement on Maritime Domain Awareness, which was welcomed by the GNZ. An MOD roundtable led by Paul Sinclair, head of the GNZ International Defense Relations, reviewed GNZ-USG collaboration in the eight areas of bilateral engagement agreed to earlier this year; they agreed they would proceed cautiously and methodically. The GNZ expressed renewed interest in the Global Peacekeeping Operation Initiative (GPOI) but made no commitments. MOD officials stressed that expanded cooperation would be constrained by staffing and resource limitations including upcoming replacement costs for naval support vessels, the army's vehicle fleet, and the aging Hercules and P-3 planes in the New Zealand Air Force. DASD Clad summarized USG policy interests in the region and suggested that New Zealand might participate in the upcoming Kokoda Foundation dialogue in Australia. He promised U.S. military support for assisting the NZDF in realizing the full capabilities of its equipment. Clad underscored USG interest in GNZ support within the NSG for the US-India civilian nuclear deal and a long-term GNZ contribution in Afghanistan. End Summary.

Meeting with MOD: A4s and PICs  
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2. (C) Discussions at the MOD began with Defense Minister Phil Goff and Secretary of Defense John McKinnon on the topics of Burma and Afghanistan; Major General Conant expressed condolences for the loss of Goff's nephew in

Afghanistan last year. Goff then moved onto the new amphibious ship HMS Canterbury and its problems, but the MOD noted they were all fixable. He stated the vessel would open opportunities for working with the US Coast Guard, in addition to current fisheries efforts, while also affording other opportunities with this new large vessel and amphibious capability, possibly with the Pacific Partnership. DASD Clad then presented a letter from Deputy Under Secretary of the Navy Billingslea, offering increased participation in Maritime Domain Awareness. Goff welcomed this and stated the interaction with DOD is positive and the streamlined waiver process is "first-rate." He further indicated that MDA is good news and fulfillment of Washington decisions, tying this to results of the informal DOD talks. Goff said he was looking forward to a visit by the Admiral either to or from Antarctica in January, 2009. In particular, he advised there are some huge challenges in the Pacific and they are keen to see the US fulfilling its role. He further stated that the relationship between NZ and CENTCOM is close due to their role in Afghanistan, but the relationship with PACOM is still continuing to develop.

3. (C) The A-4 sale topic was briefly discussed with Goff saying it looked promising, but there appeared to be a slight concern with the rules and that the NZDF was seeking legal advice. This concern revolves around a requirement to have the assets to support the contract, but that the company (ATAC) needed the contract in order to acquire the assets. DASD Clad stated he would like to liaise with NZ Embassy DCM Ian Hill on a weekly basis to which Goff responded with appreciation, further expressing appreciation for Deputy Secretary of Defense England having spoken to Deputy Secretary Negroponte on this topic previously and hoping that it could be resolved before NZ's November elections. He also stated that this sale would help the NZDF pay for their new

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NH-90 and AU-109 helicopters. NZ Air Force pilots will be trained by Germany in these new helicopters, and both can be operated off of the Canterbury.

4. (C) Discussions turned to Tonga, with Minister Goff stating the reform process was getting underway, but he cautioned that although the Prime Minister was part of the democracy movement, he may also be linked to some of the 2006 riots. Goff advised that a Cabinet paper was coming out on the Solomon Islands, extending NZ's troop commitment (about platoon size) for another five years. He also stated that the Solomon government was quietly cooperating with RAMSI, but the growing food and oil crisis could create popular pressure for government change. The discussion on Timor Leste focused on Chinese influence, highlighting that the presidential palace, Ministry of Foreign Affairs building, and Defense HQ were all built by the Chinese. Goff stated that the Chinese have also provided money for patrol vessels, but they had no made no provision for follow-on maintenance or training. Goff then stated that the Asia-Pacific would have a heightened Chinese presence over the next several years and that it would be a good chance to discuss China

with ADM Keating when he transits to or from the Antarctic.

5. (C) Secretary of Defense John McKinnon expressed pleasure with the recent visit of Secretary Rice. He then discussed the NZDF's upcoming participation in "Cooperative Spirit," an ABCA (five eyes ground forces organization) exercise to be held in Germany in September. This will be the first time in many years that the NZDF is able to participate in a substantial ground exercise, and they intend to send approximately 170 army personnel. McKinnon emphasized their key challenge is managing resources and often must determine whether to participate in such events on a case-by-case basis. He welcomed USG visits, noting Major General Conant's presence, and stated that increased PACOM visits to NZ will enhance visibility on possible engagement opportunities. The SecDef concluded with comments regarding the upcoming visit of Lt. General Mataparea, NZ Chief of Defence (CDF), to the US and indicated that the NZDF desired in-depth roundtables during his visit.

New Zealand Defense Force Challenges

6. (C) At an MOD roundtable chaired by Paul Sinclair, MOD Policy Planning Director Andrew Wierzbicki explained that New Zealand is seven years into its reinvestment program for New Zealand's Defense Forces (NZDF). The GNZ has spent roughly 4.5 billion NZ dollars over the past decade, which is the most significant expenditure since World War II, he added. The MOD is working on an updated reinvestment/refurbishment/replacement schedule that is scheduled to go to Cabinet in the next few weeks. Much of the reinvestment has a U.S. component, said Wierzbecki, who cited GNZ purchases of the Javelin anti-tank weapon system, the modifications to the Boeing 757 aircraft, the lightly armored vehicles, the P-3 Orion upgrade being done in Texas, and the Hercules upgrade being done in Canada. On the naval side, the GNZ has contracted with Raytheon to upgrade equipment. Wierzbicki noted that a key issue for the MOD is that, despite the ongoing reinvestment program, the GNZ expects the operations tempo in Timor Leste, the Solomons, and Afghanistan to continue unabated. Sinclair added that some military officers have been on overseas deployments six times, making retention and recruitment an issue.

7. (C) Wierzbicki said that the next 10-15 years will see the most significant upgrade of the NZDF self-defense and war-fighting capability in the form of proposed upgrades to the NZDF frigate systems at a projected cost of NZD 800 million, as well as the replacement of naval support vessels, the army's vehicle fleet, the P-3 Orions and the Hercules aircraft in the NZ Air Force. DASD Clad asked whether the

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opposition National Party, if elected, might look at defense procurement differently. Wierzbicki responded that National has indicated that it would commission a white paper but not made any firm commitment on priorities. The Policy chief for the MOD added that defense, including decisions on equipment



replacement, will have to take their place among the competing priorities within other social sectors such as health, education, and social welfare. In discussing GNZ efforts to get the maximum from the HMS Canterbury, DASD Clad urged the GNZ to be creative in seeking USG assistance to fully realize Canterbury's capabilities.

#### Military Intelligence Sharing Still an Issue

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8. (C) NZDF Colonel Kevin Arledge noted that in the past two years, defense intelligence cooperation has grown and relevant agencies from both countries are moving forward on image sharing. He commended the linkages between New Zealand and CENTCOM vis-a-vis Afghanistan, saying that there is not the equivalent relationship with PACOM at the J-2 level. The military-to-military intel relationship remains a work in progress, continued Arledge. New Zealand cooperation with DIA is fine but OSD policy issues remain, he added. Arledge said that New Zealand could do more with the United States but much depends on IT connectivity. As an example, he cited the 2006 Fiji crisis and the intelligence collection and sharing that tracked the coup and its aftermath. He said that it worked through the NSA but was "cumbersome and slow." Arledge cautioned that he worries what would happen if a security crisis emerged again in the Pacific and current limitations are not addressed. DASD Clad acknowledged that connectivity remains an issue, and we have also discussed it with Australia. There may be opportunities to discuss the issue further when the NZDF Chief visits Washington in September; MG Conant and Colonel Arledge agreed that a planned meeting between PACOM, either Admiral Keating or Adm. Willard, and the NZDF Chief of Navy in Singapore in February will also be a chance to discuss these issues. Conant also suggested that this could be discussed when the NZDF Chief visits PACOM in September. DASD Clad informed the MOD officials that the USG had agreed to invite New Zealand to participate with Japan, Singapore and Australia in the cooperative Maritime Domain Awareness program.

#### Eight Areas of Cooperation

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9. (C) Paul Sinclair detailed US-NZ progress in the eight areas of mil-to-mil cooperation approved by the USG interagency in 2007. He reiterated New Zealand's commitment to proceed cautiously and methodically. The Proliferation Security Initiative (PSI) is an area where both countries are working multilaterally in a positive way, said Sinclair, who pointed to the upcoming New Zealand-hosted PSI exercise (Operation Maru) in September. He welcomed the robust USG participation, noting that Maru has received a good regional response as well as from countries outside the southern Pacific. On North Korea and UNSCR 1718, New Zealand has offered strong support to the US, noted Sinclair, citing FM Peters interest in nonproliferation efforts in the Korean peninsula. Within the ASEAN Regional Forum, the US and NZ work closely. New Zealand, along with Indonesia and Japan, serves as co-chair of the maritime security group where New Zealand is focused on enhancing its bilateral relationship with Indonesia, added Sinclair who offered that the GOI's new

naval commander is a significant improvement over the former, highly nationalistic, commander. Sinclair said that New Zealand supports the Philippines/USG initiative in the ARF.

10. (C) Within PKO, New Zealand remains a participant in Afghanistan, and Sinclair noted that the GNZ has signed off on continued NZDF support to Afghanistan through to September 2009, at which point the Cabinet will review the matter.

WELLINGTON 00000264 004 OF 005

MFAT's Justin Fepuleai added that MFAT CEO Simon Murdoch had passed the same message to Secretary Rice during the latter's July 26 visit to New Zealand. Sinclair asked for an update on the Global Peacekeeping Operation Initiative (GPOI), adding that New Zealand lacks information on GPOI. DASD Clad responded that GPOI enhances professionalism of participating militaries; MG Conant urged New Zealand to join, adding that Mongolia, Indonesia, and the Philippines have signed on. He explained that the purpose of GPOI is to ensure that contributing nations to UN PKOs understand UN standards for participating in UN peacekeeping operations and are trained to meet them. Clad pressed New Zealand to look at GPOI multilaterally and offered that PNG is interested in joining. Air Commodore Peter Stockwell said that New Zealand's capacity to attend is an issue. He downplayed the ability of Pacific Island countries to make a strong contribution to international PKOs, saying that the PICs see it as a cash generating exercise (citing Bangladesh as an example of a contributor more interested in the UN salaries than the actual work of peacekeeping) as opposed to a capacity building one. MG Conant stressed that the program is a UN activity but there is USG funding for it. Within PACOM, GPOI is growing, added Conant.

11. (C) For the NATO Global Partnership, Paul Sinclair observed that NATO/EUCOM head General Craddock is coming to New Zealand soon. New Zealand, he continued, is pleased with the consultative process within NATO, and New Zealand's Chief of Defense Force attended the May 12 CDF conference in Brussels, which was well done and a good follow-on from the NATO Bucharest Summit in April. Relations with NATO in Afghanistan are "working well," said Sinclair, with New Zealand looking more at the NATO intelligence network. NATO has concerns about their lack of intelligence connectivity with PACOM and other partners, and they are taking any opportunity available to explore options and discuss the issue. Sinclair offered that the Singaporean Defense Minister would be visiting New Zealand and said the GNZ would push the GOS to do more in Afghanistan; Clad welcomed the initiative. DASD Clad said that the Australians had said they are more satisfied than before with NATO operations in Afghanistan. Clad proposed the New Zealand be represented at the upcoming Kokoda Foundation security meetings in Australia. For Operation Enduring Freedom (OEF), Sinclair said that US-NZ cooperation was good during the current three-month period of the NZ frigate HMS Te Mana in the Gulf. No deployment, however, is scheduled for 2009 at the moment.

12. (C) On the subject of humanitarian relief operations, New Zealand is pleased to be able contribute to these exercises and welcomes participation in the upcoming Operation Mercy exercise in PNG. MG Conant said that the US military is considering further "angel teams," in which military medical personnel are air dropped onto various Pacific islands; previous teams have had very positive experiences with local populations who had not seen a US service member since World War II. Conant asked if New Zealand would like to join such teams; Stockwell responded that it would depend on availability of personnel. Clad offered to provide the GNZ with a copy of the after action report on the USG response to the cyclone in Bangladesh. Wellington DATT asked whether the HMS Canterbury would be available to play a role in a Pacific Partnership activity. Stockwell said that the Canterbury was scheduled to do a similar activity in Tokelau but has had too many technical problems this year; next year could be a possibility, he added, possibly as part of a Quads process.

Japan, PIC Issues  
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13. (C) Related to greater Singaporean involvement in Afghanistan, Sinclair informed the USG officials that the GNZ

WELLINGTON 00000264 005 OF 005

has tried over the past nine months to engage the Japanese on participation in the New Zealand PRT in Bamiyan. MG Conant downplayed GNZ expectations, noting that the Japanese defense establishment has gone through tough times. Sinclair observed that the GOJ is sending some planes to participate in Operation Maru (September 15-19), but GNZ efforts to build a defense relationship with Japan have been less than successful; NZ feels that Japanese forces lack self confidence in overseas deployments. DASD Clad urged the GNZ to continue to engage with the Japanese.

14. (C) On East Timor, Sinclair noted that New Zealand is trying to get involved in the reform of the security sector since there will be no prospect of an international withdrawal of forces until the Timorese can manage their own security forces. New Zealand and Australia do not want to be security guarantors indefinitely, he underscored, but cautioned that a return to insecurity is "one shot away." Although the GNZ welcomes the current stability, Sinclair noted that New Zealand knows well that the underlying problems remain. UNPOL, continued Sinclair, is completely ineffective with no real mentoring capacity. DASD Clad responded that the Australians recognize that they may be there indefinitely; within the USG, Timor is viewed as a largely an issue for Australia and New Zealand. MG Conant noted that PACOM's Admiral Keating has offered more ship visits to East Timor. Clad added that at Australian behest, the Asia Pacific Center for Security Studies (APCSS) has had two meetings on a national security strategy for Timor Leste, with a third meeting scheduled. Sinclair complained that some of the international training programs are working at cross purposes, noting that the Brazilian military police are

teaching the Timorese civilian police in military police tactics, which are not appropriate to civilian policing.

Atmospherics  
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15. (C) Throughout the discussion, DASD Clad commented on how positive the mil-to-mil environment had become and the excellent cooperation and dialogue. He urged continued collaboration and engagement within the expanded boundaries of military cooperation, and promised to remain focused on the A-4 issue. Both GNZ and USG officials agreed that each country's upcoming elections will have no negative impact on the extremely cooperative mil-to-mil relationships between the US and New Zealand. End Comment.

MCCORMICK

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RUEHKH/AMEMBASSY KHARTOUM 0001 RUEHVL/AMEMBASSY VILNIUS 0003  
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classification:CONFIDENTIAL  
reference:08SECSTATE95334  
☐ C O N F I D E N T I A L WELLINGTON 000292

SIPDIS

STATE FOR IO/RHS, PLEASE PASS TO REBECCA JOVIN, AND FOR  
DRL/MLGA, PLEASE PASS TO LYNN ...

▼ C O N F I D E N T I A L WELLINGTON 000292

SIPDIS

STATE FOR IO/RHS, PLEASE PASS TO REBECCA JOVIN, AND FOR  
DRL/MLGA, PLEASE PASS TO LYNN SICADE  
VILNIUS FOR MINSK (since MINSK is suspended)

E.O. 12958: DECL: 09/10/2018  
TAGS: PHUM, PREL, UNGA, NZ  
SUBJECT: NEW ZEALAND RESPONSE TO ACTION REQUEST: UN GENERAL  
ASSEMBLY THIRD COMMITTEE 2008 HUMAN RIGHTS PRIORITIES

REF: SECSTATE 95334

Classified By: POLOFF GARY REX FOR REASONS 1.4(b) AND (d).

1. (SBU) In response to reftel action request, on September 9 poloff met with Michael McBryde, deputy director of the United Nations and Human Rights Division of the New Zealand Ministry of Foreign Affairs and Trade (MFAT). Poloff and McBryde discussed each of the U.S. priorities contained within reftel.

No-Action Motions

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2. (C) McBryde stated that NZ agrees with the U.S. position opposing no-action motions.

Country-Specific Resolutions  
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3. (C) According to McBryde, NZ agrees with and has also spoken out in favor of each of the country-specific resolutions outlined in reftel, with the exception of Belarus. With respect to Belarus, NZ is pleased with the government's release of political prisoners, but has not taken a position on any specific resolution relating to Belarus (McBryde noted that MFAT has not studied the situation in detail). With respect to Iran, McBryde stated that NZ has supported Canada's resolution in the past and plans to do so again.

Thematic Resolutions  
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4. (C) With respect to defamation of religion resolutions, NZ is opposed to such resolutions according to McBryde. He said that NZ views such resolutions as a "slippery slope."

5. (C) With respect to prisoners of conscience, NZ originally joined the U.S. as one of the 64 sponsors of the UN declaration. McBryde stated that NZ would welcome the opportunity to follow-up on the declaration and he liked the ideas of highlighting the declaration at events commemorating the 60th anniversary of the Universal Declaration on Human Rights and on Human Rights Day.  
McCORMICK

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PRIORITY 0199 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0186  
RUEHUL/AMEMBASSY SEOUL PRIORITY 0305 RUEHGP/AMEMBASSY SINGAPORE  
PRIORITY 0535 RUEHKK/AMCONSUL HONG KONG PRIORITY 0161 RUEHIN/AIT  
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DC RUEKJCS/SECDEF WASHINGTON DC  
classification:CONFIDENTIAL  
reference:  
CONFIDENTIAL WELLINGTON 000295

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 09/12/2028  
TAGS: PGOV, KDEM, NZ  
SUBJECT: NEW Z...  
CONFIDENTIAL WELLINGTON 000295

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 09/12/2028

TAGS: PGOV, KDEM, NZ

SUBJECT: NEW ZEALAND ELECTION 2008 - THE CHINESE VOTE

Classified By: Consul General John Desrocher for reasons 1.4 (b) and (d).

This message was drafted by ConGen Auckland and approved by Embassy Wellington.

1. (C) Summary. Asians make up nearly 10% of New Zealand's population, and most of them are Chinese. Chinese are underrepresented in national politics, with only one member of parliament. While Asian representation in parliament may improve this year because parties are diversifying their lists, New Zealand is likely to have only one more parliamentarian of Chinese heritage after November's election. End summary.

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Two Chinese Communities  
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2. (SBU) Asians have surpassed Pacific Islanders to become New Zealand's third-largest ethnic group, after Pakeha (Europeans) and Maori. They make up 9.7% of the country's population, expected to grow to 16% in twenty years. Two-thirds of New Zealand's Asians live in the Auckland region; more than half identify themselves as Chinese.

3. (SBU) New Zealand's Chinese can be divided between those with deep roots in the country and more recent arrivals. Members of the first group trace their ancestry to the market gardeners and Otago gold miners that arrived in New Zealand as far back as the mid-19th century. Their forebears suffered overt racism and often toiled in poverty on the margins of society.

4. (SBU) Members of this group to this day often keep a low political profile. While many enjoy a standard of living their grandparents could not have dreamed of, they often stay loyal to the Labour Party. They remember Labour as the social welfare party that was most ready to help the working class and as the most racially tolerant party. This loyalty is weakening as Chinese Kiwis grow wealthier and as the National Party leaves race-baiting in its past.

5. (C) The 70% of Chinese who arrived in New Zealand after 1991 make up the second group. Auckland University Professor Manying Ip calls this group "the 1.5 generation." They were brought to New Zealand as children or young adults or were born here of recent immigrant parents. Very often they come from families with means. Many are professionals and live well. While they too want to settle and raise families, they are less concerned than the first group with blending in. Ip describes them as "well-educated...and highly aware of their rights." It was this group that swelled the pro-China

demonstration in Auckland during the controversy earlier this year over the Olympic torch relay.

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Few Chinese Faces in Parliament  
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6. (SBU) While Asians, and Chinese particularly, are well represented in local politics, they are poorly represented at the national level. Only one of New Zealand's 120 members of parliament is of Chinese heritage. MPs and party leaders (particularly in the Labour Party) tend to be veterans of the party going back to their university days who went to Wellington and starting climbing the party ladder not long after their studies were finished. Most of New Zealand's Chinese are recent arrivals who haven't had time to get very far up the ladder.

7. (SBU) The introduction of proportional representation (MMP) in parliamentary elections in 1996 increased politicians' interest in minority communities. That year the lone current Chinese MP, National's Pansy Wong, was plucked from Christchurch local politics and put on the National Party list. Asians were sufficiently emboldened by MMP to launch a pair of ethnic parties for the 1996 election, but neither gained significant support. Both quickly disbanded and no strictly Asian parties have been launched since.

8. (SBU) Wong remains New Zealand's best known Chinese politician. She will battle for an electorate seat in the 2008 election in the Auckland constituency of Botany. In 2005, Wong failed to unseat Labour MP Judith Tizard from the Auckland Central electorate. Wong entered parliament as a list, rather than as an electorate, MP. (No Asian candidate has ever successfully contested an electorate seat.) National expects the Botany electorate to prove friendly ground for Wong. It is a new electorate without an incumbent, and it has the second-largest Asian population of any electorate (and 80% of those Asians are Chinese).

9. (C) Until recently, it appeared that both of the major parties would choose Chinese candidates to contest the Botany electorate. As noted, National would run Wong, and the Labour Party was expected to reach beyond its core and tap lawyer and radio personality Raymond Huo, a Beijing native, as its candidate for Botany. The ACT Party, New Zealand's equivalent of a European liberal democratic party, is also likely to run a Chinese candidate in Botany, former MP Kenneth Wang. In a last minute switch, however, Labour chose a little-known Auckland University professor named Koro Tawa over Huo to contest the Botany electorate.

10. (C) Huo nonetheless remains Labour's most important Chinese candidate. Despite not getting the nod to run in Botany, Huo was given a far higher place on the party list than Tawa. Indeed, Huo placed higher on the list than a number of veteran Labour MPs. In a meeting with the CG, Huo's lack of partisan passion was notable. While paying lip service to Labour policies, his remarks suggested he was drawn into politics not to support a particular ideology, but because the Chinese community's voice "was not being heard."

Huo argued that National's Wong "does not connect well" with most Chinese New Zealanders because she's from Hong Kong and speaks Cantonese rather than Mandarin.

11. (C) Wang served as a list MP for ACT from 2002 from 2005, but lost his seat when ACT's poor performance in 2005 left it with only two seats. Wang argues that ACT, because of its emphasis on free market principles, draws well from the business-oriented Chinese community. Also, like Huo, Wang told the CG that Wong is "not Chinese enough" and that Botany's Chinese would prefer a Mandarin speaker like himself to a Cantonese speaker like Wong.

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Law and Order  
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12. (C) Wong's chances will be boosted by a spate of crimes against Asians in South Auckland. Over the span of a few days in June, an Indian liquor store owner was shot to death in his shop, an elderly Chinese woman was murdered in her home by an intruder, and another Chinese woman was killed during a purse-snatching. Labour's Huo confirmed that New Zealand Asians believe themselves to be particularly vulnerable to crime. Many run small retail businesses and, added Huo, ethnic stereotypes come into play: criminals believe that Asians carry lots of cash and will respond passively if attacked. Huo admitted that Labour's emphasis on rehabilitation of criminals over punishment goes down poorly in the Chinese community. New Chinese immigrants come from cultures - China, Singapore - where criminals are dealt with much more harshly than in New Zealand, Huo said.

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Comment: A Little More Diversity  
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13. (C) Wong's experience and name recognition, National's momentum, and the Chinese community's concern about crime will probably win the day for Wong. Certainly, Labour's decision to run Tawa in Botany instead of Huo suggests Labour has concluded it can't beat Wong. Thus it will run an unknown against Wong so that Huo can enter parliament as a list candidate untainted by a defeat in the Botany electorate. Botany is likely the only electorate an Asian will win, but other Asians are likely to enter parliament as

party list candidates. National has put two new Asians (Indian Kanwal Bakshi and Korean Melissa Lee) high enough on its list that they will get seats if National performs well. As noted, Huo has been given a high enough place on Labour's list to virtually assure his entry to parliament, as has a new Indian candidate, Rajen Prasad. Current Labour list MP Ahmed Chaudhry, despite an unimpressive record, has also maintained a place on the party list high enough to ensure his return to parliament. So, if the results unfold as currently expected, the new parliament will have six Asian members (two Chinese), vice the two Asian MPs in parliament today. End comment.

MCCORMICK



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classification:CONFIDENTIAL
reference:
C O N F I D E N T I A L WELLINGTON 000316

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 09/26/2028
TAGS: PGOV, KDEM, NZ
SUBJECT: NEW Z...
C O N F I D E N T I A L WELLINGTON 000316

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 09/26/2028
TAGS: PGOV, KDEM, NZ
SUBJECT: NEW ZEALAND ELECTIONS 2008 - AUCKLAND RACE
SYMBOLIZES DEPTH OF LABOUR'S TROUBLES

Classified By: Consul General John Desrocher for reasons 1.4 (b) and (d)

This message was drafted by ConGen Auckland and approved by Embassy Wellington.

1. (C) Summary. The National Party is making a serious play for Auckland Central, an electorate that has been in nearly uninterrupted Labour control for almost a century. That a 28-year-old virtual unknown has a serious chance of ousting a Labour stalwart demonstrates just how vulnerable the Labour Party is in this election cycle. End summary.

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Wealthy, Childless, Liberal Auckland
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2. (C) Auckland Central is the heart of New Zealand's largest city and commercial center, and includes the high-rises of its central business district, some of its oldest residential neighborhoods, and the country's largest port. While Auckland Central may prove a bellwether in the upcoming election, it is not at all a microcosm of the country. It is a diverse electorate, encompassing the students of Auckland University, the old money of upper end Herne Bay and Westmere, the transient apartment-dwellers of downtown, and the hippies of Waiheke Island.

3. (SBU) The electorate is dominated by well-educated young adults. It has the lowest proportions of children and pensioners of any electorate in the country, but the highest

proportion of people in their twenties. It is the third-wealthiest electorate in the country, but is socially liberal. It ranks last of all New Zealand electorates in the percentage of inhabitants identifying themselves as Christian, and first among those who ascribe to no religion at all. It has the country's lowest share of married residents, but highest share of partners in non-marriage relationships. It has a higher ratio of single people than any other electorate. Despite its liberal history, Auckland Central has been moving to the right, most notably in the latest mayoral elections that were won by John Banks, a conservative former National MP.

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The Incumbent  
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4. (C) Auckland Central MP Judith Tizard inherited one of New Zealand's best known political names. Her mother, Dame Catherine Tizard, is a former governor general and mayor of Auckland. Her father, Bob Tizard, is a former Labour deputy prime minister and minister of finance. Along with the name, Tizard inherited her father's parliamentary seat in the Auckland suburb of Panmure in 1990 and has been in parliament ever since.

5. (C) Despite her long parliamentary tenure and various associate minister titles, Tizard has struggled to make her own mark. Most recently, she has served as the Minister of Consumer Affairs and Associate Minister for Arts, Culture, and Heritage. She seems to be best known not as an MP but as "Dame Catherine's daughter." Her political profile has been controversial and Tizard is no stranger to negative headlines; when giving interviews, Tizard is unscripted and tends to ignore her media staff's advice. She made headlines on ANZAC Day in April 2007 when she publicly criticized the Returning Services Association (RSA) for its wreath-laying program during the annual remembrance ceremony. She's been criticized for allegedly extravagant travel habits. Her highest rank, as a non-cabinet Minister for Auckland Issues, was eliminated recently in a government reshuffle. Tizard drew howls of derision when she suggested that the post was eliminated because the city's "issues" had been resolved. (Note: Auckland traffic has become increasingly congested over the years with no solution in sight. Also, Aucklanders continue to be frustrated by ever-rising property taxes that pay for bloated and overlapping municipal authorities. End note.)

6. (C) The conventional wisdom is that Tizard's political durability is entirely due to her family's reputation and her friendship with Prime Minister Helen Clark, to whom she has been close for many years. Clark lived for a time with the Tizard family; Tizard's brother has worked on construction projects at Clark's home. There is probably no MP closer and more loyal to Clark than Tizard. While that friendship was

once clearly helpful to Tizard, in recent years there has been a backlash. Tizard is increasingly dismissed as Clark's (literal) bag carrier. It is worth noting that, despite her friendship with Clark, Tizard was this year demoted from from

18th to 38th place on Labour's list.

7. (C) Despite signs the political winds are shifting against her and her party, Tizard exuded confidence during a recent lunch with the CG. She seemed sure voters would understand her hard work on Auckland issues and predicted (accurately) that the polling gap between Labour and National would narrow as the election approached. There can be no doubt that she knows her electorate. Seated with the CG at the window of a cafe, she made a point of personally greeting many passersby by name.

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The Challenger  
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8. (C) The contrasts between Tizard and her National Party challenger are stark. Nikki Kaye, at 28, is almost half Tizard's age. Tizard comes from a political dynasty with deep roots in Auckland; she doesn't hide her unhappiness at having to leave Auckland to take care of her parliamentary duties in Wellington. Kaye does not come from a political family and, while an Auckland native, has been away at university or overseas since she was seventeen. Kaye only returned to New Zealand from London late in 2007. Finally, while the Tizard name is famous, Kaye is virtually unknown.

9. (C) One thing that Tizard and Kaye do have in common is confidence. While acknowledging that unseating a Labour veteran from a traditionally safe Labour seat will be a challenge, during a lunch with the CG Kaye came across as energetic and sure of herself. She described Auckland Central as "definitely winnable" for National and spoke like a ward leader who had done her homework. She not only knew how many votes had separated Tizard and her National opponent in the last election, but she outlined for the CG where in the electorate, neighborhood by neighborhood, she would find those votes. She explained how changes to the electorate's boundaries since the last election had excluded some Labour supporters and drawn in other voters more likely to support National. Not counting on a large swing to National that would sweep her into parliament, she had a tactical plan to take the seat one vote at a time. "I'll knock on doors," Kaye said, "Judith won't do that."

10. (SBU) Some outside observers are concluding that Kaye's confidence is justified. The transTasman, a well-regarded political newsletter, cited Tizard's high negatives and changing demographics in predicting a National win. In the newsletter's annual assessment of MPs, Tizard scored a 1 (out of 10), down from a 2 the previous year, putting her in the same category as other MPs clearly headed for the door. While they can be complimentary about some government ministers, National Party sources are derisive of Tizard's capabilities. In late August, transTasman and other media outlets cited an unpublished poll that placed Kaye a couple of points ahead of Tizard.

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Comment: A Long Shot, but Still a Shot  
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11. (C) Despite some positive signs for Kaye, she faces an uphill struggle. Auckland Central has been in Labour hands since 1919 (except for one term when it was held by a party to Labour's left). While boundary changes may have pushed some more conservative voters into the electorate, they won't be enough to close the gap. The young people in the electorate are not natural National supporters, and those dissatisfied with Labour may give their support to the Green Party, which has done well in Auckland Central in the past two elections.

12. (C) Kaye needs to target the electorate's higher income residents, many of whom are socially liberal Labour supporters. They may not be comfortable turning to the Green Party as a Labour alternative, but need to be reassured that National is not too far to the right. National under John Key has taken steps to comfort exactly those sort of voters but it's not clear if he has done enough. Still, that serious observers believe an unknown has a good chance to take a safe Labour seat away from a member of the Tizard clan illustrates just how vulnerable Labour is.

McCORMICK

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☐ C O N F I D E N T I A L WELLINGTON 000327

SIPDIS

STATE FOR EAP/ANP AND EUR/SCE

E.O. 12958: DECL: 10/06/2018

TAGS: PREL, KJUS, NZ

SU...

▼ C O N F I D E N T I A L WELLINGTON 000327

SIPDIS

STATE FOR EAP/ANP AND EUR/SCE

E.O. 12958: DECL: 10/06/2018

TAGS: PREL, KJUS, NZ

SUBJECT: NEW ZEALAND AND THE SERBIAN ICJ RESOLUTION

REF: STATE 105796

Classified By: Charge d'Affaires, David J. Keegan, Reason: 1.4 (b) and (d)

1. (C) In an October 6 meeting with Ministry of Foreign

Affairs and Trade Deputy Secretary Caroline Forsyth and European Affairs Division policy officer Rob Little, Charge d'Affaires Keegan summarized the points in reftel. He noted that the USG position remains that referring the question of Kosovo independence to the the International Court of Justice (ICJ) is a distraction and that ultimately, the independence declaration will be deemed legally sound. The USG will vote no on the UNGA resolution, and he asked the MFAT officials if the GNZ had taken a decision on this matter.

2. (C) Forsyth responded that the GNZ is still developing its position but warned that a no vote would be highly unlikely. She promised, however, that USG points would receive full consideration. The GNZ supports the rule of law, the machinery of the United Nations and the ICJ, and does not necessarily view ICJ consideration of the case as a negative, offered Forsyth. She opined that the ICJ is capable enough to recognize the pitfalls surrounding the issue, its ramifications beyond Kosovo, and would not paint itself into a corner. The Charge asked about Serbian government contacts with the GNZ and possible motivations. Forsyth responded that the Serb President had written to the Prime Minister on the subject, and Serbian Ambassador based in Canberra had approached the New Zealand mission. The Charge noted that ICJ review of the matter will delay Kosovo's integration in the international community. Forsyth responded that the GNZ was aware of the significance of the issue, but saw that placing the matter with the ICJ offered the Serbian government a certain amount of political cover. Rob Little offered that the Serbian position, as explained to the GNZ, rested on Belgrade's desire to ensure that Kosovo's unilateral declaration was consistent with UNSCR 1244.

KEEGAN

date:2008-10-16T01:31:00  
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IMMEDIATE 5478 INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 0441  
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VIENNA IMMEDIATE 0062 RUEHNO/USMISSION USNATO IMMEDIATE 0086  
RUEHRN/USMISSION UN ROME IMMEDIATE 0001  
classification:CONFIDENTIAL  
reference:08STATE108303  
☐ C O N F I D E N T I A L WELLINGTON 000341

SIPDIS

STATE FOR EAP/ANP AND PM/WRA

E.O. 12958: DECL: 10/16/2018

TAGS: PARM, PREL, MARR, N...

▼ C O N F I D E N T I A L WELLINGTON 000341

SIPDIS

STATE FOR EAP/ANP AND PM/WRA

E.O. 12958: DECL: 10/16/2018

TAGS: PARM, PREL, MARR, NZ

SUBJECT: NEW ZEALAND AND CCW CLUSTER MUNITIONS NEGOTIATIONS

REF: STATE 108303

Classified By: Pol/Econ Counselor Margaret McKean, Reason: 1.4 (b) and (d)

1. (SBU) On October 14, Pol/Econ Counselor met with Jillian Dempster, Deputy Director of the Ministry of Foreign Affairs and Trade's office for disarmament. PE Counselor made the points in the reftel, focusing on whether or not New Zealand and other core Oslo Process supporters are willing to be flexible enough to see progress in the CCW forum. She asked if achieving binding language on technical improvements would not constitute a small measure of progress that moves major suppliers in a positive direction and could be built upon in the future. If the CCW cannot make progress on areas of mutual agreement that have some humanitarian benefit then the success of the CCW negotiation process looks doubtful, she added.

2. (SBU) Dempster started out by acknowledging that the positions look very far apart going into the final negotiation week in November. New Zealand would feel more confident if the Chair was working behind the scenes to try and reconcile the positions. She placed a certain amount of the blame on the Chair, saying that NZ did not feel that the Chair was making much of an effort in that regard. Dempster also said that she was disappointed in the level of consultation between the Chair and the various groups/states so far. She specifically pointed out that NZ has a great deal of experience on working on the issue of definitions, and that the Chair has not incorporated some NZ positions. She allowed that some GNZ views may not be acceptable to all states, but New Zealand was still not happy with how the negotiations have gone so far.

3. (C) New Zealand, said Dempster, believes that the CCW is still important and would like to see the CCW as complementary to the Oslo Treaty. She also allowed there is benefit in having major suppliers such as Russia and China be part of something that is legally binding -- "but not at any price." She added that NZ is not convinced Russia will see the CCW process as legally binding. Moreover, she said that there is a risk of having two different legal instruments that could increase the ambiguities in international law and its application to cluster munitions. She said that the CCW does not have to mirror the Oslo Treaty, but NZ worries about two sets of standards. She added that NZ and other Oslo core group members are not the only ones in the CCW worried about dual standards.

4. (SBU) The Chair's proposal as it stands will not achieve consensus, predicted Dempster. She said New Zealand will be open minded going into the final week but there will be certain areas/issues (although she refused to be drawn out on specifics) that will require New Zealand's delegation to consult with Wellington and receive concurrence from government ministers, notably Minister for Disarmament Phil

Goff.

5. (C) Comment. New Zealand's national election will take place on November 8, the day after the conclusion of the CCW negotiation round (November 3-7). Goff and other government ministers will be on the campaign trail during that week and the New Zealand Geneva-based delegation's ability to consult with its political leadership will be limited. Dempster did not sound optimistic at the prospect for success in Geneva nor did she signal any sense of urgency from New Zealand's standpoint. It is unclear how much influence NGOs involved in the Oslo process are wielding on the CCW negotiations; Dempster noted several times during the discussion that she is in regular contact with NGOs in the lead up to the December signing of the Oslo Treaty. End Comment.

MCCORMICK

date:2008-10-30T00:55:00  
source:Embassy Wellington  
origin:08WELLINGTON365  
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VIENNA PRIORITY  
classification:CONFIDENTIAL  
reference:08STATE112229  
☐ C O N F I D E N T I A L WELLINGTON 000365

STATE FOR ISN/RA AND EAP/ANP

E.O. 12958: DECL: 10/30/2018  
TAGS: PREL, MNUC, TRGY, NZ  
SUBJE...  
▼ C O N F I D E N T I A L WELLINGTON 000365

STATE FOR ISN/RA AND EAP/ANP

E.O. 12958: DECL: 10/30/2018  
TAGS: PREL, MNUC, TRGY, NZ  
SUBJECT: NEW ZEALAND WILL NOT ATTEND IRANIAN-SPONSORED  
NUCLEAR ENERGY CONFERENCE

REF: STATE 112229

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) In response to reftel, PE Counselor contacted Ministry of Foreign Affairs and Trade Iran Desk Officer Marina Anderson on October 22 to inquire as to New Zealand's possible attendance at the November 30 conference. Anderson explained that New Zealand had not received an invitation and the GNZ was unaware of the conference; P/E Counselor outlined the information in reftel and Anderson offered to let the Embassy know the GNZ position once an invitation was in hand.

2. (C) On October 29, PE Counselor asked Anderson for a status report on the issue; Anderson responded that New Zealand has still not been contacted by the Iranian government concerning the conference and anticipates that Tehran is well aware of New Zealand's opposition to nuclear energy, lack of domestic expertise on the issue, and unlikely attendance; thus, Anderson believes that New Zealand likely does not factor into the GOI's invitation list. She opined that even if Tehran did extend an invitation, the GNZ would not attend for historical policy reasons opposing nuclear energy. Anderson said she would inform the Embassy if an invitation arrives, but again, does not anticipate that there will be one.

McCORMICK

date:2008-11-13T21:38:00  
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classification:CONFIDENTIAL  
reference:  
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SIPDIS

E.O. 12958: DECL: 11/13/2033  
TAGS: PREL, US, NZ, KS, XU XV  
SUBJ: AMBASSADOR PAYS FARE...  
 C O N F I D E N T I A L WELLINGTON 000385

SIPDIS

E.O. 12958: DECL: 11/13/2033  
TAGS: PREL, US, NZ, KS, XU XV  
SUBJ: AMBASSADOR PAYS FAREWELL CALL ON PRIME MINISTER HELEN CLARK

Classified by AMBASSADOR William McCormick, reasons 1.5 (b) and (d).

1. (C) The Ambassador called on Prime Minister Helen Clark November 13 to say farewell as he prepares to conclude his assignment as Ambassador and as the Prime Minister prepares to step down sometime in the next few days. The Ambassador thanked the Prime Minister for everything she has done to improve the bilateral relationship, noting that the two governments together had changed the relationship in what had sometimes been a difficult environment by focusing on common concerns. The Prime Minister agreed, saying that we had made considerable progress together. She thanked the Ambassador for all he had done and asked the Ambassador to convey her thanks to the President for his friendship. She praised the Secretary, Assistant Secretary Hill, DAS Davies and former ANP Director McGann for their contributions.

2. (C) The Ambassador said that he would remain interested in the Pacific after he left his post. He said that the Pacific Island Countries face enormous governance challenges and New Zealand is "carrying the load" in working with those countries. The Prime



Minister observed that she was particularly concerned about Fiji. The United States is now paying more attention to the Pacific than at any time since World War II and that needs to continue. Both agreed that they shared a serious concern about the growth of dollar diplomacy in the region, particularly by the Chinese who often step in when New Zealand and others try to persuade PIC governments to take necessary but unpalatable steps. The Ambassador said that he had been disappointed at the praise Samoa recently lavished on Chinese construction projects, including a lavish but impractical swimming pool complex, while giving much less attention to the forty years of Peace Corps contributions to the islands economy and society.

3. (C) PM Clark said she had recently been very disappointed that the Tongan candidate, Deputy Prime Minister Dr. Viliami Ta'u tangi, to be elected Regional Director of the World Health Organization Western Pacific regional Office had been defeated. New Zealand had agreed to support the decision of the Pacific Island Forum to vote in favor of the Tongan candidate only to discover that many PIF representatives, including the PIF chairman, eventually voted against the Tongan candidate. It was clear to her, the PM said, that money had likely played a role in changing their votes to favor the successful Korean candidate.

4. (C) The Ambassador expressed his hope that Clark would stay involved in international issues. She responded that she was looking for opportunities but recognized that the prime minister of a small country might not always be in great demand. The Ambassador responded that Kiwis always told him they were a small country, but he never heard this from Washington because the U.S. saw them as a significant partner. Clark said that she hoped New Zealand was seen as a friendly Western country that sometimes can do things the United States cannot.

McCormick

date:2008-11-25T23:42:00  
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CANBERRA PRIORITY AMEMBASSY DAMASCUS PRIORITY AMEMBASSY DUBLIN  
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MADRID PRIORITY AMEMBASSY MANILA PRIORITY AMEMBASSY MEXICO PRIORITY  
AMEMBASSY MONTEVIDEO PRIORITY AMEMBASSY MOSCOW PRIORITY AMEMBASSY NEW  
DELHI PRIORITY AMEMBASSY OTTAWA PRIORITY AMEMBASSY OUAGADOUGOU  
PRIORITY AMEMBASSY PARIS PRIORITY AMEMBASSY PRETORIA PRIORITY  
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classification:CONFIDENTIAL  
reference:08STATE123074  
☐ C O N F I D E N T I A L WELLINGTON 000397

STATE FOR EAP/ANP, ISN/RA AND IO/T

E.O. 12958: DECL: 11/26/2023  
TAGS: MNUC, PREL, KNNP, IAE...  
▼ C O N F I D E N T I A L WELLINGTON 000397

STATE FOR EAP/ANP, ISN/RA AND IO/T

E.O. 12958: DECL: 11/26/2023  
TAGS: MNUC, PREL, KNNP, IAEA, PARM, NZ  
SUBJECT: NEW ZEALAND SUPPORTS STRONG STATEMENTS ON IRAN,  
SYRIA AT BOG MEETING

REF: STATE 123074

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) On November 25, Pol/Econ Counselor met with Ministry of Foreign Affairs and Trade International Security and Disarmament Division Chief Joan Mosley and Deputy Director Jillian Dempster to discuss the recent IAEA reports on Iran and Syria, ongoing TACC discussions and next steps in Vienna. Mosley assured the USG that the GNZ finds both reports disturbing, and said that New Zealand agrees with and shares USG concerns. New Zealand plans to deliver strong statements on both countries at the upcoming Board of Governors meeting.

2. (C) Regarding Syria and the Technical Assistance and Cooperation Committee (TACC), New Zealand does not contribute to the TACC and therefore does not anticipate playing a high profile role in those discussions. New Zealand desires a "satisfactory" outcome on Syria (i.e., an outcome that is acceptable to the majority of Board members). Mosley indicated that feedback from Vienna through MFAT channels indicates that the TACC discussions are largely at an impasse and little consensus is foreseen. MFAT believes that the issue will go to the Board of Governors. Mosley noted that New Zealand, having just elected a new government, does not yet have clear policy guidance from new Foreign Minister Murray McCully, Minister for Disarmament Georgina Te Heuheu and other relevant ministries. She acknowledged that New Zealand will be constrained in its actions until the new government has read in and had a chance to discuss the policy papers forwarded to the new ministers. Mosley said that the New Zealand mission in Vienna and MFAT had developed language for use in the upcoming statements at the BOG without appropriate clearance from the new government given that there is still a transition taking place.

McCORMICK

date:2008-11-28T02:06:00  
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CDR USPACOM HONOLULU HI PRIORITY JOINT STAFF WASHDC PRIORITY SECDEF  
WASHINGTON DC PRIORITY

classification:CONFIDENTIAL  
reference:08STATE122937|08STATE123211  
☐ C O N F I D E N T I A L WELLINGTON 000400

STATE FOR EAP/ANP AND EAP/RSP; STATE PLEASE PASS TO JEFF  
HENSEL AT USAID/OFDA; PACOM FOR STEVE...  
▼ C O N F I D E N T I A L WELLINGTON 000400

STATE FOR EAP/ANP AND EAP/RSP; STATE PLEASE PASS TO JEFF  
HENSEL AT USAID/OFDA; PACOM FOR STEVE MELLINGER

E.O. 12958: DECL: 11/26/2018  
TAGS: EAID, MOPS, PREL, MARR, NZ  
SUBJECT: NEW ZEALAND, ASEAN AND THE ARF DISASTER RELIEF  
EXERCISE

REF: A. A) STATE 123211  
B. B) STATE 122937

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.4 (b) and (d)

(C) 1. Summary. New Zealand is interested in the ARF Disaster Relief Exercise but will not make a final decision on participation until it receives a formal invitation from the Thai government. The GNZ believes that financial issues will dominate the upcoming ASEAN meetings in Thailand, where New Zealand, Australia, and ASEAN are scheduled to sign a Free Trade Agreement (FTA) on December 17. An MFAT official suggested a possible meeting of the ASEAN Ambassadors from the U.S., New Zealand, Japan, and Australia in Chiang Mai may be useful to discuss issues of overlapping interest and those outlined in reftel A. End summary.

ARF Disaster Relief Exercise  
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2. (C) Pol/Econ Counselor met on November 25 with Tim McIvor of the Asia Division to discuss the ARF disaster relief exercise in the Philippines as well as the upcoming ASEAN summits. On the ARF exercise, McIvor noted that the GNZ had heard about the exercise in Singapore when it was discussed by USG and Philippine government officials. Both MFAT and MOD officials agree that the exercise is a good idea, and sent forward a policy recommendation within Defense House for consideration. The policy recommendation, according to McIvor, included a suggestion for a C-130 deployment and an engineering team. McIvor stressed that the exercise is attractive to New Zealand because it represents the first time ARF would deploy assets rather than engage in tabletop exercises. However, senior NZDF officials are reluctant to sign off on the recommendation until the Thai government issues a formal invitation. (Comment: Before approaching MFAT, PE Counselor contacted the Philippine Embassy regarding their role to date in informing the GNZ of the exercise; the Philippine Embassy was unaware of the exercise. End Comment.) McIvor urged the USG to keep the GNZ informed as planning progresses; McIvor indicated that USG specific requests to GNZ officials may help to focus the incoming government's attention on the exercise and ensure a

positive response. McIvor said that New Zealand agrees that the ARF should shift towards being a more action-oriented organization. Disaster relief is discussed within a variety of East Asian fora, including APEC and EAS, he said. In McIvor's opinion, however, ARF is ideally suited to play that role.

#### ASEAN Summits

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3. (C) On ASEAN, McIvor said that the financial crisis -- which dominated the recent APEC meetings -- would likely continue as the main theme in the upcoming ASEAN summits. Although the Thai government had earlier selected disaster management for consideration, the financial crisis is expected to take over as the key theme of the meetings. McIvor mentioned that the financial crisis was discussed at a Senior Officials Meeting (SOM) in Thailand a couple weeks ago, and a number of countries proposed a standalone statement from ASEAN on this issue. Australia has done a draft that is circulating among EAS members and will be discussed next week in Tokyo by deputy Finance Ministers. McIvor anticipates four elements in such a statement: political intent to do something about the financial crisis, underscoring the seriousness of the issue; support for the Doha round of trade talks; reform of the global financial institutions, and the under-representation of Asia in the IFIs; and an EAS-specific initiative to support capacity building on regional finance issues. New Zealand PM John Key and Foreign Minister Murray McCully will likely attend the EAS; Trade Minister Tim Groser is expected to go to Geneva for WTO meetings, said McIvor.

4. (C) McIvor said that the GNZ is disappointed that the EAS schedule is compressed but understands that the government of Thailand is constrained by the domestic political situation. McIvor discussed trade agreements under consideration within the EAS -- both the ASEAN plus three and ASEAN plus six Track 2 studies that are underway. New Zealand, Australia, and ASEAN are prepared to sign an FTA on December 17, which New Zealand hopes will be the basis for a future EAS-wide FTA.

5. (C) McIvor noted that regional human rights issues have been largely displaced as a result of the attention on the financial crisis. He does not anticipate there will be much discussion of Burma or Fiji at the meetings, although there is likely to be mention of the DPRK and Afghanistan. Other ambassadors accredited to ASEAN from Japan, Australia and New Zealand (Philip Gibson from Indonesia) will be in Chiang Mai, and McIvor offered that it may be useful for them to meet with US Ambassador Scot Marciel. McIvor added that the ASEAN Human Rights Body that is provided for in the ASEAN Charter will be discussed during the meetings in Thailand.

#### New Zealand and ASEAN in the Future

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6. (C) In terms of future goals, New Zealand will press for a regular NZ-ASEAN summit, which McIvor noted was included in MFAT transition papers for the new National Government. New

Zealand held an ad hoc summit with ASEAN in 2005 in Vientiane during the 30th anniversary of New Zealand-ASEAN relations. New Zealand has discussed the concept at officials levels, and now that ASEAN is moving to two summits per year, it may be easier to wrap a NZ-ASEAN summit into the schedule by perhaps meeting every other year. New Zealand and Australia are both seeking to join the Asia Europe Meeting (ASEM), said McIvor. Australia was the first to pursue ASEM membership, and the New Zealand government will be considering a pros/cons paper, he added. If membership is opened to Australia, New Zealand should also move in that direction, said McIvor, although he added that ASEM would add another layer of meetings to an already crowded regional schedule. New Zealand will watch closely how Australian PM Rudd's proposal for an Asia Pacific Community resonates with ASEAN, as McIvor views such a construct as possibly threatening to ASEAN's central role in the EAS. The APC could shift the center of gravity away from ASEAN, which McIvor anticipated would generate resistance from some ASEAN states.

7. (SBU) Comment: McIvor, who will be in Chiang Mai for the ASEAN meetings, is leaving Wellington after Thailand to assume the New Zealand ambassadorship in Dili, Timor Leste. He has been an exceptionally helpful colleague and strong advocate for improved US-NZ bilateral relations.

McCORMICK

date:2008-12-15T04:08:00  
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SYDNEY PRIORITY 0781  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L WELLINGTON 000414

SIPDIS

E.O. 12958: DECL: 12/15/2025  
TAGS: EFIS, ENRG, PREL, NZ, FJ, AS, XV  
SUBJECT: FOREIGN ...  
▼ C O N F I D E N T I A L WELLINGTON 000414

SIPDIS

E.O. 12958: DECL: 12/15/2025  
TAGS: EFIS, ENRG, PREL, NZ, FJ, AS, XV  
SUBJECT: FOREIGN MINISTER MCCULLY DISCUSSES FIJI AND  
PACIFIC CONCERNS WITH DEPARTING AMBASSADOR

Classified By: DCM David J. Keegan for E.O. 12958, Reasons 1.4 (b) and (d).

1. (SBU) The Ambassador paid his introductory and farewell call on newly appointed Foreign Minister Murray McCully December 15. They agreed that there had been dramatic

improvement in our bilateral relationship during Ambassador McCormick,s tenure due to the efforts of many leaders in both governments. McCully said he had taken the opportunity of the recent APEC meetings in Lima to thank Assistant Secretary Christopher Hill personally.

2. (C) Early in the conversation, FM McCully said that he anticipated that New Zealand,s acting High Commissioner to Suva might be expelled shortly. He explained that during the recent trip of Pacific Island Forum (PIF) foreign ministers to Fiji he had been summoned to the office of acting Prime Minister Bainimarama. Bainimarama had said that Fiji was still waiting for New Zealand to issue a student visa for the son of the President,s Private Secretary. If the visa were not issued Fiji would expel the High Commissioner. McCully said that the visa applicant had had a student visa to New Zealand before and might well qualify on his own, but he fell under the visa prohibition against members of the interim government and their families. McCully made it clear that he considered Bainimarama,s threat to be an effort to intimidate the New Zealand,s new National Government, and the Government would not buckle. In the next day or two he would be drafting a response with the bad news, and he expected the High Commissioner,s expulsion to follow soon after. He expressed the hope that the U.S. would support New Zealand if these events occurred. The Ambassador made it clear that we understood New Zealand,s situation and supported its response. Embassy Wellington understands that Ambassador McGann in Fiji has informed Washington that he stands ready to express our disapproval if Bainimarama moves toward such an action.

3. (SBU) The Ambassador said that New Zealand,s role in the Pacific is one which the United States highly values. He highlighted the importance of our working with the Pacific Island Countries to address issues such as sustainable fisheries and renewable energy. McCully said that the new National Government is looking at what steps it can take to bring a new intensity and focus to these efforts. Ambassador McCormick urged New Zealand particularly to consider the value of taking the lead with the U.S. in renewable energy efforts. He suggested that the installation of even a single wind turbine on each Pacific island would remind governments and peoples of our continuing commitment to them. McCully said that he fully shared that sentiment. He said that he had heard Australian Prime Minister Rudd had suggest that Australia and New Zealand were spending one billion dollars between them in the Pacific, and they needed to be sure that they were actually buying something with that expenditure.

4. (SBU) McCully concluded the call by saying that he looked forward to visiting Washington at an appropriate time, and he would defer to us on what the best time might be.

McCORMICK

date:2009-02-27T03:08:00

source:Embassy Wellington

origin:09WELLINGTON53

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PRIORITY 0151 RUEHNO/USMISSION USNATO PRIORITY 0090  
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reference:09STATE15623  
□ C O N F I D E N T I A L WELLINGTON 000053

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SCA/A FOR TOM REOTT; EUR/RPM FOR AARON COPE

E.O. 12958: DECL: 02/27/2024  
TAGS: MARR..

▼ C O N F I D E N T I A L WELLINGTON 000053

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SCA/A FOR TOM REOTT; EUR/RPM FOR AARON COPE

E.O. 12958: DECL: 02/27/2024  
TAGS: MARR, MOPS, PREL, NATO, AF, NZ  
SUBJECT: NEW ZEALAND INPUT TO AFGHANISTAN STRATEGY REVIEW

REF: STATE 15623

Classified By: Embassy Wellington Charge David J. Keegan. Reasons E.O. 12958, Reasons 1.4 (a), (b), and (d).

1. (U) Reftel request was forwarded to the Government of New Zealand. Post received the following response from Michael Green, the Acting Deputy Secretary in the Ministry of Foreign Affairs and Trade (MFAT), handling Afghanistan among other responsibilities.

Begin GNZ response.

(C) Thanks for the offer to contribute. The following comments have been cleared with the Minister and with Defence. They don't really sit comfortably with the headings you proposed but should nevertheless convey to Washington a sense of our current thinking.

- o New Zealand is about to undertake a review of its commitments to Afghanistan as a basis for decisions about engagement beyond the current mandates (which end on 30 September 2010). Pending the outcome of this review, responses on some of your points must be cast in fairly general terms;

- o New Zealand seeks an Afghanistan that is sustainable as an independent nation, free from major risk of subversion and from being used again as a base for international terrorism;

- o New Zealand supports the NATO Comprehensive Strategic Political Military Plan and the Afghanistan National Development Strategy, while noting that they are frameworks only, do not guarantee success, and are currently either inadequately resourced, or not coherently implemented. Better civil/military coordination is necessary;

- o All ISAF contributor countries, whether members of NATO or not, must be involved in the planning and monitoring processes of the international community;

- o New Zealand considers that a sustainable Afghanistan is only achievable on Afghan models and ultimately with Afghan resources, and that international contributors must shape their assistance efforts to that end;
- o In particular, the Afghan polity must be supported to produce real and increasing benefits for its people;
- o Priority should be given to supporting Afghan governance models and Afghan institutions, with priority attention to the ANA and the ANP;
- o Reconcilable Taliban must be induced through a variety of means to join the Afghan polity as contributing elements; irreconcilable Taliban must be reduced as a threat, at least to manageable proportions;
- o Ways to reduce the ability of the Taliban to use Pakistan as a base must be pursued; Pakistan's support for the Taliban must be significantly curtailed;
- o Counter-insurgency military action must continue, but with a focus on methods that minimize civilian casualties;
- o The use of force in general must be carefully calibrated. Other elements, particularly diplomacy and development, will be crucial to success in the long term;
- o Efforts to combat narcotics production and trafficking and corruption must continue, although success in these areas will probably be coterminous with, rather than precede, success in other areas.

End GNZ response.

2. (C) In charge conversations with Minister of Foreign Affairs Murray McCully and Minister of Defence Wayne Mapp, as well as conversations with MFAT and Ministry of Defence officials, it has been made clear that the GNZ understands that the U.S. will be making requests for additional resources to support efforts in Afghanistan. The GNZ says they will consider those requests commensurate with their existing commitments, including Afghanistan, and the small size of their military.

KEEGAN

date:2009-02-27T04:32:00  
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RUEKJCS/SECDEF WASHINGTON DC RHHMUNA/CDR USPACOM HONOLULU HI  
RUEHBS/USEU BRUSSELS  
classification:CONFIDENTIAL  
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☐ C O N F I D E N T I A L WELLINGTON 000055



SIPDIS

E.O. 12958: DECL: 02/27/2026  
TAGS: PREL, PGOV, FJ, NZ  
SUBJECT: NEW ZEALAND FOREIGN MI...  
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SIPDIS

E.O. 12958: DECL: 02/27/2026  
TAGS: PREL, PGOV, FJ, NZ  
SUBJECT: NEW ZEALAND FOREIGN MINISTER INSISTS COMMONWEALTH  
HOLD THE LINE ON FIJI

Classified By: Embassy Wellington CDA David J. Keegan. Reasons E.O. 12958, 1.4 (b) and (d).

1. (C) Charge met with Foreign Minister Murray McCully February 26 at his request. McCully said that he is departing over the weekend for London to participate in the Commonwealth Meeting on Fiji. He explained that Papua New Guinea Foreign Minister Samuel Abal and himself would be the two Pacific participants in the meeting. He added that the PNG FM would be a strong voice at the meeting and would be "less mercurial" than PNG Prime Minister Sir Michael Somare.

2. (C) Two years after the Commonwealth suspended Fiji in response to Commodore Frank Bainimarama's coup, McCully said, the Commonwealth meeting should move to take further steps on Fiji as its rules call for. When McCully spoke to Abal recently by phone, Abal said that his position on the matter was equally clear: "two years is two years is two years." The Commonwealth should also show that it is prepared to defer to the Pacific Island Forum (PIF), which has spoken clearly on Fiji. McCully rejected claims that the PIF and its posture on Fiji are being directed by Australia and New Zealand. He noted that the outspoken comments earlier in the week by Samoa Prime Minister Tuilaepa Lupesoliai Aiono Sailele Malielegoai, subsequently endorsed by Tonga PM Feleti Sevele, provided clear evidence that the Pacific Island Countries themselves were strongly concerned about Fiji. The only exceptions, McCully suggested, might be Tuvalu and Kiribati. Otherwise he was confident that the PIF would hold solidly to its commitment to suspend Fiji in May. He added, however, that MFAT officials were less confident on this score than he was.

3. (C) McCully said that New Zealand remained committed to being helpful to Fiji, and the government will avoid any public confrontations, but he said he saw no evidence that Fiji interim leader Frank Bainimarama had any inclination to accept such help. Nor would he be influenced by any change in the sanctions against him. Bainimarama has no interest under current conditions in moving toward democracy or in stepping down from his position of leadership in Fiji. He has "settled in for the long haul." If the Pacific Island Forum, the Commonwealth, or others reduce sanctions against the regime, Bainimarama will pocket the "victory." After the Commonwealth meeting, the next landmark would be the PIF meeting in May. Fiji needs to listen, McCully said, but he confessed he was

not optimistic.  
KEEGAN

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reference:09STATE16285  
□S E C R E T WELLINGTON 000060

SIPDIS

STATE FOR EAP/ANP; ISN FOR RICHARD NEPHEW, MATT GOLDSTEIN

E.O. 12958: DECL: 03/02/2025

TAGS: PA...

▼S E C R E T WELLINGTON 000060

SIPDIS

STATE FOR EAP/ANP; ISN FOR RICHARD NEPHEW, MATT GOLDSTEIN

E.O. 12958: DECL: 03/02/2025

TAGS: PARM, KNNP, IAEA, MNUC, IR, SYR, NZ

SUBJECT: GNZ AGREES WITH USG POINTS ON IRAN AND SYRIA; WILL  
ISSUE STRONG STATEMENTS

REF: STATE 16285

Classified By: Acting DCM Margaret B. McKean; Reason 1.4 (b)  
and (d)

1. (S) On March 2, Acting DCM met with Jillian Dempster,  
Deputy Director at the Ministry of Foreign Affairs and Trade  
International Security and Disarmament Division to discuss  
refotel points. Dempster agreed with the USG views, noting  
that MFAT had forwarded draft statements on both Iran and

Syria to Cabinet Ministers last week. The Government of New Zealand's position on both Iran and Syria under the new National-led government of PM John Key is likely to remain similar to that of former Labour PM Helen Clark. Dempster observed that in both the cases of Iran and Syria, the Director General's reports indicate that "the situation has not been fixed." Iran has not complied with IAEA requests for comprehensive access, has not provided design information, and has built roofs over its installations thereby limiting satellite information that provided some level of data. On Syria, the GNZ believes that the issues surrounding the discovery of uranium in the soil samples from the destroyed alleged reactor site "are concerning" and that the GNZ does not deem as fully credible the GOS explanation that the uranium derives from Israeli missiles.

2. (S) Dempster added that New Zealand would be sending a new Ambassador to Tehran shortly -- Brian Sanders who is currently working in MFAT's Asia Division on Korea and Japan will be replacing Hamish McMaster, who will return to Wellington. The MFAT official added that Sanders has previous Middle East experience, having served in Riyadh. She also said that the Iranian Embassy has been conspicuously silent in the lead up to the March Board of Governors meeting. Usually, the Iranian government conducts a public diplomacy campaign and demarches the GNZ; this year, there have been no meeting requests with MFAT, said Dempster.

3. (S) On issuing the Syrian report to the public, Dempster reported that some NAM members of the Board do not want either the Iran or Syria reports to be made public, and will try to block BOG release of the reports. She said that the GNZ would stay in touch with like-minded governments in Vienna and "see what the traffic will bear."  
KEEGAN

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classification:CONFIDENTIAL  
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CONFIDENTIAL WELLINGTON 000065

SIPDIS

E.O. 12958: DECL: 03/06/2024  
TAGS: PGOV, PREL, FJ, NZ  
SUBJECT: NEW ZEALAND "ACCEPTS" ...  
CONFIDENTIAL WELLINGTON 000065

SIPDIS

E.O. 12958: DECL: 03/06/2024

TAGS: PGOV, PREL, FJ, NZ

SUBJECT: NEW ZEALAND "ACCEPTS" COMMONWEALTH DECISION ON FIJI

Classified By: Embassy Wellington CDA David J. Keegan. Reasons E.O. 12958, 1.4 (b) and (d).

1. (C) Charge met with March 5 with Chris Seed, Deputy Secretary in the New Zealand Ministry of Foreign Affairs and Trade (MFAT) March 5, 2009 who reviewed NZ's assessment of Fiji developments.
2. (C) Commonwealth Ministerial Action Group (CMAG) meeting in London decided not to suspend Fiji as NZ had sought. GNZ and Foreign Minister Murray McCully had argued that Fiji had given no indication that it would accede to the CMAG requirements that it move toward elections. The Commonwealth had set an expectation that countries that had been removed from the group's governing councils for two years would be expelled. This recent action allowed Fiji to breach that requirement.
3. (C) The CMAG had decided to take the approach that PNG had recommended. They had decided to let the PIF take the lead at the May meeting of its Ministerial Contact Group. If Fiji had still failed to make progress, the PIF could then move to suspend. GNZ had realized that this was a likely compromise position and did not challenge it. The CMAG is expected to meet in six months and could then move to suspend/expel Fiji if there has been no progress.
4. (C) GNZ is concerned that Frank Bainimarama will present the Commonwealth meeting as a victory for him because they chose not to expel him. There are already reports that FB is seeking to convene a special meeting of the Melanesian spearhead group, claiming that it is Fiji's turn in rotation to serve as the chair. He apparently hopes this will be a meeting more friendly to him than the PIF, with Australia, New Zealand, and Polynesian critics like Samoa and Tonga excluded. It is not yet clear whether the MSG will actually be prepared to meet a FB's request, but he is trying to win over allies one by one.
5. (C) Like Foreign Minister McCully, Seed said he sees no prospect of progress with Fiji in the near term. FB has shown no willingness to listen to advice, either domestic or foreign, about how to move forward. Anyone who questions his approach is ignored. As FB settles in, the economic situation in Fiji is becoming increasingly dire. Tourist visits is down far more steeply than Fiji government numbers suggest. Government and forex balance sheets are quickly going bad.

KEEGAN

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classification:CONFIDENTIAL

reference:

☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000086

SIPDIS

E.O. 12958: DECL: 03/26/2019

TAGS: MARR, PREL, AF, NZ

SUBJECT: IS NE...

▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000086

SIPDIS

E.O. 12958: DECL: 03/26/2019

TAGS: MARR, PREL, AF, NZ

SUBJECT: IS NEW ZEALAND OPEN OR OPPOSED TO ADDED AFGHAN  
DEPLOYMENTS?

Classified By: Embassy Wellington Charge David J. Keegan. Reasons E.O.  
12958, 1.4 (b) and (d)

1. (U) March 25, New Zealand Foreign Minister Murray McCully gave his first public speech on the bilateral relationship with the United States (full text emailed to EAP/ANP). He started with his overall assessment:

"Relations are, in my judgment, in better shape than we have seen in 25 years. That has been the result of careful and constructive effort on both sides over recent years."

Reviewing parallel efforts to address economic recovery and free trade, he added: "In time, it is my hope that the new administration will reaffirm the US commitment to the (TransPacific Partnership) agreement."

2. (U) He then turned to Afghanistan. He noted New Zealand's decision to extend current deployment of a PRT to Bamyan Province to September 2010. Regarding additional deployments, McCully said:

"The new (U.S.) Administration has made no secret of the fact that they would like others to do more. And I expect other contributors to the International Security Assistance Force will also want to discuss the way ahead with us. While, of course, we will give consideration to the views expressed by our friends, it is important to note that New Zealand has already made, continues to make, and has just extended, what in our terms is a very significant commitment to the Afghanistan effort. . . So we will keep the situation under review and monitor developments carefully as we move forward"

3. (C) Immediately before presenting his speech, McCully told me that his statement on Afghanistan had been crafted to be "open." No decision has been made. None is being signaled. Prime Minister John Key has been thoroughly briefed on this issue and discussed it with McCully several times. The purpose of the statement, McCully insisted, is to give the PM "head room" to enable him to make a decision either to commit

additional resources or not.

4. (C) As McCully heads to Washington for meetings April 6 and 7, he said that New Zealand fully understands it will be asked by the U.S. to make an additional commitment. Before deciding on its response, New Zealand will wait to see what commitments NATO countries agree to make. He made it clear that New Zealand believes the first responsibility for making additional commitments lies with them. At the same time, New Zealand will be completing its own defense and Afghanistan review, and Foreign Affairs and Defence will prepare a recommendation to the PM.

5. (C) After the speech, David Taylor, Director of the Americas Division at the Ministry of Foreign Affairs and Trade (MFAT) repeated to me that the statement on Afghanistan was designed to give the Government "head room." That meant not only keeping the Government's deployment options open, he said. It also meant allowing for an orderly withdrawal from Afghanistan if the mission there fails, a possibility he asserted everyone acknowledged.

6. (C) While McCully insisted that no decision was being signaled, a banker who attended the speech and a noted academic who read the speech have both told me that they clearly understood McCully to be saying that New Zealand would commit no more troops to Afghanistan. The senior political writer at the Dominion Post, Tracy Watkins, headlined the same conclusion.

7. (C) Comment. Which should we believe - McCully's assurances or commentators' negative conclusions? The key may lie in a recent Australian opinion poll. In another aside, McCully asked if I had noted a poll published that morning showing that two-thirds of Australians oppose additional deployments to Afghanistan. If that same mood begins to appear here, it could undermine the interest of the avowedly pro-American National Government in New Zealand to make additional commitments to Afghanistan. If we want to encourage a New Zealand deployment, we will need to find public diplomacy opportunities to explain the choices in Afghanistan to New Zealand media. We will also need to work directly to encourage PM Key and FM McCully.

KEEGAN

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reference:09STATE31102  
☐ C O N F I D E N T I A L WELLINGTON 000094

STATE FOR EUR/RPM AND SCA

E.O. 12958: DECL: 04/14/2019

TAGS: PREL, MARR, MOPS, AF, NZ  
SUBJ...  
▼C O N F I D E N T I A L WELLINGTON 000094

STATE FOR EUR/RPM AND SCA

E.O. 12958: DECL: 04/14/2019  
TAGS: PREL, MARR, MOPS, AF, NZ  
SUBJECT: NEW ZEALAND WEIGHS AFGHANISTAN ASKS REQUEST

REF: STATE 31102

Classified By: Acting DCM Margaret McKean, Reason 1.4 (b) and (d)

1. (C) On April 8, Acting DCM and DATT met with Ministry of Defense and Ministry (MOD) of Foreign Affairs and Trade (MFAT) officials to present the overview of requested needs and specific asks for New Zealand. (Note: The Charge d'Affaires had earlier presented the list to MFAT Deputy Secretary Mike Green and Americas Desk Deputy Director Elizabeth Halliday on April 6 so that MFAT would have the list before New Zealand Foreign Minister McCully's April 7 meeting with the Secretary in Washington. End Note). MOD officials explained that the GNZ is reviewing its contribution to Afghanistan in light of the new USG approach to Afghanistan and Pakistan and the call for the international community to do more to support both countries. Although the review was to be concluded by the end of the June, MOD and MFAT officials agreed that the process could be accelerated and will keep us informed.

2. (C) On encouraging the Japanese to provide more support in Afghanistan, MOD officials noted that the GNZ has continued to raise Afghanistan in Japan-NZ bilateral discussions but to little avail. The GNZ has concluded that Japan's defense forces hide behind GOJ constitutional limitations because -- in GNZ opinion -- Japan's security forces lack self confidence and worry they may not be able to perform adequately in international security operations. New Zealand has also discussed Afghanistan with the Malaysian government over the last 12 months but has not had a great deal of success. The Malaysian government agreed to deploy to the Gulf of Aden to protect commercial vessels from pirates but only after being shamed into it by the presence of Chinese and Korean vessels. Chinese business leaders in Malaysia complained, said MOD officials, and the Malaysian government was forced to respond in kind. New Zealand will not have further opportunities for high-level dialogue with the Malaysians until the end of the year.

3. (C) Post will continue to engage with the GNZ on Afghanistan and report the results of the government's internal review of its Afghanistan commitment when it has been concluded.

KEEGAN

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SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 04/22/2024
TAGS: PGOV, KDEM, N...
▼C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000104

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 04/22/2024
TAGS: PGOV, KDEM, NZ
SUBJECT: LABOUR DOOMED TO WANDER NEW ZEALAND'S POLITICAL
WILDERNESS?

Classified By: Acting DCM Margaret McKean; Reason 1.4 (b) and (d)

1. (C) Summary. Since the November 2008 election that
ousted the Labour-led government of former PM Helen Clark,
the Labour Party has struggled to define itself in opposition
to attract positive media attention as well as the public's
interest. So far the Labour Party has failed on both counts.
The National Party of John Key retains high public approval
ratings in the polls so far this year, and the government
continues to find ways to work constructively with the minor
political parties (ACT, United Future, Maori Party) that have
supply and confidence agreements with National. Of note,
National recently signed an MOU with the left-wing Green
Party. Even Labour Party faithful have questioned how the
Labour Party leadership has managed the transition from party
in power to party in opposition. Most worrisome to Labour
however, was a recent newspaper editorial that already ruled
out Labour's chances for victory in 2011, relegating Labour
effectively to the political wilderness in the near term.
End Summary.

Did Labour Listen to Voters Last November?
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2. (C) In the aftermath of the Labour Party's defeat at the
polls in November 2008, the party took quick action that
Labour party leadership thought would mitigate damage to the
party's morale and set the stage for a strong opposition role
for the party. Helen Clark announced on election night that
she was stepping down as party leader and deputy party leader
Michael Cullen quickly followed suit. These resignations
paved the way for a relatively speedy transfer of the Labour
Party leadership mantle to Phil Goff, with Annette King as
his deputy. The leadership transfer was largely accomplished
behind closed doors and Labour Party MPs filed before the



media to endorse the decision and declared themselves a unified and rejuvenated opposition bench. Some pro-Labour analysts decried the backroom deal approach to leadership selection, and were disappointed that the party had barely let the election dust settle before naming long-serving MP and Clark contemporary Phil Goff as leader. Others thought the selection of Goff and Labour's depiction of him and Annette King as fresh faces was unconvincing -- particularly compared to the relatively large influx of young talented National MPs.

3. (C) Mainstream media also criticized Labour's approach to opposition politics, noting that the party had refused to acknowledge the electoral drubbing received at the polls. One commentator noted that Labour seemed intent on believing that the public had simply grown bored with Labour and in a fit of madness, voted in the National Party. Once voters realized the error in their ways, they would return Labour to power, the reasoning went. Other analysts pointed out that the party seemed oblivious to Labour's failed policies that had alienated voters, and that without some public allowance that Labour had lost touch with the electorate, it would be difficult for Labour to reconnect with voters. In response to some of the media criticism, Phil Goff commented that Labour would do some internal review, but journalists also noted that the behavior of Labour MPs in Parliament suggested that some were unaware they were no longer in government.

4. (SBU) At the Labour Party caucus meetings in March, Labour discussions centered on decrying the National Party's secret agenda, seemingly unaware that those stale accusations did not work in the lead up to the 2008 election and would fail to resonate with voters so far in 2009. In fact, public opinion polling continues to give National and PM John Key even higher support numbers than National received at the polls last November. And even though Clark stepped down as party leader and secured a UN job, she still outpolled Phil Goff in preferred PM polling.

But Some Backpedalling Taking Place  
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5. (SBU) Despite Labour's efforts to downplay its policy missteps under Helen Clark, Labour has quietly backpedalled on a few key, signature Labour issues. Labour signed on to the National government's wholesale repeal of the Electoral Finance Act, which the Labour Party had promulgated to limit campaign finance contributions and make political donations more transparent. However, the legislation was cumbersome, overly complex, and was heavily criticized by the public, the Human Rights Commission, and the legal profession. More recently, Labour allowed that some accommodation to Maori over the Foreshore and Seabed legislation may be reasonable. (Note: Labour's support for the Foreshore and Seabed Act

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spawned the Maori Party, as Maori within the Labour Party felt that Labour had betrayed their interests in passing the controversial legislation. End Note.)

Greens Sign MOU with National  
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6. (SBU) On April 8, the Green Party and National signed an MOU that lays out a framework for engagement on areas of policy agreement. Some areas of engagement, e.g., energy efficiency, regulation of the pharmaceutical/natural remedies program, have already been formalized in an appendix of the MOU. How the MOU would function in practice will start with the Greens identifying a policy area of common ground with the GNZ, and then seeking further discussions with government. The process could allow the Greens access to official advice on the issue (which ordinarily would not be available to parties outside government). The outcome could allow for the Greens to have some influence on policy or legislation. The MOU signing stands in stark contrast to statements by Green Party officials prior to and after the election that stated the Greens would not work with National.

7. (C) As political analysts scratched their heads over the meaning of this seeming capitulation by the Greens, it appeared that National's strong post-election showing and Labour's inability to generate public interest pushed the Greens to seek a modus vivendi with National in order to stay politically relevant. We asked a Labour Party source if the MOU meant the Greens had reconciled themselves to the old adage, "if you can't beat em, join em," and if this move politically isolated Labour even further. Our source, a Labour policy advisor, was relaxed about the MOU and noted that Labour has regular and in-depth contact with Green Party leader Jeannette Fitzsimmons; however, Fitzsimmons is stepping down as co-leader soon and Labour is unsure how well the good historical relationship between the two parties will continue with Russel Norman and the new (as yet undetermined) co-leader.

Looking Ahead for Labour  
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8. (C) An April 16 Dominion Post editorial critical of Labour's continued reliance on old party faces predicted that National would remain in government for at least two terms, a prediction that many have voiced in private but had not stated publicly. The editorial also noted that Labour will not be able to woo back voters -- the electorate will need to first become disenchanted with National. If Labour is not in a position to be viewed as a viable alternative, they could still lose out in winning back the public. Labour has dismissed the editorial and blamed the editorial staff for being anti-Labour. However, we understand that Labour privately is already laying the groundwork for further resignations before the next election so that more younger Labour candidates can come forward, laying the groundwork for a National-style rejuvenation.

Comment  
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9. (C) Even in defeat, Helen Clark continued to cast a long

shadow over the future of the Labour Party, despite her generally low profile after transferring the leadership to Phil Goff. With her departure for New York, effective rebuilding can begin, but is likely to be done slowly and without fanfare for fear of endangering the Clark legacy, which many in Labour will find difficult to let go. Most analysts agree that Labour needs an influx of new blood; however, simply promoting younger Labour Party personalities may not be enough to change voting patterns without a fundamental rethink of how some of Labour's policies were rejected by the electorate and that a more centrist approach to governance (as National has done) may be needed. The Labour Party also tends to attract its membership from the ranks of academics, unions and government workers. National's younger candidates, in contrast, typified the cross section of younger New Zealand professionals and middle class families -- and were candidates who attracted important swing voters in urban centers where Labour traditionally had strong support. Whether Labour can field a similar broad range of younger candidates among its traditional left-of-center pockets of support is in question. The party will also need to revamp its current parliamentary list, which is replete with tried, tested, and largely defeated Labour Party stalwarts. End Comment.  
KEEGAN

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classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000107

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 05/01/2024  
TAGS: PREL, KDEM, P...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000107

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 05/01/2024  
TAGS: PREL, KDEM, PGOV, NZ  
SUBJECT: NEW ZEALAND: PIF TO SUSPEND FIJI ON MAY 2

Classified By: Acting DCM Margaret B. McKean; Reason 1.4 (b) and (d)

1. (U) On May 1, Australian media reported that Fijian military leader Bainimarama offered to hold a summit with

Australia and New Zealand to persuade both countries that Bainimarama's proposed timetable for a return to democracy in Fiji is necessary. Bainimarama further predicted that other PIF members would not support Fiji's suspension from the Pacific Island Forum (PIF). (Note: If the PIF does agree to suspend Fiji, it will be the first time that a PIF member state is suspended. End Note.) In remarks to the press on April 30, New Zealand Foreign Minister Murray McCully assured reporters that Fiji's suspension will be automatic as of May 2 because Fiji has not met the May 1 deadline for setting an election date by year's end -- as demanded by the Pacific Island Forum leaders earlier this year. McCully further added that the PIF Secretariat would remain in Suva for the time being, noting that any retaliatory action by the Fijian authorities that affects PIF operations likely would prompt further review among member states. McCully's statements follow on Fijian Attorney General Sayed-Khaiyum's April 29 statements concluding that the Forum would not suspend Fiji. McCully's response to the Attorney General's remarks was "I admire his optimism."

2. (U) Bainimarama's media remarks affirmed that he has no plans for an early election, and reiterated the call for a 2014 election date. The Fijian military leader said that an election in 2009 would only return former Fijian Prime Minister Qarase to power, and that the latter cannot be allowed to resume the leadership of Fiji. Bainimarama asked Australia and New Zealand to drop their demands for 2009 elections, and called on the other PIF states to not listen to Australia and New Zealand. He also credited U.S. Representative Eni Faleomavaega with having a better understanding of the situation in Samoa and that Faleomavaega's views, rather than those of Australia and New Zealand, should form the basis of USG policy towards Fiji.

3. (C) A/DCM contacted the Ministry of Foreign Affairs and Trade (MFAT) Pacific Division on May 1, and spoke with Fiji desk officer Brian Hewson about next steps. The MFAT official said that the Ministry had received a draft letter from the Forum Chair (Niuean Prime Minister Tolagi) confirming Fiji's suspension on May 2 after the deadline of May 1 had passed. The letter would note the Forum's deep regret that the regime in Suva did not take the actions recommended by Forum leaders, and as a consequence, the PIF leaders have no choice but to confirm Fiji's suspension from PIF activities.

4. (C) Hewson noted that New Zealand will not issue a statement in response to Bainimarama's summit proposal or anything further on the Forum's action until after the Forum Chair makes the news public -- which will likely be May 2. MFAT has concluded that Bainimarama's recent statements and summit proposal were a last-ditch effort to delay suspension and try to drive a wedge between Australia and New Zealand on the one hand, and the rest of the PIF members. He also stated that the summit proposal was an attempt to convince a naive audience that Fiji is willing to engage and only Australia and New Zealand are the problem. Hewson said that Bainimarama had floated a similar proposal before, and referred to the period just prior to the expulsion of the New Zealand acting High Commissioner in late 2008 when the Fiji

authorities' offered to send a three-person delegation to New Zealand to sort out differences. Hewson confirmed that a summit meeting with Fiji on Bainimarama's terms was a non-starter.

5. (C) New Zealand and Australia are consulting closely on Fiji, said Hewson, particularly with respect to what the post-May 1 environment will be like after the suspension is announced. Neither country has a clear idea as to how the Fijian authorities will react and whether some of the small island states who are dependent on Fiji for transport and other linkages will be negatively affected.

6. (C) The British High Commissioner recently had lunch with FM McCully, who reportedly said that it may be time to push Fiji down the list of priority issues until conditions allow for improved engagement. He allegedly indicated that perhaps things need to get much worse in Fiji before Fijians themselves decide to create the circumstances under which the international community can help things improve.

WELLINGTON 00000107 002 OF 002

KEEGAN

date:2009-05-11T02:40:00

source:Embassy Wellington

origin:09WELLINGTON113

destination:O 110240Z MAY 09 FM AMEMBASSY WELLINGTON TO SECSTATE WASHDC IMMEDIATE 5860 INFO AMEMBASSY ACCRA PRIORITY AMEMBASSY ALGIERS PRIORITY AMEMBASSY BAGHDAD PRIORITY AMEMBASSY BEIJING PRIORITY AMEMBASSY BERLIN PRIORITY AMEMBASSY BERN PRIORITY AMEMBASSY BRASILIA PRIORITY AMEMBASSY BUCHAREST PRIORITY AMEMBASSY BUENOS AIRES PRIORITY AMEMBASSY CAIRO PRIORITY AMEMBASSY CANBERRA PRIORITY AMEMBASSY DUBLIN PRIORITY AMEMBASSY HELSINKI PRIORITY AMEMBASSY KABUL PRIORITY AMEMBASSY KUALA LUMPUR PRIORITY AMEMBASSY LJUBLJANA PRIORITY AMEMBASSY LONDON PRIORITY AMEMBASSY MADRID PRIORITY AMEMBASSY MANILA PRIORITY AMEMBASSY MEXICO PRIORITY AMEMBASSY MONTEVIDEO PRIORITY AMEMBASSY MOSCOW PRIORITY AMEMBASSY NEW DELHI PRIORITY AMEMBASSY OTTAWA PRIORITY AMEMBASSY OUAGADOUGOU PRIORITY AMEMBASSY PARIS PRIORITY AMEMBASSY PRETORIA PRIORITY AMEMBASSY QUITO PRIORITY AMEMBASSY RIYADH PRIORITY AMEMBASSY TIRANA PRIORITY AMEMBASSY TOKYO PRIORITY AMEMBASSY VILNIUS PRIORITY USMISSION UNVIE VIENNA PRIORITY

classification:CONFIDENTIAL

reference:09STATE46302

☐ C O N F I D E N T I A L WELLINGTON 000113

STATE FOR EAP/ANP AND OI/T MATTHEW GOLDSTEIN

E.O. 12958: DECL: 05/11/2019

TAGS: AORC, KNNP,...

▼ C O N F I D E N T I A L WELLINGTON 000113

STATE FOR EAP/ANP AND OI/T MATTHEW GOLDSTEIN

E.O. 12958: DECL: 05/11/2019

TAGS: AORC, KNNP, IAEA, PREL, NZ

SUBJECT: NEW ZEALAND WILL CONTINUE TO SUPPORT AMANO FOR

IAEA DG

REF: STATE 46302

Classified By: Acting DCM Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) On May 8, Acting DCM met with Jillian Dempster, Deputy Director of the New Zealand Ministry of Foreign Affairs and Trade (MFAT) International Security and Disarmament Division to discuss reftel points. Dempster said that New Zealand will support Japanese candidate Ambassador Yukiya Amano in the next round of voting for IAEA Director General, and FM McCully has so informed the Japanese government. Dempster noted that New Zealand will not lobby for Amano. Dempster said that New Zealand believes that a non-European candidate is needed as DG, given the contentious issues facing the IAEA with respect to Iran, Syria, and the NAM states. She was not certain if Amano would win in the next round of voting slated for June.

2. (C) If there is need for a third vote, Dempster allowed that New Zealand would consider other candidates, but her government is not looking at another person as a possible consensus candidate.

KEEGAN

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TREASURY WASHDC PRIORITY  
classification:CONFIDENTIAL  
reference:09STATE48525  
□ C O N F I D E N T I A L WELLINGTON 000121

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STATE FOR ISN/CPI JENNIFER CHALMERS, T, EAP, EAP/ANP, STATE  
PASS TO TREASUR...  
▼ C O N F I D E N T I A L WELLINGTON 000121

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STATE FOR ISN/CPI JENNIFER CHALMERS, T, EAP, EAP/ANP, STATE  
PASS TO TREASURY

E.O. 12958: DECL: 05/22/2019  
TAGS: EFIN, ETTC, KNNP, PREL, PARM, NZ  
SUBJECT: NEW ZEALAND RESPONSE TO UNSC 1718 COMMITTEE  
DESIGNATION OF DPRK ENTITIES AND ASSET FREEZE

REF: STATE 48525

Classified By: ADCM MBMCKEAN for reasons 1.4 (b) and (d).

1. (C) In response to reftel request, Econoff delivered demarche to New Zealand Ministry of Foreign Affairs and Trade (MFAT) Asia Division and New Zealand's Financial Intelligence Unit (FIU). At MFAT, Econoff spoke with Patrick Rata, Deputy Director for Japan/Korea Unit and to Brody Sinclair, Policy Officer for North Korea (DPRK). Mr. Sinclair informed Econoff that New Zealand had implemented UN Security Council resolution 1718 via the UN Sanctions (Democratic People's Republic of Korea) Regulations 2006, which came into force December 15, 2006. Post will send a copy of this regulation to contacts in ISN/CPI via unclassified email for reference. Regulation 15 of this document prohibits dealings in assets, money, or securities of, or derived from property of, designated persons or entities, and regulation 16 prohibits sending funds to designated persons or entities. Accordingly, existing New Zealand legislation already covers this asset freeze designation against: (a) Korea Mining Development Trading Corporation; (b) Korea Ryonbong General Corporation; and (c) Tanchon Commercial Bank.

2. (C) Relevant New Zealand authorities, such as banks, have been notified of the new status of these entities. These additional rules were also conveyed to a New Zealand firm last week that inquired about procuring Calcined Magnesite (Magnesium Oxide) from a (different) company who sources this product from North Korea. Because of New Zealand's strong anti-nuclear stance, Post is reassured that NZ officials will remain vigilant in applying the asset freeze.

KEEGAN

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PRIORITY RUEATRS/DEPT OF TREASURY WASHDC PRIORITY RUCPDO/USDOC WASHDC  
PRIORITY 0311

classification:CONFIDENTIAL

reference:

☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000128

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STATE FOR EAP/ANP, EEB/TPP  
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STATE PASS TO DEPT OF AGRICULTURE

E.O. 12958: DECL: 06/04/2019  
TAGS: EAGR, ECON, ETRD, PREL, NZ  
SUBJECT: NEW ZEALAND'S MINISTER OF TRADE ASSESSES  
HIGHLIGHTS OF WASHINGTON VISIT

Classified By: CDA David J. Keegan; Reason: 1.4 (b) and (d)

1. (SBU) Summary: New Zealand's Trade Minister Tim Groser categorized all his meetings in Washington as extremely successful; he also expressed decidedly negative reactions to recent dairy export subsidy measures by the U.S. and EU. Groser outlined his plans to revamp NZ development assistance to focus more on developing the trade and economic capacities of Pacific Island nations. He was particularly encouraged by his discussions with U.S. officials in advance of the Cairns Group meeting regarding marrying efforts to address climate change concerns with agricultural initiatives. End Summary.

Background  
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2. (SBU) On June 2, Charge', Ag Attache' and Econoff met with New Zealand's Trade Minister Tim Groser to get his assessment of his series of meeting and speaking events in Washington between May 12-15, 2009. Also acting in his capacity as NZ's Associate Minister for Climate Changes along with Adrian Macey, NZ's Climate Change Ambassador at the Ministry of Foreign Affairs and Trade (MFAT), they covered issues of concern to NZ in both the trade and environment arenas. Graeme Harrison, Chairman of the International Business Forum in NZ accompanied the delegation and was present at events with NZ business interests and the U.S. Chamber of Commerce. Minister Groser also met with the President of the World Bank, Robert Zoellick, USTR Ron Kirk, Mike Froman, Deputy NSC Advisor for International Economics Affairs and Todd Stern, the State Dept.'s Special Envoy for Climate Change. Groser also gave a speech to the U.S. Chamber of Commerce entitled, "Trade and the Road to (Economic) Recovery - An Asia Pacific Perspective."

New Direction in New Zealand's Development Assistance  
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3. (SBU) The first half of the Minister's readout was devoted to his plans/vision for changing New Zealand's economic aid and development assistance programs. He spoke about merging NZAID (NZ aid agency) back into MFAT and using economic assistance to focus more on building trade and economic development in and with Pacific Island countries. Groser said he liked some of the studies and policy advice that was being produced by the Lowy Institute in Sydney. Groser stressed that GNZ's vision was not so narrow as to shift focus in assistance merely as an attempt to increase



export opportunities to Pacific nations but a genuine desire to build more sustainable economies. He said that one measure of New Zealand's success could be a negative trade balance with the islands as they improve their ability to export to New Zealand and Australia.

Trans-Pacific Partnership  
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4. (C) Turning his attention to the issue of closer trade relations with the U.S., Groser said he was "absolutely thrilled" at the positive signals from Secretary of State Clinton, USTR Ron Kirk and others regarding the improved relationship between the United States and New Zealand. He noted that the recent visit of Foreign Minister Murray McCully to Washington had been very successful from New Zealand's perspective, and they were intently focused on finding ways to continue improving the relationship. Turning specifically to prospects for a Trans-Pacific Partnership Agreement (TPP). Groser said he expected the announcement soon to restart negotiations, but the shape and tone of the announcement could/would be worded differently from what was originally announced (e.g., perhaps a different configuration of countries and/or issues). He said he was realistic and recognizes that it has to be a U.S. decision and that NZ cannot influence that decision but would be very surprised if the U.S. were to say no to restarting TPP negotiations. If U.S. were to say no (to TPP), he sees negative consequences for the United States as well as its friends in the region, with China taking on a more dominant role among the Asia

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Pacific economies. "The question would be, who is going to lead the trade and investment integration in Asia in the future in the absence of a leadership role played by the United States and the answer is clearly China." With China extending its influence in the Asia-Pacific region, Groser "would rather see more U.S. involvement in the region and the sooner the better."

Dairy Export Incentive Program (DEIP)  
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5. (C) Groser stressed that he was "deeply disappointed" with the U.S. announcement of its support for dairy export subsidies (DEIP). "At the end of the day, it is impossible to reconcile the U.S. action with the recent G-20 communique'." Groser went so far as to say that if the upcoming OECD Ministerial drafted a similar communique', "I could not let New Zealand be associated with such hypocrisy and I would not sign it." Groser expressed his concern that the U.S. decision to implement DEIP will lead us down the slippery slope of a larger future trade war as evidenced by the recent French initiative to get pig meat subsidies in place. In the strongest of terms he said, "the U.S. can't expect the rest of the world to take trade liberalization seriously if the U.S. says one thing and does another."

6. (C) Comparing the EU and U.S. approach to dairy export

subsidies, Groser indicated he was "informed" that the EU's Dairy Management Committee (DMC) made its decision to introduce export subsidies in a vacuum without an understanding of the bigger picture while the U.S. made the decision in spite of a recent Congressional Research Service (CRS) paper predicting minimal benefits accruing to U.S. dairy sector as a result of DEIP. He said it was his desire to eventually see the U.S. and EU issue a joint statement saying the EU will abolish export refunds and US won't reintroduce DEIP. In the near-term, Groser believes it would be good for the advancement of trade liberalization if the U.S. and EU could jointly agree on at least 4 or 5 basic principles that would restart momentum to resist further protectionism. Groser added that he expected a degree of "head bashing" on DEIP at the upcoming Cairns Group meeting in Bali, but he said for his part he intends to remain even handed.

Climate Change and Trade Policy  
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7. (SBU) Mark Sinclair, lead trade negotiator for TPP at MFAT, noted that there was a "meeting of the minds" in the session between NZ Ambassador Macey and Mike Froman, Deputy NSC Advisor regarding the intersection between the WTO trade policies and Climate Change policies. According to Sinclair, Groser was pleased with the level of engagement and feedback he got from his U.S. counterparts on calling for greater attention to be paid to the effects of climate change produced by agriculture and cooperative efforts to mitigate. Groser also said his expectations for the upcoming Cairns Group were measured.

KEEGAN

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date:2008-03-27T02:15:00  
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0870215 ZNY CCCC ZZH R 270215Z MAR 08 FM AMEMBASSY WELLINGTON TO  
RUEHC/SECSTATE WASHDC 5162 INFO RUCNMEM/EU MEMBER STATES COLLECTIVE  
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TREASURY WASHDC RUEHBS/USEU BRUSSELS  
classification:CONFIDENTIAL  
reference:08SECSTATE29096  
 C O N F I D E N T I A L WELLINGTON 000112

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STATE FOR ISN/CPI, T, EUR, EAP/ANP, NEA, STATE PASS TO  
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STATE FOR ISN/CPI, T, EUR, EAP/ANP, NEA, STATE PASS TO  
TREASURY

E.O. 12958: DECL: 03/27/2018  
TAGS: ECON, EFIN, ETRD, KNNP, PREL, PGOV, MNUC, IR, NZ  
SUBJECT: NON-PAPERS DELIVERED REGARDING UNSCR 1803 AND  
FUTURE BANK

REF: A. A) SECSTATE 29096

B. B) SECSTATE 27642

Classified By: ADCM Margaret McKean for reasons 1.4 (b) and (d).

1. (C) Per Ref A, Non-Paper regarding Iranian Banks' deceptive financial practices was delivered by Econoff to New Zealand Ministry of Foreign Affairs (MFAT) Middle East Division with responsibility for sanctions issues regarding Iran and to the Financial Intelligence Unit (FIU) of the New Zealand Police responsible for monitoring suspicious financial transactions. MFAT Iran desk officer James Munro indicated he would disseminate information contained in Ref A to both relevant government agencies and financial institutions. He indicated that many of the major banks in New Zealand have already begun to search financial transactions in order meet compliance with the UNSCR sanctions. He went on to indicate that the Iranian Embassy had complained to MFAT that ANZ Bank, which handles the Embassy local accounts, wanted to drop them as a customer. In researching trade and financial flows, bilateral trade between New Zealand and Iran amounts to only 0.4 percent of all exports amounting to NZ\$112 million. Exports are primarily agriculture and meat products. As far as technology transfer, New Zealand exports some seismic equipment to monitor earth quakes but little other technology and certainly no technology related to nuclear power.

2. (SBU) Ref B Non-Paper regarding the designation of Future Bank under E.O. 13382 was also delivered to MFAT and FIU officials. While there was no immediate reaction, Post was informed that GNZ authorities would disseminate the information and search financial transactions to ascertain any suspicious activity. Post will follow-up with any information provided by GNZ resulting from provided information.

MCCORMICK

date:2008-04-23T23:47:00

source:Embassy Wellington

origin:08WELLINGTON140

destination:VZCZCXRO6282 OO RUEHCHI RUEHCN RUEHDT RUEHFK RUEHHM  
RUEHKS RUEHPB DE RUEHWL #0140/01 1142347 ZNY CCCCC ZZH O 232347Z APR  
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INFO RUEHZU/ASIAN PACIFIC ECONOMIC COOPERATION PRIORITY

RUEHXS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEFDIA/DIA  
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USPACOM HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY  
RUEKJCS/OSD WASHINGTON DC PRIORITY

classification:CONFIDENTIAL

reference:08WELLINGTON121

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STATE FOR EAP/ANP; EEB PLEASE PASS TO USTR

E.O. 12958: DECL: 04/14/2018

TAGS: ETRD, PHUM, PREL, NZ

SUBJECT: DAS CHRISTENSEN'S MEETINGS WITH GNZ ON THE  
NZ-CHINA FTA, TIBET

REF: WELLINGTON 121

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) Summary. During EAP DAS Christensen's April 7 visit to New Zealand, MFAT officials explained that the China-NZ free trade agreement (FTA) derived from New Zealand's concern over becoming marginalized in emerging East Asian trade relationships, coupled with China's willingness to enter into serious negotiations with New Zealand that could lead to the first Chinese FTA with an OECD country. GNZ officials agreed with DAS Christensen's observation on the continued utility in coordinating private messages to Beijing as a means of maintaining positive engagement with China on issues of shared interest in East Asia and the Pacific region. MOD officials downplayed growing military-to-military ties with China, noting that the exchanges and visits offer limited substance and insight. End Summary.

MFAT CEO Murdoch on NZ-China FTA: "A Strategic Decision"

2. (C) MFAT CEO Simon Murdoch, accompanied by MFAT Deputy Secretary John McArthur, Asia Division China Unit head Graeme

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Waters, and Americas Division Director Carl Worker, welcomed DAS Tom Christensen on April 7 by outlining their perspective on the China FTA. Murdoch placed the agreement in historic perspective, pointing out that New Zealand has been examining its regional trade relations since the mid-1990s in the

context of trade liberalization talks within APEC. Three years ago, the troubled Doha Round discussions worried New Zealand, said Murdoch, and there were signs that an APEC-based trade agreement would not work. An ASEAN Plus 3 trade partnership appeared to be more promising, continued Murdoch, and that troubled New Zealand, which has a fear of being marginalized. At the same time, New Zealand has pursued bilateral FTAs with its major trading partners. New Zealand's efforts with other more developed nations in East Asia, he continued, have met with mixed success; New Zealand has concluded bilateral agreements with Australia, Thailand, and Singapore in the context of the P-4, but Japan and South Korea remain closed. New Zealand continues to discuss an FTA with ASEAN and Malaysia, noted Murdoch. However, when New Zealand pulsed the Chinese three years ago, emphasized Murdoch, there was more receptivity than New Zealand had anticipated. Given that China is one of New Zealand's most important trading partners, Murdoch said that if the Chinese were interested, New Zealand needed to be interested and the negotiations got underway.

3. (C) DAS Christensen congratulated Murdoch on New Zealand's achieving the FTA with China, asking New Zealand's thoughts on the ASEAN Plus formulations. Murdoch responded that ASEAN Plus China, ASEAN Plus Japan, and ASEAN Plus Korea talks are making progress. A New Zealand Plus Australia Plus ASEAN formula is one that appeals to New Zealand, he noted. However, given China's interest in an ASEAN Plus agreement, New Zealand decided that it would be strategic to get in now. John McArthur explained that the recently signed FTA with China was the fourth in a series of "firsts" for New Zealand; the first to sign a bilateral agreement on China's WTO admission, the first to recognize China's market economy status, and the first to launch free trade talks with China. Murdoch added that New Zealand's views on China mesh well with former Deputy Secretary Zoellick's notion of encouraging China to be a responsible stakeholder in the international community.

4. (C) Christensen said that USG policy on China is tracking well, although China as a responsible stakeholder remains an aspirational target rather than a reality. There have been positive shifts in China's position, he said, noting that there are long-term consequences when China makes statements on other countries' internal affairs and reconsiders its relationships with friendly governments. The Chinese have been very helpful on North Korea. On a range of issues, the US often would like more from China and believes that China is generally too patient with problem regimes. On Sudan, Christensen opined that China does not get the credit it deserves. China has gone from defending Khartoum to putting pressure on the Sudanese government. China now

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supports the three-phase UN plan, has pushed Sudan to move to the second phase and deployed 135 peacekeepers (of 315 promised) to Darfur -- the first non-African peacekeepers in Darfur. This constitutes real progress from China's position on Sudan in the summer of 2006, underscored Christensen. On

Burma, China is not where the US would like it to be, he said, although Christensen acknowledged that UN special envoy Ibrahim Gambari likely would not have been granted access to Burma had it not been for the Chinese. The USG was disappointed in Gambari's December visit, which China tends to label all such engagement as progress and call for more patience in Washington. Christensen said Iran is an outlier in Chinese foreign policy; although China has signed three UNSCRs, China still pursues large economic deals and sells conventional arms to Iran. Iran is exporting instability in a part of the world of strategic value to the Chinese, summed up Christensen. We are trying to convince Beijing that its actions toward Tehran are not helpful to China nor to the international community.

5. (C) The MFAT CEO asked if the North Koreans may be stalling in the Six-Party Talks until there is a new US administration. DAS Christensen emphasized that if true, this would be a mistake. President Bush is fully supportive of the Six-Party Talks process and has an excellent and experienced team in place. If North Korea is serious about negotiating on this issue, the best time to do so is this year. Murdoch offered that the New Zealand Ambassador to South Korea makes periodic visits to North Korea and he would ensure a similar message is passed at the next opportunity. He noted that FM Peters went to Pyongyang late last year and would be willing offer ODA as a sign that countries like New Zealand would be willing to normalize relations with New Zealand if there were sufficient progress in the Six-Party Talks. Christensen responded that New Zealand's voice was important because there is an advantage to being a democracy outside the Talks that can provide an independent analysis. John McArthur said that New Zealand could also offer scholarship programs and exchanges for North Korean officials to learn English. He reminded Christensen that many officials from the Vietnamese Foreign Ministry received English language training in New Zealand in the 1980s.

#### MFAT Roundtable

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6. (C) MFAT Deputy Secretary John McArthur chaired a GNZ interagency roundtable with DAS Christensen, opening the meeting by characterizing the NZ-China FTA as the biggest step since the December 1972 establishment of diplomatic relations between the two countries. New Zealand's profile in China will be raised as a result, continued McArthur, and small countries like New Zealand need to take advantage of such opportunities in today's global environment. Following the signing of the deal the same day (April 7), said McArthur, the government will launch outreach events in New Zealand over the next several months to explain the agreement, address concerns, dispel rumors, and outline opportunities to New Zealand businesses. The next procedural step will be to forward the agreement to Parliament; with the two main political parties (Labour and National) supportive of the deal, it will go through, he added. New Zealand missions in key capitals have briefed counterparts in foreign trade offices in Washington, Canberra, Brussels, Seoul and Tokyo.

7. (C) DAS Christensen explained that, to appreciate US-China relations, it is important to look at the improvements in the relationship over time, and not as a snapshot. USG objectives are to shape China's choices -- both regionally and around the world. The USG is not, he emphasized, trying to contain China. Christensen rehearsed his earlier observations regarding specific countries (North Korea, Sudan, Burma, Iran), noting that China recently has shown a willingness on important occasions to move away from its policy of non-interference in the domestic affairs of friendly governments after seeing that such a policy does not always produce needed results for China's diplomacy.

8. (C) McArthur observed that Chinese economic growth is fueling military expenditures of a non-transparent nature, and asked DAS Christensen to comment on China's emergence as a military power in the region and implications for Taiwan.

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Christensen confirmed that the USG views with seriousness China's military buildup. China is developing forces that could pose challenges to other forward deployed forces, he said. We would like to know much more than we do about these deployments. Also unclear are the doctrinal shifts within the military that might be occurring as China acquires new equipment. The USG response is to keep our own presence and alliances strong, continued Christensen, while increasing military-to-military contacts and dialogue with China.

9. (C) Deputy Secretary McArthur said that China has been courting New Zealand in its military relations, offering language training for New Zealand defense attaches, contacts at the Ministerial level, and exchange of ship visits. Such contacts date to the late 1980s, but New Zealand is approaching China in a "clear eyed" sort of way, explained McArthur, recognizing China's size but also the potential for Chinese behavior to "become ugly." It makes sense for New Zealand to have contacts and remain plugged in, the Deputy Secretary continued, not that New Zealand necessarily sees a

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role for itself. Christensen observed that New Zealand has had some genuine Chinese warfighters visit New Zealand and not just the respectable faces Beijing deploys to western countries. McArthur responded that China uses Australia and New Zealand as a "testing ground" for such visits.

10. (C) Moving to Taiwan, McArthur asked DAS Christensen to discuss next steps for Taiwan in its relations with Beijing. Christensen observed that the recent Taiwanese elections provide the potential for a return to positive momentum in areas such trade and tourism, and a degree of relaxation on the mainland could manifest itself. The Taiwanese public rejected the referendum on applying to the UN under the name Taiwan, which should reduce the military threat to Taiwan, and could make it possible for the United States and like-minded states to push more effectively for greater space for Taiwan in international organizations. In response to a question as to how well China understands

the countervailing forces in Taiwan, Christensen said that there are some mainland officials who understand Taiwan much better than they used to. John McArthur allowed that the Chinese Ambassador in Wellington came in on instructions following the March 22 election of Ma Ying-jeou. Although the Ambassador gave a reasonably stolid representation, said McArthur, Beijing was clearly relieved at the results. One of the key points centered on China's continuing concern about the outgoing regime. Christensen said that the USG position to Beijing regarding the recent Taiwanese elections is that it is best for China to simply wait out President Chen Shui-ban's administration and to focus on the future administration in Taiwan. The USG message is that Beijing's continued squeezing of Taiwan in the international arena only leads to a more confrontational response by Taiwan's public.

11. (C) With respect to the Pacific Islands, MFAT's Stuart Horne noted that, with 8 countries recognizing Beijing and 6 countries linked to Taiwan, the battle lines are pretty evenly drawn. China's objective is to limit Taiwanese space in the Pacific and a few million dollars can make a huge difference in countries where the population may be in the several tens of thousands of people. McArthur added that China wants to be seen as a credible player in the Pacific, and New Zealand tries to move Beijing to follow the Paris Principles with respect to aid and development. The increased numbers of mainland Chinese and Taiwanese in the region have added to tensions, particularly in the Solomon Islands, he added, but at least China recognizes that is acceptable to have a conversation on their role in the Pacific. In addition to China and Taiwan, however, Cuba and Venezuela have entered the picture, remarked McArthur.

12. (C) DAS Christensen offered that the USG does not get involved in the sovereign state debate but cares very much about its effect on undermining governance in the region; Undersecretary Henrietta Fore is planning to visit Beijing to engage with the Chinese on assistance issues. The USG would like China to accept the Paris Principles and work cooperatively with multilateral institutions, added Christensen. China is not well-organized internally on foreign assistance and has a multitude of actors; the MFA is not in the lead.

13. (C) Deputy Secretary McArthur briefed DAS Christensen

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on recent discussions between New Zealand and China on Tibet. He noted that had it not been for the deaths in Lhasa, the signing of the NZ-China FTA and associated bilateral dialogue might have gone reasonably smoothly. There was strong pushback from the Chinese following the New Zealand Parliamentary statement in which the Chinese used very personal language against the PM. The GNZ did not publicize it, but MFAT called in the Chinese Ambassador to underscore New Zealand's unhappiness. Christensen offered that the problem will persist until the Olympics unless Beijing decides to take positive action by reaching out to the Dalai Lama and having discussions on religious



freedom and greater Tibetan autonomy. The Dalai Lama actually has met all of Beijing's conditions: he has consistently stated that he does not pursue independence, and he has rejected violence repeatedly, said Christensen. McArthur noted that the Chinese have demonized the Dalai Lama in a very public way, which makes it difficult to enter into a dialogue with him.

Discussion with MOD Assistant Secretary John McKinnon  
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14. (C) DAS Christensen and MOD CEO and Secretary John McKinnon (a former New Zealand ambassador to China) had a useful exchange on New Zealand's mil-to-mil relationship with China. McKinnon said that there is a certain amount of "defense diplomacy" but he's not certain it amounts to much substance nor provides great insights. Generally, the Chinese approach New Zealand in tandem with Australia, he said, and there are two types of mil-to-mil contacts: high-level visits by military leaders as well as conventional visits such as the Chinese ship visit of last year. New Zealand and China participated in a search and rescue exercise in the Tasman Sea with Australia; it was not of profound importance, observed McKinnon, but the fact that it took place at all was significant. Most of the senior GNZ defense officials have been to China but the Secretary characterized these as standard tours. That said, GNZ contacts promote confidence building and provide an opportunity for New Zealand to press China on transparency issues, but McKinnon stressed that he would hesitate to say that there's more to the mil/mil relationship than that. China's ability to mix with other countries more readily suggests a growing confidence level. He added that the People's Liberation Army has asked New Zealand to send "more operational" people on staff exchanges; China is sending staff-level officers so New Zealand is expected to reciprocate. McKinnon added that due to personnel limitations, a GNZ response will be incremental.

15. (C) The US faces the same issue, noted DAS Christensen, who added that the Chinese sent to the US often speak in the abstract; the conversation is too one-sided as the Chinese always want to quiz US operators on practicalities. The USG is trying to establish better and more reciprocal mil-to-mil linkages, remarked DAS Christensen, who informed the MOD official that the US would start a nuclear dialogue with China focused on the historical lessons of crisis management involving nuclear powers; there would be no weapons-specific discussion in this dialogue. The US also conducts exercises with the Chinese, and Christensen mentioned recent search and rescue operations in the South China Sea as well as off the western US coast.

16. (C) McKinnon offered that the high-level Chinese military visits are carefully calibrated, and Chinese officials say what they are permitted to stay within certain parameters -- there is not great insight as a result but occasional frankness, he added. DAS Christensen observed that some of the Chinese military officials to visit New Zealand have been military leaders with operational portfolios and genuine military knowledge. He added that

recent visits to China by senior PACOM officers have resulted in entry to some new sites and submarines, as well as agreement to establish a defense hotline. McKinnon asked about Chinese reaction to the Pentagon's annual white paper on Chinese military capability. Christensen responded that the reaction is always vitriolic, but expected by Washington; the Chinese realize that it is a Congressionally mandated report and that we have no choice but to provide one on schedule.

WELLINGTON 00000140 005 OF 005

17. (C) McKinnon asked about the spectrum of views within Washington regarding China policy. Christensen said that within the interagency, there is good consensus that the USG needs to remain prudent and cautious; accusations that the USG is trying to contain China are erroneous. Maintaining USG military strength is one factor in shaping China's choices and is not at all at odds with the engagement strategy. McKinnon said that New Zealand's mil-to-mil relations with Japan are also improving. DAS Christensen noted that China is concerned about encirclement, so pursues more improved bilateral relations with Korea, India, and Japan. Any perceived enhancement of GNZ-GOJ relations will likely spur the Chinese to respond in kind to the Japanese, offered Christensen, so New Zealand can play a positive role in encouraging better Sino-Japanese relations by improving its own relationship with Japan.

18. (C) Responding to questions on Tibet, Christensen emphasized the importance of like-minded countries sending similar private messages to Beijing, although he estimated a 20-30 percent chance of success in moving the Chinese government towards a constructive dialogue with the Dalai Lama. Christensen characterized Beijing's vilification of the Dalai Lama as a public relations nightmare. Some Chinese academics who are politically well connected with Chinese authorities understand the situation; others, however, are unaware of the Dalai Lama's position on Tibetan issues because they have only heard the Beijing propaganda, remarked Christensen. DAS Christensen allowed that the Chinese had exercised some restraint in handling the riots in Lhasa, using water cannons and armored personnel carriers instead of sending in tanks. Moving the Chinese to successfully address this issue in the lead up to the Olympics will be a challenge, both DAS Christensen and McKinnon agreed.

Comment

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19. (C) Despite the absence of a number of GNZ officials who had traveled to Beijing for the NZ-China FTA signing, DAS Christensen nevertheless had a useful set of meetings, and addressed an audience hosted by the New Zealand Institute for International Affairs (NZIIA). GNZ interlocutors greatly appreciated Christensen's overview of US policy towards China. GNZ views track well with our own, and New Zealand officials agree that an engaged China is more likely to play a positive role in the Pacific region as well as in global

affairs. To that end, they will continue to be willing partners in coordinating messages to Beijing on a range of issues, and New Zealand's new trade status with China ensures their voice is heard. GNZ officials are realistic, however, as to how much weight is accorded to their views, but see engagement as the best means of potentially influencing Chinese actions. All DAS Christensen's interlocutors underscored a strong desire for the USG to play a role in the East Asia Summit (EAS), to which Christensen responded by noting that USG engagement remains strong in the region and that the USG will continue to look for practical ways to engage diplomatically with regional actors. End Comment.

20. (U) DAS Christensen has cleared this message.  
KEEGAN

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☐ C O N F I D E N T I A L WELLINGTON 000157

SIPDIS

STATE FOR EAP/ANP, PM

E.O. 12958: DECL: 05/08/2018

TAGS: PARM, PREL, KTIA, MOPS, NZ...

▼ C O N F I D E N T I A L WELLINGTON 000157

SIPDIS

STATE FOR EAP/ANP, PM

E.O. 12958: DECL: 05/08/2018  
TAGS: PARM, PREL, KTIA, MOPS, NZ  
SUBJECT: NEW ZEALAND, CLUSTER MUNITIONS, AND  
INTEROPERABILITY

REF: STATE 47101

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.5 (b) and (d)

1. (C) Summary. New Zealand considers interoperability to be one of two key issues (the other issue being the definition of a cluster munition that causes unacceptable humanitarian harm) for resolution in Dublin at the upcoming cluster munitions convention meeting beginning May 19. However, MFAT indicates that New Zealand's approach will be to develop more specific language regarding interoperability as opposed to deleting clauses 1 (b) and (c) of the draft convention. MFAT does not want the issue of interoperability to preclude New Zealand's participation in the types of peacekeeping and international security roles it is involved in now with the UN as well as the United States. New Zealand, however, may be constrained from becoming a party to the convention, as the Oslo signing event will come after the New Zealand election. MFAT has acknowledged that if the opposition National Party wins the election, it is unclear if National will support the convention. End Summary.

Definition/Interoperability Critical at Dublin  
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2. (C) Pol/Econ Counselor met with Jillian Dempster, head of the Ministry of Foreign Affairs and Trade (MFAT) Disarmament Division on May 5 to provide demarche points and discuss GNZ views on interoperability concerns. Dempster will be joining New Zealand head of delegation Ambassador Don MacKay and some his Geneva-based staff in Dublin, along with members of MFAT's legal division and several Ministry of Defense representatives. Dempster noted that 105 countries have now signed the Wellington Declaration, which would permit their participation in the Dublin negotiation process that will begin on May 19. She acknowledged that the GNZ views interoperability as one of two key issues to be resolved at the two-week session. The GNZ is aware of concerns among the like-minded states as well as the US on this issue, and for that reason hosted a special break-out session on interoperability at the February 2008 meeting in Wellington. However, Dempster complained that many of the delegations were unprepared for detailed, substantive discussions and the session made little progress. She

offered that a similar session would be likely in Dublin, although it is not clear if Ireland (as host) will lead off with a plenary and then break out into smaller working groups, or if working groups will operate simultaneously with an ongoing plenary discussion.

3. (C) The other major issue for resolution, according to

Dempster, will be the definition of where to draw the line on cluster munitions that cause unacceptable harm to civilians. Although NGOs continue to call for no exceptions, Dempster predicted that there would not be a total ban, and a possible exemption on high-tech cluster munitions with better guidance systems and self-destruct mechanisms. She acknowledged that an exemption would only account for less than 5 percent of cluster munitions in use, but it was important to realize that there would likely be some level of flexibility on the part of NGOs.

Interoperability: "Tricky but Manageable"  
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4. (C) Pol/Econ Counselor provided the USG points on interoperability and asked if New Zealand would consider deleting clauses 1 (b) and (c) of the draft convention. Dempster acknowledged that the two clauses had been lifted from the Ottawa Landmine Convention and had proven problematic in the past due to the ambiguity surrounding the language. Instead of deleting the clauses, New Zealand favored adding greater clarity to the language. Pol/Econ Counselor stressed that the likely envisioned workarounds to mixing treaty and non-treaty nations in coalition forces in the future would add to the cost, may discourage participation, and could result in operational delays putting lives at risk. Dempster insisted that the interoperability hurdle remains a "tricky but manageable" issue, but one that she foresees will be resolved.

What Happens After Dublin?  
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5. (C) Dempster briefly discussed the dissatisfaction felt by many of the like-minded delegations during the Wellington meetings in February, but offered strong criticism of those states' behavior -- and in some cases -- their methods. She acknowledged that having a convention acceptable to the

like-minded states would enhance the credibility of any convention. If only states that do not produce, use, stockpile, or transfer cluster munitions sign the convention, it will not have the weight of a convention that includes European countries and the likes of Canada and Australia. However, Dempster noted that the decision to sign the convention will be made at the political level, so even if some like-minded delegations are again dissatisfied with the results in Dublin, they may be overruled by their political leaders.

6. (C) Ironically for New Zealand, Dempster noted that New Zealand may not be in a position to attend the signing ceremony in Oslo in December 2008 depending on how the New Zealand election later this year plays out. (Note: There are no date set for the election but the Prime Minister must call for an election no later than mid-November. End Note.) Dempster offered that in the pre-election period, the government may not enter into new agreements; if the opposition National Party were to win, any Labour caretaker government would also be constrained during the time it would take for the transfer of power. National has not asked for a

briefing on the draft convention, nor has anyone from MFAT engaged with any other political party on the issue. Pol/Econ Counselor asked about the Green Party and Dempster corrected herself, saying that the Greens have been kept in the loop regarding the ongoing Oslo Process. (Comment: We are not sure of the accuracy of Dempster's statements; our initial soundings on the question suggest that the government could indeed sign the agreement in the pre-election period as it would not be "new business;" if countries would be allowed to sign before the official signing ceremony in December is another question. We also understand that even if National won the election; a caretaker Labour government could attend the signing ceremony in December and sign if National were consulted and agreed. End Comment.)

Comment

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7. (C) MFAT had already forwarded its policy paper to Ministers before this demarche arrived. However, New Zealand has long been aware of the significance of the interoperability issue and the concerns of like-minded states. The Australian High Commission has told us that they

have little confidence in the reassurances from MFAT and MOD interlocutors; they say the Australian Minister of Defense may call his New Zealand counterpart (Phil Goff) during the Dublin meetings. However, Goff is dual-hatted as both Minister of Defense and Minister for Disarmament -- and although he has flagged interoperability as a concern -- his disarmament leanings may ultimately override practical military considerations. End Comment.

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SIPDIS

STATE FOR EAP/ANP, IO/UNP, DRL/MLGA

E.O. 12958: DECL: 06/26/2018  
 TAGS: PHUM, PREL, ...  
 ▼C O N F I D E N T I A L WELLINGTON 000199

SIPDIS

STATE FOR EAP/ANP, IO/UNP, DRL/MLGA

E.O. 12958: DECL: 06/26/2018  
 TAGS: PHUM, PREL, NZ  
 SUBJECT: NEW ZEALAND VIEWS ON USG AND THE HUMAN RIGHTS

COUNCIL

REF: STATE 61034

Classified By: Political/Economic Counselor Margaret McKean; Reason 1.4  
(b) (d)

1. (C) On June 18, Pol/Econ Counselor met with MFAT Deputy Director for the UN, Human Rights and Commonwealth Division, Michael McBryde to discuss reftel contents. McBryde had recently returned from Geneva, where he had participated in the Human Rights Council discussions. Senior MFAT Policy Officer from the same Division, Richard Kay, also participated in the meeting. Pol/Econ Counselor presented the USG arguments based on points provided in reftel. McBryde opened by stressing that New Zealand attaches a great deal of importance to the Human Rights Council and is seeking a seat during the May 2009 HRC elections. He allowed that the GNZ sees some validity to the points raised by the USG. McBryde also noted that New Zealand had high hopes that the current Human Rights Council would be an improvement over the old Commission. Nevertheless, the GNZ is committed to trying to work with the HRC.

2. (C) McBryde reported that he went to a WEOG meeting in Geneva during his two-week stay in which a USG official briefed WEOG representatives on the points outlined in reftel. The WEOG Vice President from the Netherlands, continued McBryde, represented the views of some other delegates by noting that many shared the views of the USG regarding the HRC. The question is whether you stay in the room and try to fix the problems, or leave. He offered that the USG presence at the meetings was practically "invisible." McBryde said that while in Geneva, New Zealand Permrep Ambassador Don MacKay had noted that the USG was not in a position to complain about the structure of the HRC, having objected to universal membership in the body (which New Zealand supported). There are majorities from parts of the world that are less than helpful in the HRC. According to McBryde, there is perhaps less support for the current USG position on the HRC as a result.

3. (C) The MFAT official noted in closing that he hoped the USG decision on the HRC would not preclude US-New Zealand engagement on issues such as Burma, and that the two countries could continue close cooperation on a range of human rights issues.

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classification:CONFIDENTIAL

reference:08STATE85948

☐ C O N F I D E N T I A L WELLINGTON 000257

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 08/19/2023

TAGS: PARM, PREL, ETTC, NZ

SUBJECT:...

▼ C O N F I D E N T I A L WELLINGTON 000257

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 08/19/2023

TAGS: PARM, PREL, ETTC, NZ

SUBJECT: NEW ZEALAND HAS CONDITIONS FOR US-INDIA DEAL

REF: STATE 85948

Classified By: DCM David J. Keegan; Reason 1.4 (b) and (d)

1. (C) In an August 20 meeting between the Ambassador and Minister for Disarmament Phil Goff, the Ambassador pointed out the strategic and historic importance of the US-India deal, and the very real possibility that the Indians could shelve it if the NSG demands proved too politically difficult for the GOI.

2. (C) Goff responded that New Zealand strongly supports the objectives the U.S. had in negotiating the US-India Civilian Nuclear Cooperation Initiative. It does not want to be "unnecessarily obstructive" in reviewing the deal in the Nuclear Suppliers Group (NSG), but he said that the GNZ sees a downside to an India exemption. Other countries gave up nuclear programs and signed the NPT; that raises the prospect of a double standard if India gets something without being held to the same criteria, noted Goff. However, because New Zealand recognizes that this deal represents an opportunity for the international community, the question is how to get an NSG agreement that does not negatively impact on the global nonproliferation regime.

3. (C) Goff outlined five areas where New Zealand had concerns which it needed addressed before it could support the proposed initiative and approve the exemption for India:

-- The first area is nuclear testing; New Zealand wants to add language that would extend to all NSG states the Hyde Act's sanctions in the event of a future Indian nuclear test.

-- New Zealand would like to see the IAEA Additional Protocol established as a condition for supply of nuclear materials to India.



-- New Zealand wants measures in place to restrict the transfers of sensitive technology, such those related to enrichment and reprocessing. The GNZ concern is the possibility of India engaging in nuclear proliferation activities for military purposes.

-- The GNZ believes a review and reporting mechanism should be in put into place, perhaps to occur every two years.

-- If India unilaterally terminates the safeguards agreement, the return of nuclear fuel and supplies should apply to all NSG countries.

Goff said that he thought the U.S. would share the same objectives that led New Zealand to propose these conditions. However, New Zealand suspected that others -- he named France and Russia -- might allow commercial interests to outweigh non-proliferation concerns. These conditions would make that more difficult.

4. (C) Goff explained that New Zealand does differentiate India from Pakistan on nonproliferation matters and accepts that India has been a better nuclear citizen despite remaining outside the Non-Proliferation Treaty (NPT), although he criticized India's nuclear testing record and military weapons program. And while New Zealand is "not a great fan of nuclear energy," Goff allowed that New Zealand is blessed with other options. He noted that the GNZ understands that other countries' energy security and GHG emission profiles are different and New Zealand does not want to stand in the way of their pursuit of legitimate energy needs.

5. (C) Goff regretted that he was out of the country during Secretary Rice's July 26 visit to Auckland, and would have liked to engage with her on the India deal. He said that New Zealand appreciates the USG desire for a clean exemption and India's domestic political situation, but that New Zealand and like-minded countries such as Ireland, Sweden, Norway, and the Netherlands want to ensure that this is the best deal possible. He said that an NSG discussion will be focused on possible changes to the text to reflect the concerns of the like-minded group, and that a second meeting will be likely. New Zealand, he continued, will go into the meeting with flexibility but must adhere to its bottom lines. If there is no flexibility on addressing New Zealand's concerns, it would be very difficult for New Zealand to support the deal, said Goff.

6. (C) Separately, Ministry of Foreign Affairs Deputy Secretary Caroline Forsyth (who heads the disarmament group at MFAT) told us that Goff had outlined these five areas to the GOI delegation that visited New Zealand recently, and none of them balked at the prospect of having to address these issues at the NSG meeting.

7. (C) Comment. Minister Goff clearly understood the emphasis the Ambassador placed on the strategic and historical importance of the US-India deal, and the possibility of the Indians walking away if the NSG demands

are politically impossible for New Delhi. However, New Zealand is on the cusp on an election and Phil Goff's party (Labour) is seriously lagging in the polls. It would be political suicide for Goff, who is touted as the next Labour Party leader should Helen Clark lose this election, to appear soft on a core policy plank for Labour like nonproliferation. Goff emphasized at the end of our meeting that he would be meeting later this week with the Prime Minister and the Cabinet to review this issue. Another factor in Goff's assessment of the necessity to be tough with India in the NSG is his experience during the WTO Doha negotiations as Trade Minister. Goff was clearly frustrated with India and its adamant refusal to compromise during the recent WTO sessions. End Comment.  
McCORMICK

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SIPDIS

STATE FOR EAP/ANP; OSD FOR JESSICA POWERS

E.O. 12958: DECL: 08/05/2...

C O N F I D E N T I A L SECTION 01 OF 05 WELLINGTON 000264

SIPDIS

STATE FOR EAP/ANP; OSD FOR JESSICA POWERS

E.O. 12958: DECL: 08/05/2018

TAGS: MARR, PREL, MOPS, NZ

SUBJECT: DASD CLAD/MAJOR GENERAL CONANT'S AUGUST 4-6 VISIT  
TO NEW ZEALAND

Classified By: Pol/Econ Counselor Margaret McKean; Reason 1.4 (b) and (d)

1. (C) Summary. During a joint visit by DASD James Clad and PACOM J-5 Major General Conant to New Zealand, both met with Minister of Defense Phil Goff, Secretary of Defense John McKinnon, and Vice Chief of the Defense Force Jack Steer. Senior MOD officials welcomed enhanced bilateral military engagement and urged USG to support New Zealand's proposed

A-4 sale. DASD Clad presented a letter from Deputy Under Secretary of the Navy Billingslea offering increased engagement on Maritime Domain Awareness, which was welcomed by the GNZ. An MOD roundtable led by Paul Sinclair, head of the GNZ International Defense Relations, reviewed GNZ-USG collaboration in the eight areas of bilateral engagement agreed to earlier this year; they agreed they would proceed cautiously and methodically. The GNZ expressed renewed interest in the Global Peacekeeping Operation Initiative (GPOI) but made no commitments. MOD officials stressed that expanded cooperation would be constrained by staffing and resource limitations including upcoming replacement costs for naval support vessels, the army's vehicle fleet, and the aging Hercules and P-3 planes in the New Zealand Air Force. DASD Clad summarized USG policy interests in the region and suggested that New Zealand might participate in the upcoming Kokoda Foundation dialogue in Australia. He promised U.S. military support for assisting the NZDF in realizing the full capabilities of its equipment. Clad underscored USG interest in GNZ support within the NSG for the US-India civilian nuclear deal and a long-term GNZ contribution in Afghanistan. End Summary.

Meeting with MOD: A4s and PICs  
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2. (C) Discussions at the MOD began with Defense Minister Phil Goff and Secretary of Defense John McKinnon on the topics of Burma and Afghanistan; Major General Conant expressed condolences for the loss of Goff's nephew in Afghanistan last year. Goff then moved onto the new amphibious ship HMS Canterbury and its problems, but the MOD noted they were all fixable. He stated the vessel would open opportunities for working with the US Coast Guard, in addition to current fisheries efforts, while also affording other opportunities with this new large vessel and amphibious capability, possibly with the Pacific Partnership. DASD Clad then presented a letter from Deputy Under Secretary of the Navy Billingslea, offering increased participation in Maritime Domain Awareness. Goff welcomed this and stated the interaction with DOD is positive and the streamlined waiver process is "first-rate." He further indicated that MDA is good news and fulfillment of Washington decisions, tying this to results of the informal DOD talks. Goff said he was looking forward to a visit by the Admiral either to or from Antarctica in January, 2009. In particular, he advised there are some huge challenges in the Pacific and they are keen to see the US fulfilling its role. He further stated that the relationship between NZ and CENTCOM is close due to their role in Afghanistan, but the relationship with PACOM is still continuing to develop.

3. (C) The A-4 sale topic was briefly discussed with Goff saying it looked promising, but there appeared to be a slight concern with the rules and that the NZDF was seeking legal advice. This concern revolves around a requirement to have the assets to support the contract, but that the company (ATAC) needed the contract in order to acquire the assets. DASD Clad stated he would like to liaise with NZ Embassy DCM Ian Hill on a weekly basis to which Goff responded with appreciation, further expressing appreciation for Deputy

Secretary of Defense England having spoken to Deputy Secretary Negroponte on this topic previously and hoping that it could be resolved before NZ's November elections. He also stated that this sale would help the NZDF pay for their new

WELLINGTON 00000264 002 OF 005

NH-90 and AU-109 helicopters. NZ Air Force pilots will be trained by Germany in these new helicopters, and both can be operated off of the Canterbury.

4. (C) Discussions turned to Tonga, with Minister Goff stating the reform process was getting underway, but he cautioned that although the Prime Minister was part of the democracy movement, he may also be linked to some of the 2006 riots. Goff advised that a Cabinet paper was coming out on the Solomon Islands, extending NZ's troop commitment (about platoon size) for another five years. He also stated that the Solomon government was quietly cooperating with RAMSI, but the growing food and oil crisis could create popular pressure for government change. The discussion on Timor Leste focused on Chinese influence, highlighting that the presidential palace, Ministry of Foreign Affairs building, and Defense HQ were all built by the Chinese. Goff stated that the Chinese have also provided money for patrol vessels, but they had no made no provision for follow-on maintenance or training. Goff then stated that the Asia-Pacific would have a heightened Chinese presence over the next several years and that it would be a good chance to discuss China with ADM Keating when he transits to or from the Antarctic.

5. (C) Secretary of Defense John McKinnon expressed pleasure with the recent visit of Secretary Rice. He then discussed the NZDF's upcoming participation in "Cooperative Spirit," an ABCA (five eyes ground forces organization) exercise to be held in Germany in September. This will be the first time in many years that the NZDF is able to participate in a substantial ground exercise, and they intend to send approximately 170 army personnel. McKinnon emphasized their key challenge is managing resources and often must determine whether to participate in such events on a case-by-case basis. He welcomed USG visits, noting Major General Conant's presence, and stated that increased PACOM visits to NZ will enhance visibility on possible engagement opportunities. The SecDef concluded with comments regarding the upcoming visit of Lt. General Mataparea, NZ Chief of Defence (CDF), to the US and indicated that the NZDF desired in-depth roundtables during his visit.

New Zealand Defense Force Challenges  
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6. (C) At an MOD roundtable chaired by Paul Sinclair, MOD Policy Planning Director Andrew Wierzbicki explained that New Zealand is seven years into its reinvestment program for New Zealand's Defense Forces (NZDF). The GNZ has spent roughly 4.5 billion NZ dollars over the past decade, which is the most significant expenditure since World War II, he added. The MOD is working on an updated reinvestment/refurbishment/replacement schedule that is

scheduled to go to Cabinet in the next few weeks. Much of the reinvestment has a U.S. component, said Wierzbecki, who cited GNZ purchases of the Javelin anti-tank weapon system, the modifications to the Boeing 757 aircraft, the lightly armored vehicles, the P-3 Orion upgrade being done in Texas, and the Hercules upgrade being done in Canada. On the naval side, the GNZ has contracted with Raytheon to upgrade equipment. Wierzbicki noted that a key issue for the MOD is that, despite the ongoing reinvestment program, the GNZ expects the operations tempo in Timor Leste, the Solomons, and Afghanistan to continue unabated. Sinclair added that some military officers have been on overseas deployments six times, making retention and recruitment an issue.

7. (C) Wierzbicki said that the next 10-15 years will see the most significant upgrade of the NZDF self-defense and war-fighting capability in the form of proposed upgrades to the NZDF frigate systems at a projected cost of NZD 800 million, as well as the replacement of naval support vessels, the army's vehicle fleet, the P-3 Orions and the Hercules aircraft in the NZ Air Force. DASD Clad asked whether the

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opposition National Party, if elected, might look at defense procurement differently. Wierzbicki responded that National has indicated that it would commission a white paper but not made any firm commitment on priorities. The Policy chief for the MOD added that defense, including decisions on equipment replacement, will have to take their place among the competing priorities within other social sectors such as health, education, and social welfare. In discussing GNZ efforts to get the maximum from the HMS Canterbury, DASD Clad urged the GNZ to be creative in seeking USG assistance to fully realize Canterbury's capabilities.

Military Intelligence Sharing Still an Issue  
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8. (C) NZDF Colonel Kevin Arledge noted that in the past two years, defense intelligence cooperation has grown and relevant agencies from both countries are moving forward on image sharing. He commended the linkages between New Zealand and CENTCOM vis-a-vis Afghanistan, saying that there is not the equivalent relationship with PACOM at the J-2 level. The military-to-military intel relationship remains a work in progress, continued Arledge. New Zealand cooperation with DIA is fine but OSD policy issues remain, he added. Arledge said that New Zealand could do more with the United States but much depends on IT connectivity. As an example, he cited the 2006 Fiji crisis and the intelligence collection and sharing that tracked the coup and its aftermath. He said that it worked through the NSA but was "cumbersome and slow." Arledge cautioned that he worries what would happen if a security crisis emerged again in the Pacific and current limitations are not addressed. DASD Clad acknowledged that connectivity remains an issue, and we have also discussed it with Australia. There may be opportunities to discuss the issue further when the NZDF Chief visits Washington in September; MG Conant and Colonel Arledge agreed that a

planned meeting between PACOM, either Admiral Keating or Adm. Willard, and the NZDF Chief of Navy in Singapore in February will also be a chance to discuss these issues. Conant also suggested that this could be discussed when the NZDF Chief visits PACOM in September. DASD Clad informed the MOD officials that the USG had agreed to invite New Zealand to participate with Japan, Singapore and Australia in the cooperative Maritime Domain Awareness program.

#### Eight Areas of Cooperation

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9. (C) Paul Sinclair detailed US-NZ progress in the eight areas of mil-to-mil cooperation approved by the USG interagency in 2007. He reiterated New Zealand's commitment to proceed cautiously and methodically. The Proliferation Security Initiative (PSI) is an area where both countries are working multilaterally in a positive way, said Sinclair, who pointed to the upcoming New Zealand-hosted PSI exercise (Operation Maru) in September. He welcomed the robust USG participation, noting that Maru has received a good regional response as well as from countries outside the southern Pacific. On North Korea and UNSCR 1718, New Zealand has offered strong support to the US, noted Sinclair, citing FM Peters interest in nonproliferation efforts in the Korean peninsula. Within the ASEAN Regional Forum, the US and NZ work closely. New Zealand, along with Indonesia and Japan, serves as co-chair of the maritime security group where New Zealand is focused on enhancing its bilateral relationship with Indonesia, added Sinclair who offered that the GOI's new naval commander is a significant improvement over the former, highly nationalistic, commander. Sinclair said that New Zealand supports the Philippines/USG initiative in the ARF.

10. (C) Within PKO, New Zealand remains a participant in Afghanistan, and Sinclair noted that the GNZ has signed off on continued NZDF support to Afghanistan through to September 2009, at which point the Cabinet will review the matter.

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MFAT's Justin Fepuleai added that MFAT CEO Simon Murdoch had passed the same message to Secretary Rice during the latter's July 26 visit to New Zealand. Sinclair asked for an update on the Global Peacekeeping Operation Initiative (GPOI), adding that New Zealand lacks information on GPOI. DASD Clad responded that GPOI enhances professionalism of participating militaries; MG Conant urged New Zealand to join, adding that Mongolia, Indonesia, and the Philippines have signed on. He explained that the purpose of GPOI is to ensure that contributing nations to UN PKOs understand UN standards for participating in UN peacekeeping operations and are trained to meet them. Clad pressed New Zealand to look at GPOI multilaterally and offered that PNG is interested in joining. Air Commodore Peter Stockwell said that New Zealand's capacity to attend is an issue. He downplayed the ability of Pacific Island countries to make a strong contribution to international PKOs, saying that the PICs see it as a cash generating exercise (citing Bangladesh as an example of a contributor more interested in the UN salaries than the

actual work of peacekeeping) as opposed to a capacity building one. MG Conant stressed that the program is a UN activity but there is USG funding for it. Within PACOM, GPOI is growing, added Conant.

11. (C) For the NATO Global Partnership, Paul Sinclair observed that NATO/EUCOM head General Craddock is coming to New Zealand soon. New Zealand, he continued, is pleased with the consultative process within NATO, and New Zealand's Chief of Defense Force attended the May 12 CDF conference in Brussels, which was well done and a good follow-on from the NATO Bucharest Summit in April. Relations with NATO in Afghanistan are "working well," said Sinclair, with New Zealand looking more at the NATO intelligence network. NATO has concerns about their lack of intelligence connectivity with PACOM and other partners, and they are taking any opportunity available to explore options and discuss the issue. Sinclair offered that the Singaporean Defense Minister would be visiting New Zealand and said the GNZ would push the GOS to do more in Afghanistan; Clad welcomed the initiative. DASD Clad said that the Australians had said they are more satisfied than before with NATO operations in Afghanistan. Clad proposed the New Zealand be represented at the upcoming Kokoda Foundation security meetings in Australia. For Operation Enduring Freedom (OEF), Sinclair said that US-NZ cooperation was good during the current three-month period of the NZ frigate HMS Te Mana in the Gulf. No deployment, however, is scheduled for 2009 at the moment.

12. (C) On the subject of humanitarian relief operations, New Zealand is pleased to be able contribute to these exercises and welcomes participation in the upcoming Operation Mercy exercise in PNG. MG Conant said that the US military is considering further "angel teams," in which military medical personnel are air dropped onto various Pacific islands; previous teams have had very positive experiences with local populations who had not seen a US service member since World War II. Conant asked if New Zealand would like to join such teams; Stockwell responded that it would depend on availability of personnel. Clad offered to provide the GNZ with a copy of the after action report on the USG response to the cyclone in Bangladesh. Wellington DATT asked whether the HMS Canterbury would be available to play a role in a Pacific Partnership activity. Stockwell said that the Canterbury was scheduled to do a similar activity in Tokelau but has had too many technical problems this year; next year could be a possibility, he added, possibly as part of a Quads process.

Japan, PIC Issues  
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13. (C) Related to greater Singaporean involvement in Afghanistan, Sinclair informed the USG officials that the GNZ

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has tried over the past nine months to engage the Japanese on participation in the New Zealand PRT in Bamiyan. MG Conant

downplayed GNZ expectations, noting that the Japanese defense establishment has gone through tough times. Sinclair observed that the GOJ is sending some planes to participate in Operation Maru (September 15-19), but GNZ efforts to build a defense relationship with Japan have been less than successful; NZ feels that Japanese forces lack self confidence in overseas deployments. DASD Clad urged the GNZ to continue to engage with the Japanese.

14. (C) On East Timor, Sinclair noted that New Zealand is trying to get involved in the reform of the security sector since there will be no prospect of an international withdrawal of forces until the Timorese can manage their own security forces. New Zealand and Australia do not want to be security guarantors indefinitely, he underscored, but cautioned that a return to insecurity is "one shot away." Although the GNZ welcomes the current stability, Sinclair noted that New Zealand knows well that the underlying problems remain. UNPOL, continued Sinclair, is completely ineffective with no real mentoring capacity. DASD Clad responded that the Australians recognize that they may be there indefinitely; within the USG, Timor is viewed as a largely an issue for Australia and New Zealand. MG Conant noted that PACOM's Admiral Keating has offered more ship visits to East Timor. Clad added that at Australian behest, the Asia Pacific Center for Security Studies (APCSS) has had two meetings on a national security strategy for Timor Leste, with a third meeting scheduled. Sinclair complained that some of the international training programs are working at cross purposes, noting that the Brazilian military police are teaching the Timorese civilian police in military police tactics, which are not appropriate to civilian policing.

Atmospherics

15. (C) Throughout the discussion, DASD Clad commented on how positive the mil-to-mil environment had become and the excellent cooperation and dialogue. He urged continued collaboration and engagement within the expanded boundaries of military cooperation, and promised to remain focused on the A-4 issue. Both GNZ and USG officials agreed that each country's upcoming elections will have no negative impact on the extremely cooperative mil-to-mil relationships between the US and New Zealand. End Comment.

MCCORMICK

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classification:CONFIDENTIAL  
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□ C O N F I D E N T I A L WELLINGTON 000292



SIPDIS

STATE FOR IO/RHS, PLEASE PASS TO REBECCA JOVIN, AND FOR  
DRL/MLGA, PLEASE PASS TO LYNN ...

▼C O N F I D E N T I A L WELLINGTON 000292

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STATE FOR IO/RHS, PLEASE PASS TO REBECCA JOVIN, AND FOR  
DRL/MLGA, PLEASE PASS TO LYNN SICADE  
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E.O. 12958: DECL: 09/10/2018

TAGS: PHUM, PREL, UNGA, NZ

SUBJECT: NEW ZEALAND RESPONSE TO ACTION REQUEST: UN GENERAL  
ASSEMBLY THIRD COMMITTEE 2008 HUMAN RIGHTS PRIORITIES

REF: SECSTATE 95334

Classified By: POLOFF GARY REX FOR REASONS 1.4(b) AND (d).

1. (SBU) In response to reftel action request, on September 9 poloff met with Michael McBryde, deputy director of the United Nations and Human Rights Division of the New Zealand Ministry of Foreign Affairs and Trade (MFAT). Poloff and McBryde discussed each of the U.S. priorities contained within reftel.

No-Action Motions  
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2. (C) McBryde stated that NZ agrees with the U.S. position opposing no-action motions.

Country-Specific Resolutions  
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3. (C) According to McBryde, NZ agrees with and has also spoken out in favor of each of the country-specific resolutions outlined in reftel, with the exception of Belarus. With respect to Belarus, NZ is pleased with the government's release of political prisoners, but has not taken a position on any specific resolution relating to Belarus (McBryde noted that MFAT has not studied the situation in detail). With respect to Iran, McBryde stated that NZ has supported Canada's resolution in the past and plans to do so again.

Thematic Resolutions  
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4. (C) With respect to defamation of religion resolutions, NZ is opposed to such resolutions according to McBryde. He said that NZ views such resolutions as a "slippery slope."

5. (C) With respect to prisoners of conscience, NZ originally joined the U.S. as one of the 64 sponsors of the UN declaration. McBryde stated that NZ would welcome the opportunity to follow-up on the declaration and he liked the ideas of highlighting the declaration at events commemorating

the 60th anniversary of the Universal Declaration on Human Rights and on Human Rights Day.  
McCORMICK

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SIPDIS

STATE FOR EAP/ANP AND PM/WRA

E.O. 12958: DECL: 10/16/2018  
TAGS: PARM, PREL, MARR, N..  
▼C O N F I D E N T I A L WELLINGTON 000341

SIPDIS

STATE FOR EAP/ANP AND PM/WRA

E.O. 12958: DECL: 10/16/2018  
TAGS: PARM, PREL, MARR, NZ  
SUBJECT: NEW ZEALAND AND CCW CLUSTER MUNITIONS NEGOTIATIONS

REF: STATE 108303

Classified By: Pol/Econ Counselor Margaret McKean, Reason: 1.4 (b) and (d)

1. (SBU) On October 14, Pol/Econ Counselor met with Jillian Dempster, Deputy Director of the Ministry of Foreign Affairs and Trade's office for disarmament. PE Counselor made the points in the reftel, focusing on whether or not New Zealand and other core Oslo Process supporters are willing to be flexible enough to see progress in the CCW forum. She asked if achieving binding language on technical improvements would not constitute a small measure of progress that moves major suppliers in a positive direction and could be built upon in the future. If the CCW cannot make progress on areas of mutual agreement that have some humanitarian benefit then the success of the CCW negotiation process looks doubtful, she added.

2. (SBU) Dempster started out by acknowledging that the positions look very far apart going into the final negotiation week in November. New Zealand would feel more confident if the Chair was working behind the scenes to try and reconcile the positions. She placed a certain amount of the blame on the Chair, saying that NZ did not feel that the

Chair was making much of an effort in that regard. Dempster also said that she was disappointed in the level of consultation between the Chair and the various groups/states so far. She specifically pointed out that NZ has a great deal of experience on working on the issue of definitions, and that the Chair has not incorporated some NZ positions. She allowed that some GNZ views may not be acceptable to all states, but New Zealand was still not happy with how the negotiations have gone so far.

3. (C) New Zealand, said Dempster, believes that the CCW is still important and would like to see the CCW as complementary to the Oslo Treaty. She also allowed there is benefit in having major suppliers such as Russia and China be part of something that is legally binding -- "but not at any price." She added that NZ is not convinced Russia will see the CCW process as legally binding. Moreover, she said that there is a risk of having two different legal instruments that could increase the ambiguities in international law and its application to cluster munitions. She said that the CCW does not have to mirror the Oslo Treaty, but NZ worries about two sets of standards. She added that NZ and other Oslo core group members are not the only ones in the CCW worried about dual standards.

4. (SBU) The Chair's proposal as it stands will not achieve consensus, predicted Dempster. She said New Zealand will be open minded going into the final week but there will be certain areas/issues (although she refused to be drawn out on specifics) that will require New Zealand's delegation to consult with Wellington and receive concurrence from government ministers, notably Minister for Disarmament Phil Goff.

5. (C) Comment. New Zealand's national election will take place on November 8, the day after the conclusion of the CCW negotiation round (November 3-7). Goff and other government ministers will be on the campaign trail during that week and the New Zealand Geneva-based delegation's ability to consult with its political leadership will be limited. Dempster did not sound optimistic at the prospect for success in Geneva nor did she signal any sense of urgency from New Zealand's standpoint. It is unclear how much influence NGOs involved in the Oslo process are wielding on the CCW negotiations; Dempster noted several times during the discussion that she is in regular contact with NGOs in the lead up to the December signing of the Oslo Treaty. End Comment.

MCCORMICK

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classification:CONFIDENTIAL  
reference:08STATE112229

□ C O N F I D E N T I A L WELLINGTON 000365

STATE FOR ISN/RA AND EAP/ANP

E.O. 12958: DECL: 10/30/2018

TAGS: PREL, MNUC, TRGY, NZ

SUBJE...

▼C O N F I D E N T I A L WELLINGTON 000365

STATE FOR ISN/RA AND EAP/ANP

E.O. 12958: DECL: 10/30/2018

TAGS: PREL, MNUC, TRGY, NZ

SUBJECT: NEW ZEALAND WILL NOT ATTEND IRANIAN-SPONSORED

NUCLEAR ENERGY CONFERENCE

REF: STATE 112229

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) In response to reftel, PE Counselor contacted Ministry of Foreign Affairs and Trade Iran Desk Officer Marina Anderson on October 22 to inquire as to New Zealand's possible attendance at the November 30 conference. Anderson explained that New Zealand had not received an invitation and the GNZ was unaware of the conference; P/E Counselor outlined the information in reftel and Anderson offered to let the Embassy know the GNZ position once an invitation was in hand.

2. (C) On October 29, PE Counselor asked Anderson for a status report on the issue; Anderson responded that New Zealand has still not been contacted by the Iranian government concerning the conference and anticipates that Tehran is well aware of New Zealand's opposition to nuclear energy, lack of domestic expertise on the issue, and unlikely attendance; thus, Anderson believes that New Zealand likely does not factor into the GOI's invitation list. She opined that even if Tehran did extend an invitation, the GNZ would not attend for historical policy reasons opposing nuclear energy. Anderson said she would inform the Embassy if an invitation arrives, but again, does not anticipate that there will be one.

MCCORMICK

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classification:CONFIDENTIAL

reference:

□C O N F I D E N T I A L WELLINGTON 000385

SIPDIS

E.O. 12958: DECL: 11/13/2033

TAGS: PREL, US, NZ, KS, XU XV  
SUBJ: AMBASSADOR PAYS FARE...  
▼C O N F I D E N T I A L WELLINGTON 000385

SIPDIS

E.O. 12958: DECL: 11/13/2033  
TAGS: PREL, US, NZ, KS, XU XV  
SUBJ: AMBASSADOR PAYS FAREWELL CALL ON PRIME MINISTER HELEN CLARK

Classified by AMBASSADOR William McCormick, reasons 1.5 (b) and (d).

1. (C) The Ambassador called on Prime Minister Helen Clark November 13 to say farewell as he prepares to conclude his assignment as Ambassador and as the Prime Minister prepares to step down sometime in the next few days. The Ambassador thanked the Prime Minister for everything she has done to improve the bilateral relationship, noting that the two governments together had changed the relationship in what had sometimes been a difficult environment by focusing on common concerns. The Prime Minister agreed, saying that we had made considerable progress together. She thanked the Ambassador for all he had done and asked the Ambassador to convey her thanks to the President for his friendship. She praised the Secretary, Assistant Secretary Hill, DAS Davies and former ANP Director McGann for their contributions.

2. (C) The Ambassador said that he would remain interested in the Pacific after he left his post. He said that the Pacific Island Countries face enormous governance challenges and New Zealand is "carrying the load" in working with those countries. The Prime Minister observed that she was particularly concerned about Fiji. The United States is now paying more attention to the Pacific than at any time since World War II and that needs to continue. Both agreed that they shared a serious concern about the growth of dollar diplomacy in the region, particularly by the Chinese who often step in when New Zealand and others try to persuade PIC governments to take necessary but unpalatable steps. The Ambassador said that he had been disappointed at the praise Samoa recently lavished on Chinese construction projects, including a lavish but impractical swimming pool complex, while giving much less attention to the forty years of Peace Corps contributions to the islands economy and society.

3. (C) PM Clark said she had recently been very disappointed that the Tongan candidate, Deputy Prime Minister Dr. Viliami Ta'u tangi, to be elected Regional Director of the World Health Organization Western Pacific regional Office had been defeated. New Zealand had agreed to support the decision of the Pacific Island Forum to vote in favor of the Tongan candidate only to discover that many PIF representatives, including the PIF chairman, eventually voted against the Tongan candidate. It was clear to her, the PM said, that money had likely played a role in changing their votes to favor the successful Korean candidate.

4. (C) The Ambassador expressed his hope that Clark would stay involved in international issues. She responded that she was looking for opportunities but recognized that the prime minister of a small country might not always be in great demand. The Ambassador responded that Kiwis always told him they were a small country, but he never heard this from Washington because the U.S. saw them as a significant partner. Clark said that she hoped New Zealand was seen as a friendly Western country that sometimes can do things the United States

cannot.

McCormick

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☐ C O N F I D E N T I A L WELLINGTON 000397

STATE FOR EAP/ANP, ISN/RA AND IO/T

E.O. 12958: DECL: 11/26/2023  
TAGS: MNUC, PREL, KNNP, IAE...  
▼ C O N F I D E N T I A L WELLINGTON 000397

STATE FOR EAP/ANP, ISN/RA AND IO/T

E.O. 12958: DECL: 11/26/2023  
TAGS: MNUC, PREL, KNNP, IAEA, PARM, NZ  
SUBJECT: NEW ZEALAND SUPPORTS STRONG STATEMENTS ON IRAN,  
SYRIA AT BOG MEETING

REF: STATE 123074

Classified By: Pol/Econ Counselor Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) On November 25, Pol/Econ Counselor met with Ministry of Foreign Affairs and Trade International Security and Disarmament Division Chief Joan Mosley and Deputy Director Jillian Dempster to discuss the recent IAEA reports on Iran and Syria, ongoing TACC discussions and next steps in Vienna. Mosley assured the USG that the GNZ finds both reports disturbing, and said that New Zealand agrees with and shares USG concerns. New Zealand plans to deliver strong statements on both countries at the upcoming Board of Governors meeting.

2. (C) Regarding Syria and the Technical Assistance and Cooperation Committee (TACC), New Zealand does not contribute

to the TACC and therefore does not anticipate playing a high profile role in those discussions. New Zealand desires a "satisfactory" outcome on Syria (i.e., an outcome that is acceptable to the majority of Board members). Mosley indicated that feedback from Vienna through MFAT channels indicates that the TACC discussions are largely at an impasse and little consensus is foreseen. MFAT believes that the issue will go to the Board of Governors. Mosley noted that New Zealand, having just elected a new government, does not yet have clear policy guidance from new Foreign Minister Murray McCully, Minister for Disarmament Georgina Te Heuheu and other relevant ministries. She acknowledged that New Zealand will be constrained in its actions until the new government has read in and had a chance to discuss the policy papers forwarded to the new ministers. Mosley said that the New Zealand mission in Vienna and MFAT had developed language for use in the upcoming statements at the BOG without appropriate clearance from the new government given that there is still a transition taking place.

McCORMICK

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classification:CONFIDENTIAL  
reference:  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000086

SIPDIS

E.O. 12958: DECL: 03/26/2019  
TAGS: MARR, PREL, AF, NZ  
SUBJECT: IS NE...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000086

SIPDIS

E.O. 12958: DECL: 03/26/2019  
TAGS: MARR, PREL, AF, NZ  
SUBJECT: IS NEW ZEALAND OPEN OR OPPOSED TO ADDED AFGHAN  
DEPLOYMENTS?

Classified By: Embassy Wellington Charge David J. Keegan. Reasons E.O.  
12958, 1.4 (b) and (d)

1. (U) March 25, New Zealand Foreign Minister Murray McCully gave his first public speech on the bilateral relationship with the United States (full text emailed to EAP/ANP). He started with his overall assessment:

"Relations are, in my judgment, in better shape than we have seen in 25 years. That has been the result of careful and constructive effort on both sides over recent years."

Reviewing parallel efforts to address economic recovery and free trade, he added: "In time, it is my hope that the new administration will reaffirm the US commitment to the (TransPacific Partnership) agreement."

2. (U) He then turned to Afghanistan. He noted New Zealand's decision to extend current deployment of a PRT to Bamyan Province to September 2010. Regarding additional deployments, McCully said:

"The new (U.S.) Administration has made no secret of the fact that they would like others to do more. And I expect other contributors to the International Security Assistance Force will also want to discuss the way ahead with us. While, of course, we will give consideration to the views expressed by our friends, it is important to note that New Zealand has already made, continues to make, and has just extended, what in our terms is a very significant commitment to the Afghanistan effort. . . So we will keep the situation under review and monitor developments carefully as we move forward"

3. (C) Immediately before presenting his speech, McCully told me that his statement on Afghanistan had been crafted to be "open." No decision has been made. None is being signaled. Prime Minister John Key has been thoroughly briefed on this issue and discussed it with McCully several times. The purpose of the statement, McCully insisted, is to give the PM "head room" to enable him to make a decision either to commit additional resources or not.

4. (C) As McCully heads to Washington for meetings April 6 and 7, he said that New Zealand fully understands it will be asked by the U.S. to make an additional commitment. Before deciding on its response, New Zealand will wait to see what commitments NATO countries agree to make. He made it clear that New Zealand believes the first responsibility for making additional commitments lies with them. At the same time, New Zealand will be completing its own defense and Afghanistan review, and Foreign Affairs and Defence will prepare a recommendation to the PM.

5. (C) After the speech, David Taylor, Director of the Americas Division at the Ministry of Foreign Affairs and Trade (MFAT) repeated to me that the statement on Afghanistan was designed to give the Government "head room." That meant not only keeping the Government's deployment options open, he said. It also meant allowing for an orderly withdrawal from Afghanistan if the mission there fails, a possibility he asserted everyone acknowledged.

6. (C) While McCully insisted that no decision was being signaled, a banker who attended the speech and a noted academic who read the speech have both told me that they clearly understood McCully to be saying that New Zealand would commit no more troops to Afghanistan. The senior political writer at the Dominion Post, Tracy Watkins, headlined the same conclusion.



7. (C) Comment. Which should we believe - McCully's assurances or commentators' negative conclusions? The key may lie in a recent Australian opinion poll. In another aside, McCully asked if I had noted a poll published that morning showing that two-thirds of Australians oppose additional deployments to Afghanistan. If that same mood begins to appear here, it could undermine the interest of the avowedly pro-American National Government in New Zealand to make additional commitments to Afghanistan. If we want to encourage a New Zealand deployment, we will need to find public diplomacy opportunities to explain the choices in Afghanistan to New Zealand media. We will also need to work directly to encourage PM Key and FM McCully.  
KEEGAN

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☐ C O N F I D E N T I A L WELLINGTON 000094

STATE FOR EUR/RPM AND SCA

E.O. 12958: DECL: 04/14/2019  
TAGS: PREL, MARR, MOPS, AF, NZ  
SUBJ...  
▼ C O N F I D E N T I A L WELLINGTON 000094

STATE FOR EUR/RPM AND SCA

E.O. 12958: DECL: 04/14/2019  
TAGS: PREL, MARR, MOPS, AF, NZ  
SUBJECT: NEW ZEALAND WEIGHS AFGHANISTAN ASKS REQUEST

REF: STATE 31102

Classified By: Acting DCM Margaret McKean, Reason 1.4 (b) and (d)

1. (C) On April 8, Acting DCM and DATT met with Ministry of Defense and Ministry (MOD) of Foreign Affairs and Trade (MFAT) officials to present the overview of requested needs and specific asks for New Zealand. (Note: The Charge d'Affaires had earlier presented the list to MFAT Deputy Secretary Mike Green and Americas Desk Deputy Director Elizabeth Halliday on April 6 so that MFAT would have the list before New Zealand Foreign Minister McCully's April 7 meeting with the Secretary in Washington. End Note). MOD officials explained that the GNZ is reviewing its contribution to Afghanistan in light of the new USG approach to Afghanistan and Pakistan and the call for the

international community to do more to support both countries. Although the review was to be concluded by the end of the June, MOD and MFAT officials agreed that the process could be accelerated and will keep us informed.

2. (C) On encouraging the Japanese to provide more support in Afghanistan, MOD officials noted that the GNZ has continued to raise Afghanistan in Japan-NZ bilateral discussions but to little avail. The GNZ has concluded that Japan's defense forces hide behind GOJ constitutional limitations because -- in GNZ opinion -- Japan's security forces lack self confidence and worry they may not be able to perform adequately in international security operations. New Zealand has also discussed Afghanistan with the Malaysian government over the last 12 months but has not had a great deal of success. The Malaysian government agreed to deploy to the Gulf of Aden to protect commercial vessels from pirates but only after being shamed into it by the presence of Chinese and Korean vessels. Chinese business leaders in Malaysia complained, said MOD officials, and the Malaysian government was forced to respond in kind. New Zealand will not have further opportunities for high-level dialogue with the Malaysians until the end of the year.

3. (C) Post will continue to engage with the GNZ on Afghanistan and report the results of the government's internal review of its Afghanistan commitment when it has been concluded.

KEEGAN

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classification:CONFIDENTIAL  
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☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000104

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 04/22/2024  
TAGS: PGOV, KDEM, N...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000104

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 04/22/2024  
TAGS: PGOV, KDEM, NZ  
SUBJECT: LABOUR DOOMED TO WANDER NEW ZEALAND'S POLITICAL  
WILDERNESS?

Classified By: Acting DCM Margaret McKean; Reason 1.4 (b) and (d)

1. (C) Summary. Since the November 2008 election that ousted the Labour-led government of former PM Helen Clark, the Labour Party has struggled to define itself in opposition to attract positive media attention as well as the public's interest. So far the Labour Party has failed on both counts. The National Party of John Key retains high public approval ratings in the polls so far this year, and the government continues to find ways to work constructively with the minor political parties (ACT, United Future, Maori Party) that have supply and confidence agreements with National. Of note, National recently signed an MOU with the left-wing Green Party. Even Labour Party faithful have questioned how the Labour Party leadership has managed the transition from party in power to party in opposition. Most worrisome to Labour however, was a recent newspaper editorial that already ruled out Labour's chances for victory in 2011, relegating Labour effectively to the political wilderness in the near term. End Summary.

Did Labour Listen to Voters Last November?  
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2. (C) In the aftermath of the Labour Party's defeat at the polls in November 2008, the party took quick action that Labour party leadership thought would mitigate damage to the party's morale and set the stage for a strong opposition role for the party. Helen Clark announced on election night that she was stepping down as party leader and deputy party leader Michael Cullen quickly followed suit. These resignations paved the way for a relatively speedy transfer of the Labour Party leadership mantle to Phil Goff, with Annette King as his deputy. The leadership transfer was largely accomplished behind closed doors and Labour Party MPs filed before the media to endorse the decision and declared themselves a unified and rejuvenated opposition bench. Some pro-Labour analysts decried the backroom deal approach to leadership selection, and were disappointed that the party had barely let the election dust settle before naming long-serving MP and Clark contemporary Phil Goff as leader. Others thought the selection of Goff and Labour's depiction of him and Annette King as fresh faces was unconvincing -- particularly compared to the relatively large influx of young talented National MPs.

3. (C) Mainstream media also criticized Labour's approach to opposition politics, noting that the party had refused to acknowledge the electoral drubbing received at the polls. One commentator noted that Labour seemed intent on believing that the public had simply grown bored with Labour and in a fit of madness, voted in the National Party. Once voters realized the error in their ways, they would return Labour to power, the reasoning went. Other analysts pointed out that the party seemed oblivious to Labour's failed policies that had alienated voters, and that without some public allowance that Labour had lost touch with the electorate, it would be difficult for Labour to reconnect with voters. In response to some of the media criticism, Phil Goff commented that Labour would do some internal review, but journalists also noted that the behavior of Labour MPs in Parliament suggested that some were unaware they were no longer in government.

4. (SBU) At the Labour Party caucus meetings in March, Labour discussions centered on decrying the National Party's secret agenda, seemingly unaware that those stale accusations did not work in the lead up to the 2008 election and would fail to resonate with voters so far in 2009. In fact, public opinion polling continues to give National and PM John Key even higher support numbers than National received at the polls last November. And even though Clark stepped down as party leader and secured a UN job, she still outpolled Phil Goff in preferred PM polling.

But Some Backpedalling Taking Place  
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5. (SBU) Despite Labour's efforts to downplay its policy missteps under Helen Clark, Labour has quietly backpedalled on a few key, signature Labour issues. Labour signed on to the National government's wholesale repeal of the Electoral Finance Act, which the Labour Party had promulgated to limit campaign finance contributions and make political donations more transparent. However, the legislation was cumbersome, overly complex, and was heavily criticized by the public, the Human Rights Commission, and the legal profession. More recently, Labour allowed that some accommodation to Maori over the Foreshore and Seabed legislation may be reasonable. (Note: Labour's support for the Foreshore and Seabed Act

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spawned the Maori Party, as Maori within the Labour Party felt that Labour had betrayed their interests in passing the controversial legislation. End Note.)

Greens Sign MOU with National  
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6. (SBU) On April 8, the Green Party and National signed an MOU that lays out a framework for engagement on areas of policy agreement. Some areas of engagement, e.g., energy efficiency, regulation of the pharmaceutical/natural remedies program, have already been formalized in an appendix of the MOU. How the MOU would function in practice will start with the Greens identifying a policy area of common ground with the GNZ, and then seeking further discussions with government. The process could allow the Greens access to official advice on the issue (which ordinarily would not be available to parties outside government). The outcome could allow for the Greens to have some influence on policy or legislation. The MOU signing stands in stark contrast to statements by Green Party officials prior to and after the election that stated the Greens would not work with National.

7. (C) As political analysts scratched their heads over the meaning of this seeming capitulation by the Greens, it appeared that National's strong post-election showing and Labour's inability to generate public interest pushed the Greens to seek a modus vivendi with National in order to stay politically relevant. We asked a Labour Party source if the

MOU meant the Greens had reconciled themselves to the old adage, "if you can't beat em, join em," and if this move politically isolated Labour even further. Our source, a Labour policy advisor, was relaxed about the MOU and noted that Labour has regular and in-depth contact with Green Party leader Jeannette Fitzsimmons; however, Fitzsimmons is stepping down as co-leader soon and Labour is unsure how well the good historical relationship between the two parties will continue with Russel Norman and the new (as yet undetermined) co-leader.

Looking Ahead for Labour  
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8. (C) An April 16 Dominion Post editorial critical of Labour's continued reliance on old party faces predicted that National would remain in government for at least two terms, a prediction that many have voiced in private but had not stated publicly. The editorial also noted that Labour will not be able to woo back voters -- the electorate will need to first become disenchanted with National. If Labour is not in a position to be viewed as a viable alternative, they could still lose out in winning back the public. Labour has dismissed the editorial and blamed the editorial staff for being anti-Labour. However, we understand that Labour privately is already laying the groundwork for further resignations before the next election so that more younger Labour candidates can come forward, laying the groundwork for a National-style rejuvenation.

Comment  
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9. (C) Even in defeat, Helen Clark continued to cast a long shadow over the future of the Labour Party, despite her generally low profile after transferring the leadership to Phil Goff. With her departure for New York, effective rebuilding can begin, but is likely to be done slowly and without fanfare for fear of endangering the Clark legacy, which many in Labour will find difficult to let go. Most analysts agree that Labour needs an influx of new blood; however, simply promoting younger Labour Party personalities may not be enough to change voting patterns without a fundamental rethink of how some of Labour's policies were rejected by the electorate and that a more centrist approach to governance (as National has done) may be needed. The Labour Party also tends to attract its membership from the ranks of academics, unions and government workers. National's younger candidates, in contrast, typified the cross section of younger New Zealand professionals and middle class families -- and were candidates who attracted important swing voters in urban centers where Labour traditionally had strong support. Whether Labour can field a similar broad range of younger candidates among its traditional left-of-center pockets of support is in question. The party will also need to revamp its current parliamentary list, which is replete with tried, tested, and largely defeated Labour Party stalwarts. End Comment.  
KEEGAN

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classification:CONFIDENTIAL  
reference:  
□ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000107

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 05/01/2024  
TAGS: PREL, KDEM, P...  
▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000107

SIPDIS

STATE FOR EAP/ANP

E.O. 12958: DECL: 05/01/2024  
TAGS: PREL, KDEM, PGOV, NZ  
SUBJECT: NEW ZEALAND: PIF TO SUSPEND FIJI ON MAY 2

Classified By: Acting DCM Margaret B. McKean; Reason 1.4 (b) and (d)

1. (U) On May 1, Australian media reported that Fijian military leader Bainimarama offered to hold a summit with Australia and New Zealand to persuade both countries that Bainimarama's proposed timetable for a return to democracy in Fiji is necessary. Bainimarama further predicted that other PIF members would not support Fiji's suspension from the Pacific Island Forum (PIF). (Note: If the PIF does agree to suspend Fiji, it will be the first time that a PIF member state is suspended. End Note.) In remarks to the press on April 30, New Zealand Foreign Minister Murray McCully assured reporters that Fiji's suspension will be automatic as of May 2 because Fiji has not met the May 1 deadline for setting an election date by year's end -- as demanded by the Pacific Island Forum leaders earlier this year. McCully further added that the PIF Secretariat would remain in Suva for the time being, noting that any retaliatory action by the Fijian authorities that affects PIF operations likely would prompt further review among member states. McCully's statements follow on Fijian Attorney General Sayed-Khaiyum's April 29 statements concluding that the Forum would not suspend Fiji. McCully's response to the Attorney General's remarks was "I admire his optimism."

2. (U) Bainimarama's media remarks affirmed that he has no plans for an early election, and reiterated the call for a 2014 election date. The Fijian military leader said that an election in 2009 would only return former Fijian Prime Minister Qarase to power, and that the latter cannot be allowed to resume the leadership of Fiji. Bainimarama asked

Australia and New Zealand to drop their demands for 2009 elections, and called on the other PIF states to not listen to Australia and New Zealand. He also credited U.S. Representative Eni Faleomavaega with having a better understanding of the situation in Samoa and that Faleomavaega's views, rather than those of Australia and New Zealand, should form the basis of USG policy towards Fiji.

3. (C) A/DCM contacted the Ministry of Foreign Affairs and Trade (MFAT) Pacific Division on May 1, and spoke with Fiji desk officer Brian Hewson about next steps. The MFAT official said that the Ministry had received a draft letter from the Forum Chair (Niuean Prime Minister Tolagi) confirming Fiji's suspension on May 2 after the deadline of May 1 had passed. The letter would note the Forum's deep regret that the regime in Suva did not take the actions recommended by Forum leaders, and as a consequence, the PIF leaders have no choice but to confirm Fiji's suspension from PIF activities.

4. (C) Hewson noted that New Zealand will not issue a statement in response to Bainimarama's summit proposal or anything further on the Forum's action until after the Forum Chair makes the news public -- which will likely be May 2. MFAT has concluded that Bainimarama's recent statements and summit proposal were a last-ditch effort to delay suspension and try to drive a wedge between Australia and New Zealand on the one hand, and the rest of the PIF members. He also stated that the summit proposal was an attempt to convince a naive audience that Fiji is willing to engage and only Australia and New Zealand are the problem. Hewson said that Bainimarama had floated a similar proposal before, and referred to the period just prior to the expulsion of the New Zealand acting High Commissioner in late 2008 when the Fiji authorities' offered to send a three-person delegation to New Zealand to sort out differences. Hewson confirmed that a summit meeting with Fiji on Bainimarama's terms was a non-starter.

5. (C) New Zealand and Australia are consulting closely on Fiji, said Hewson, particularly with respect to what the post-May 1 environment will be like after the suspension is announced. Neither country has a clear idea as to how the Fijian authorities will react and whether some of the small island states who are dependent on Fiji for transport and other linkages will be negatively affected.

6. (C) The British High Commissioner recently had lunch with FM McCully, who reportedly said that it may be time to push Fiji down the list of priority issues until conditions allow for improved engagement. He allegedly indicated that perhaps things need to get much worse in Fiji before Fijians themselves decide to create the circumstances under which the international community can help things improve.

KEEGAN

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reference:09STATE46302  
□C O N F I D E N T I A L WELLINGTON 000113

STATE FOR EAP/ANP AND OI/T MATTHEW GOLDSTEIN

E.O. 12958: DECL: 05/11/2019  
TAGS: AORC, KNNP, ...  
▼C O N F I D E N T I A L WELLINGTON 000113

STATE FOR EAP/ANP AND OI/T MATTHEW GOLDSTEIN

E.O. 12958: DECL: 05/11/2019  
TAGS: AORC, KNNP, IAEA, PREL, NZ  
SUBJECT: NEW ZEALAND WILL CONTINUE TO SUPPORT AMANO FOR  
IAEA DG

REF: STATE 46302

Classified By: Acting DCM Margaret B. McKean; Reason 1.4 (b) and (d)

1. (C) On May 8, Acting DCM met with Jillian Dempster, Deputy Director of the New Zealand Ministry of Foreign Affairs and Trade (MFAT) International Security and Disarmament Division to discuss reftel points. Dempster said that New Zealand will support Japanese candidate Ambassador Yukiya Amano in the next round of voting for IAEA Director General, and FM McCully has so informed the Japanese government. Dempster noted that New Zealand will not lobby for Amano. Dempster said that New Zealand believes that a non-European candidate is needed as DG, given the contentious issues facing the IAEA with respect to Iran, Syria, and the NAM states. She was not certain if Amano would win in the next round of voting slated for June.

2. (C) If there is need for a third vote, Dempster allowed that New Zealand would consider other candidates, but her government is not looking at another person as a possible consensus candidate.

KEEGAN



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☐ C O N F I D E N T I A L WELLINGTON 000121

SENSITIVE  
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STATE FOR ISN/CPI JENNIFER CHALMERS, T, EAP, EAP/ANP, STATE  
PASS TO TREASUR..  
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SENSITIVE  
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STATE FOR ISN/CPI JENNIFER CHALMERS, T, EAP, EAP/ANP, STATE  
PASS TO TREASURY

E.O. 12958: DECL: 05/22/2019  
TAGS: EFIN, ETTC, KNNP, PREL, PARM, NZ  
SUBJECT: NEW ZEALAND RESPONSE TO UNSC 1718 COMMITTEE  
DESIGNATION OF DPRK ENTITIES AND ASSET FREEZE

REF: STATE 48525

Classified By: ADCM MBMCKEAN for reasons 1.4 (b) and (d).

1. (C) In response to reftel request, Econoff delivered demarche to New Zealand Ministry of Foreign Affairs and Trade (MFAT) Asia Division and New Zealand's Financial Intelligence Unit (FIU). At MFAT, Econoff spoke with Patrick Rata, Deputy Director for Japan/Korea Unit and to Brody Sinclair, Policy Officer for North Korea (DPRK). Mr. Sinclair informed Econoff that New Zealand had implemented UN Security Council resolution 1718 via the UN Sanctions (Democratic People's Republic of Korea) Regulations 2006, which came into force December 15, 2006. Post will sent a copy of this regulation to contacts in ISN/CPI via unclassified email for reference. Regulation 15 of this document prohibits dealings in assets, money, or securities of, or derived from property of, designated persons or entities, and regulation 16 prohibits sending funds to designated persons or entities. Accordingly, existing New Zealand legislation already covers this asset freeze designation against: (a) Korea Mining Development Trading Corporation; (b) Korea Ryonbong General Corporation; and (c) Tanchon Commercial Bank.

2. (C) Relevant New Zealand authorities, such as banks, have been notified of the new status of these entities. These additional rules were also conveyed to a New Zealand firm last week that inquired about procuring Calcined Magnesite (Magnesium Oxide) from a (different) company who

sources this product from North Korea. Because of New Zealand's strong anti-nuclear stance, Post is reassured that NZ officials will remain vigilant in applying the asset freeze.  
KEEGAN

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PRIORITY RUEATRS/DEPT OF TREASURY WASHDC PRIORITY RUCPDOC/USDOC WASHDC  
PRIORITY 0311  
classification:CONFIDENTIAL  
reference:  
☐ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000128

SENSITIVE  
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STATE FOR EAP/ANP, EEB/TPP  
STATE PASS TO USTR B. WEISEL  
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▼ C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000128

SENSITIVE  
SIPDIS

STATE FOR EAP/ANP, EEB/TPP  
STATE PASS TO USTR B. WEISEL  
STATE PASS USDA/FAS E.MANGINO  
STATE PASS TO DEPT OF AGRICULTURE

E.O. 12958: DECL: 06/04/2019  
TAGS: EAGR, ECON, ETRD, PREL, NZ  
SUBJECT: NEW ZEALAND'S MINISTER OF TRADE ASSESSES  
HIGHLIGHTS OF WASHINGTON VISIT

Classified By: CDA David J. Keegan; Reason: 1.4 (b) and (d)

1. (SBU) Summary: New Zealand's Trade Minister Tim Groser categorized all his meetings in Washington as extremely successful; he also expressed decidedly negative reactions to recent dairy export subsidy measures by the U.S. and EU. Groser outlined his plans to revamp NZ development assistance to focus more on developing the trade and economic capacities of Pacific Island nations. He was particularly encouraged by his discussions with U.S. officials in advance of the Cairns Group meeting regarding marrying efforts to address climate change concerns with agricultural initiatives. End Summary.

Background  
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2. (SBU) On June 2, Charge', Ag Attache' and Econoff met with New Zealand's Trade Minister Tim Groser to get his assessment of his series of meeting and speaking events in Washington between May 12-15, 2009. Also acting in his capacity as NZ's Associate Minister for Climate Changes along with Adrian Macey, NZ's Climate Change Ambassador at the Ministry of Foreign Affairs and Trade (MFAT), they covered issues of concern to NZ in both the trade and environment arenas. Graeme Harrison, Chairman of the International Business Forum in NZ accompanied the delegation and was present at events with NZ business interests and the U.S. Chamber of Commerce. Minister Groser also met with the President of the World Bank, Robert Zoellick, USTR Ron Kirk, Mike Froman, Deputy NSC Advisor for International Economics Affairs and Todd Stern, the State Dept.'s Special Envoy for Climate Change. Groser also gave a speech to the U.S. Chamber of Commerce entitled, "Trade and the Road to (Economic) Recovery - An Asia Pacific Perspective."

New Direction in New Zealand's Development Assistance  
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3. (SBU) The first half of the Minister's readout was devoted to his plans/vision for changing New Zealand's economic aid and development assistance programs. He spoke about merging NZAID (NZ aid agency) back into MFAT and using economic assistance to focus more on building trade and economic development in and with Pacific Island countries. Groser said he liked some of the studies and policy advice that was being produced by the Lowy Institute in Sydney. Groser stressed that GNZ's vision was not so narrow as to shift focus in assistance merely as an attempt to increase export opportunities to Pacific nations but a genuine desire to build more sustainable economies. He said that one measure of New Zealand's success could be a negative trade balance with the islands as they improve their ability to export to New Zealand and Australia.

Trans-Pacific Partnership  
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4. (C) Turning his attention to the issue of closer trade relations with the U.S., Groser said he was "absolutely thrilled" at the positive signals from Secretary of State Clinton, USTR Ron Kirk and others regarding the improved relationship between the United States and New Zealand. He noted that the recent visit of Foreign Minister Murray McCully to Washington had been very successful from New Zealand's perspective, and they were intently focused on finding ways to continue improving the relationship. Turning specifically to prospects for a Trans-Pacific Partnership Agreement (TPP). Groser said he expected the announcement soon to restart negotiations, but the shape and tone of the announcement could/would be worded differently from what was originally announced (e.g., perhaps a different configuration of countries and/or issues). He said he was realistic and recognizes that it has to be a U.S. decision and that NZ cannot influence that decision but would be very surprised if the U.S. were to say no to restarting TPP negotiations. If U.S. were to say no (to TPP), he sees negative consequences for the United States as well as its friends in the region,

with China taking on a more dominant role among the Asia

WELLINGTON 00000128 002 OF 002

Pacific economies. "The question would be, who is going to lead the trade and investment integration in Asia in the future in the absence of a leadership role played by the United States and the answer is clearly China." With China extending its influence in the Asia-Pacific region, Groser "would rather see more U.S. involvement in the region and the sooner the better."

Dairy Export Incentive Program (DEIP)  
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5. (C) Groser stressed that he was "deeply disappointed" with the U.S. announcement of its support for dairy export subsidies (DEIP). "At the end of the day, it is impossible to reconcile the U.S. action with the recent G-20 communique'." Groser went so far as to say that if the upcoming OECD Ministerial drafted a similar communique', "I could not let New Zealand be associated with such hypocrisy and I would not sign it." Groser expressed his concern that the U.S. decision to implement DEIP will lead us down the slippery slope of a larger future trade war as evidenced by the recent French initiative to get pig meat subsidies in place. In the strongest of terms he said, "the U.S. can't expect the rest of the world to take trade liberalization seriously if the U.S. says one thing and does another."

6. (C) Comparing the EU and U.S. approach to dairy export subsidies, Groser indicated he was "informed" that the EU's Dairy Management Committee (DMC) made its decision to introduce export subsidies in a vacuum without an understanding of the bigger picture while the U.S. made the decision in spite of a recent Congressional Research Service (CRS) paper predicting minimal benefits accruing to U.S. dairy sector as a result of DEIP. He said it was his desire to eventually see the U.S. and EU issue a joint statement saying the EU will abolish export refunds and US won't reintroduce DEIP. In the near-term, Groser believes it would be good for the advancement of trade liberalization if the U.S. and EU could jointly agree on at least 4 or 5 basic principles that would restart momentum to resist further protectionism. Groser added that he expected a degree of "head bashing" on DEIP at the upcoming Cairns Group meeting in Bali, but he said for his part he intends to remain even handed.

Climate Change and Trade Policy  
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7. (SBU) Mark Sinclair, lead trade negotiator for TPP at MFAT, noted that there was a "meeting of the minds" in the session between NZ Ambassador Macey and Mike Froman, Deputy NSC Advisor regarding the intersection between the WTO trade policies and Climate Change policies. According to Sinclair, Groser was pleased with the level of engagement and feedback he got from his U.S. counterparts on calling for greater

attention to be paid to the effects of climate change produced by agriculture and cooperative efforts to mitigate. Groser also said his expectations for the upcoming Cairns Group were measured.  
KEEGAN

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☐ C O N F I D E N T I A L WELLINGTON 000151

SIPDIS  
STATE PASS ISN/RA - RICHARD NEPHEW, IO/T - JIM DETEMPLE AND EAP/ANP

E.O. 12958: DECL: ...  
▼ C O N F I D E N T I A L WELLINGTON 000151

SIPDIS  
STATE PASS ISN/RA - RICHARD NEPHEW, IO/T - JIM DETEMPLE AND EAP/ANP

E.O. 12958: DECL: 2019/06/12  
TAGS: PARM, KNNP, IAEA, MNUC, IR, TRGY, NZ  
SUBJECT: Demarche Response IAEA Reports on Iran and Syria

REF: STATE 60334

DERIVED FROM: DSCG 05-1 B, D

(C) On June 12, Econoff delivered reftel demarche to Joe Ballard, Policy Officer, International Security and Disarmament Division of New Zealand Ministry of Foreign Affairs and Trade (MFAT). In reaction to the delivered talking points, Mr. Ballard said that GNZ's position was similar to U.S. and agreed that a strong national statement would be delivered by New Zealand demanding that Iran and Syria comply with their international obligations. Mr. Ballard said that GNZ as a member of the Board of Governors of the IAEA takes compliance quite seriously. Mr. Ballard said his Mission would also stress in their statement, at the upcoming June 15-19 IAEA meeting, that Iran should take every opportunity to work more closely with the EU 3 + 3 process.  
KEEGAN

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RUEHWL/AMEMBASSY WELLINGTON RUEKJCS/SECDEF WASHINGTON DC

classification:CONFIDENTIAL  
reference:09WELLINGTON179  
□C O N F I D E N T I A L WELLINGTON 000209

SIPDIS

E.O. 12958: DECL: 2019/07/09  
TAGS: PREL, PGOV, MARR, OPRC, NZ, US  
SUBJECT: New Zealan...  
▼C O N F I D E N T I A L WELLINGTON 000209

SIPDIS

E.O. 12958: DECL: 2019/07/09  
TAGS: PREL, PGOV, MARR, OPRC, NZ, US  
SUBJECT: New Zealand Releases Documents on US Afghan Troop Request

REF: WELLINGTON 179

CLASSIFIED BY: DJKeegan, CDA, DOS, Embassy Wellington; REASON:  
1.4(B), (D)

1. (SBU) Radio New Zealand (RNZ) reported July 8 that it had obtained New Zealand Government documents that showed that the U.S. Government had put "constant pressure" on the GNZ to increase its military commitment to Afghanistan. Embassy contacted NZ Ministry of Foreign Affairs and Trade (MFAT) who confirmed that it had provided documents to RNZ in response to an "Official Information Act (OIA) request" and provided the documents to the Embassy (emailed to EAP/ANP). The documents show no evidence of pressure, but concerns about New Zealand's possible additional military commitment to Afghanistan will likely cause increasing media scrutiny.

2. (SBU) MFAT Americas Division Director David Taylor told the Embassy that MFAT had received the RNZ request three months ago and had just released the material in response. He noted that MFAT had exceeded the statutory 21 day limit for responding to OIA requests. The heavily redacted documents released include a series of fourteen diplomatic cables, most between MFAT and the NZ Embassy in Washington, dated from 11 February to 9 April as well as three MFAT press releases and the transcript of a media interview. The cables report that the US side on several occasions expressed appreciation for NZ military capabilities, including particularly the NZ PRT and the SAS. The cables also report that the U.S. Embassy in Wellington conveyed a USG request for comment on a series of topics as the U.S. prepared to review its own policy in Afghanistan and that MFAT responded with comments. In the cables and in the media pieces, the GNZ, Foreign Minister Murray McCully, and Defence Minister Wayne Mapp state that they are looking at what they might be able to do to help in Afghanistan, while noting that the New Zealand Defence Force (NZDF) is stretched thin by current commitments. They note that the GNZ is undertaking a review of its own posture in Afghanistan and any decision on military commitments will be made after the conclusion of that review.

3. (U) Radio New Zealand's report based on the OIA documents was a very brief factual report on its main morning news program, Morning Report, saying that they had asked for and received the papers which showed, they said, that the U.S. had constantly pressured GNZ for an increased commitment to Afghanistan. The story and papers

have not yet received extensive coverage elsewhere.

4. (C) ChargC) noted to Taylor that the Embassy and the USG should have been informed before any documents were shared regarding meetings with USG officials. Taylor said that MFAT had made a mistake in not consulting with the U.S. side, apologized, and promised to convey ChargC)'s objections. He assured me that he would do everything possible to ensure that this does not occur again. He confirmed that the documents provided to RNZ would also be provided to any news organization which requested them. The Embassy DAO has contacted NZ Ministry of Defence which reports that they have not received any OIA requests along these lines. If they did they would respond by providing the same documents already released by MFAT.

5. (C) Comment. Having reviewed the documents released, we find nothing to support an allegation of U.S. pressure on New Zealand. Instead, the dominant themes are U.S. respect and appreciation for NZ military capabilities and contributions. Even though there is no smoking gun, we anticipate that the NZ media will continue to question whether the GNZ is justified in considering possible additional military deployments to Afghanistan. As Green Party Member of Parliament Kennedy Graham demonstrated in his questions to the Foreign Minister in Parliament (reftel), there is a continuing undercurrent of suspicion toward the U.S. and doubt about whether U.S. and NATO actions in Afghanistan are in keeping with New Zealand's tradition of strong adherence to the letter of UN limitations on the use of force. In addition, there are NZ reporters and columnists who are looking for a way to show that either the Key Government is not fully in control of its agenda or too willing to listen to requests from the USG. I would anticipate that one or more of them will obtain these documents and try to tease out of this thin gruel something more intriguing than RNZ has yet produced.

KEEGAN

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SIPDIS  
STATE FOR EAP/ANP AND ISN/MTR  
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STATE FOR EAP/ANP AND ISN/MTR  
AMEMBASSY WELLINGTON PASS TO AMCONSUL AUCKLAND

E.O. 12958: DECL: 2019/08/11

TAGS: MTCRE, PARM, PREL, MNUC, ETTC, KSCA, TSPA  
SUBJECT: NEW ZEALAND CONSIDERS PRESENTING AT RIO MTCR PLENARY

REF: 09 STATE 80072

DERIVED FROM: Derived from previous message.

1. (SBU) Poloff delivered reftel points to Jillian Dempster, Deputy Director of the Ministry of Foreign Affairs and Trade's International Security and Disarmament Division and urged GNZ to participate in the Information Exchange during the upcoming MTCR Plenary in Rio.

2. (C) Dempster responded to our suggestion that GNZ consider a visa screening procedures presentation at the Information Exchange saying that she would need to consult with other offices such as Intelligence and Consular Services before determining whether this would be possible. She will reply once internal coordination is complete.

KEEGAN

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SENSITIVE

E.O. 12958: DECL: 2019/11/27  
TAGS: NATO, PREL, MOPS, MARR, AF  
SUBJECT: REQUESTING ADDI...  
▼S E C R E T WELLINGTON 000307

SIPDIS  
SENSITIVE

E.O. 12958: DECL: 2019/11/27  
TAGS: NATO, PREL, MOPS, MARR, AF  
SUBJECT: REQUESTING ADDITIONAL CONTRIBUTIONS IN AFGHANISTAN - NEW  
ZEALAND

REF: 09 STATE 120807

DERIVED FROM: Derived from previous message.

1. (S) On November 27, the Charge delivered reftel demarche to Ministry of Foreign Affairs and Trade (MFAT) Deputy Secretary of Foreign Affairs (Under Secretary equivalent) for the Middle East and Africa Peter Hamilton. Drawing heavily on points provided in reftel, the Charge noted that President Obama would be making an announcement sometime close to the December 3-4 NATO Foreign Ministerial Meeting in Brussels on U.S. plans for the way forward in Afghanistan and Pakistan and that the USG hoped that the



Government of New Zealand (GNZ) would be able to provide strong public support in the days following the announcement and additional troop and training contributions in the longer term.

2. (S) Hamilton said the GNZ had been "expecting something like this (the U.S. request)" for some time and would prepare a statement of support for public release immediately after it had a chance to hear and analyze the President's announcement. Hamilton stressed, however, that a substantive response to the request for additional contributions would "take a little longer" because "in our system such a request must be the subject of a joint cabinet meeting." He noted that there was only one more joint cabinet meeting scheduled to take place before the holiday recess begins on December 22.

3. (S) Hamilton said that he would forward our talking points to Foreign Minister Murray McCully for his review within 24 hours. McCully is currently in Trinidad attending a Commonwealth conference and is scheduled to travel from there to Vienna and then onward to Brussels for the December 3-4 NATO Foreign Ministerial Meeting. Hamilton added that he would brief the NZ Ministry of Defense on our meeting and the request for additional contributions.

4. (SBU) Stephen Harris, Deputy Director, Middle East and Africa Division, and Eamonn O'Shaughnessy, Senior Policy Officer, Security and Disarmament Division also participated in the meeting, while the Charge was accompanied by the Political/Economic Counselor and the Economic Officer.

CLARKE

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 STATE FOR INR-B  
 STATE ALSO FOR AGRICULTURE

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E.O. 12958: DECL: N/A

TAGS: OVIP, PREL, PGOV, ECON, SENV, CH, EAID, ETRD, EINV, EAGR, AU  
NZ

SUBJECT: Vice Premier Li Keqiang Visit Underscores New Zealand's  
Bilateral Relationship with China

CLASSIFIED BY: Robert Clarke, CDA, State; REASON: 1.4(B), (D)

1. (C) Summary: During a November 27 meeting with ChargC), Political and Economic Chief and Econoff, New Zealand Ministry of Foreign Affairs China Desk Director Grahame Morton gave a read-out of Chinese Vice Premier Li Keqiang's November 1-3 visit to New Zealand. Morton said Li's initial visit to the region had been put on hold after it became entangled in tensions between China and Australia over the alleged Rio Tinto espionage issue. The main focus of the visit was economic, with discussions about currency, trading and investment. Morton also reported that Li was "forward leaning" on New Zealand's Global Alliance proposal that aims to reduce agriculture related greenhouse gases through joint cooperation on research. During the visit, China and New Zealand signed four agreements on education, temporary workers, dairy product certification, and offal standards. Regarding Tibet issues, New Zealand's Prime Minister Key confirmed he will not meet with the Dalai Lama during his December 4-7 visit to Auckland, but New Zealand officials did press Li on Tibet and encouraged dialogue between the two sides. End summary.

Visit Comes as a Surprise to New Zealand

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2. (C) Li's visit was originally scheduled for September but was postponed because it was scheduled in coordination with a trip to Australia, which, according to Morton, was delayed as China and Australia hammered out their differences over the alleged Rio Tinto espionage case. New Zealand assumed the entire trip was called off because the Dalai Lama is set to visit New Zealand in December, but they were "surprised" when they were given only a week's notice for the very "unusual" visit. Morton said that close to all of China's top Politburo members have visited New Zealand -- usually in conjunction with a visit to Australia, but this was Li's first visit to the country. He came with a large delegation of 43, including 6 ministers or vice ministers, and a press contingent. He arrived at his first stop in Christchurch in a Boeing 747 and prepositioned a Boeing 737 to make the flight to Wellington. (Note: Wellington International Airport is not equipped to handle 747's. End note.) Given the short notice, New Zealand had the option of saying "no", according to Morton, but didn't because "Li is one of those in line for the top position." Morton said they were lucky they could muster the right New Zealand ministers to meet Li on such short notice, but the press coverage was poor because many key journalists were travelling with Prime Minister Key at the time.

3. (C) Morton said that one of New Zealand's objectives was to "show the seriousness with which they viewed Li's visit to their country," and the GNZ pulled out all the stops to make it a quality visit. Li was officially hosted by Deputy Prime Minister Bill English, who also serves as Minister of Finance. English chaired a roundtable for Li that was attended by seven other key New Zealand ministers, including Foreign Minister McCully, Attorney-General Chris Finlayson, and the Minister for Defense and Research, Science and Technology, Dr. Wayne Mapp, among others. Prime Minister John Key was also able to return from his trip to Asia in time to have a meeting and host Li for a dinner. While in Christchurch, Li visited the University of Canterbury, Christchurch, where he attended the founding ceremony of the Confucius Institute and delivered a speech. He also met the Mayor of Christchurch Bob Parker. Morton added that Li and the rest of the delegation left very pleased with the caliber of the visit.

Main Focus on Trade and Economics

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4. (C) Morton said the main focus of discussions with China were economic in nature, and Li's foremost message during the trip was that China's stimulus package had been sufficient to combat the slide in its economy following the 2008 global financial crisis. Deputy PM English underscored how important China is to New Zealand's economy and raised the issue of international currency. English relayed to Li that 65 percent of New Zealand's international trade is denominated in U.S. dollars, and any move by China to devalue its currency against the U.S. dollar has a profoundly negative impact on New Zealand exports. Li replied that China's currency needs to remain stable "to shore up demand," according to Morton. In the end, the two sides agreed to continue the dialogue on the currency issue. Morton noted that China is New Zealand's third largest trading partner, following close on the heels of the United States, which is New Zealand's second largest trading partner. Morton expected that China could soon overtake the United States to become New Zealand's second largest partner. Bilateral trade growth has been brisk following the signing of the April 2008 free trade agreement (FTA) said Morton. China's Ambassador to New Zealand claims China is already New Zealand's second largest trading partner; however, Morton attributed the discrepancy to how the two countries factor in trade with Hong Kong. Morton noted that New Zealand's trade to Mainland China will also be boosted by the FTA concluded on November 11 between New Zealand and Hong Kong. (Note: Hong Kong is New Zealand's eleventh largest export market and a significant source of investment. End note.)

5. (C) According to Morton, New Zealand's exports to China have jumped following the signing of the FTA. One of the biggest winners is the New Zealand dairy industry, which has "benefited greatly" because of safety concerns in China following the 2008 tainted milk scandal. He added that PM Key's visit to China in April 2009 helped smooth over tensions between NZ milk giant Fonterra and Chinese officials. New Zealand now has several projects in China to help companies build better food safety chains, with a particular focus on the dairy industry. Morton said the objective is to help Chinese companies build lines that are more suitable for export. Currently New Zealand does not allow

Chinese dairy products to enter the country for sanitary/phytosanitary (SPS) reasons. We do not want to "just say no", but we eventually want to be able to bring them up to standards "so we can say yes to the Chinese on dairy." Morton said New Zealand is also working with China to boost Chinese agriculture production. Fonterra, for example, has invested in Chinese dairy farms and other agriculture producers and introduced the latest technology and farming techniques. Although New Zealand's overall investment in Chinese agriculture is not huge, it has done reasonably well according to Morton. On investment, Morton said that in proportion to the increase in trade between the two countries, the increase in investment has been quite low. "We are open to investment in both directions," but we are not the focus of large Chinese investment similar to Australia, said Morton. And, New Zealand does not have the same sensitivities to certain assets, with the exception of land, as Australia. Morton believed, however, that as relations strengthened between the two countries and as New Zealand companies become more accustomed to doing business in China, they would boost investment there.

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Li "Forward Leaning" on New Zealand's Global Alliance Proposal on Greenhouse Gas.

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6. (C) In addition to economic issues, Li discussed climate change and the run-up to the summit in Copenhagen in the roundtable with New Zealand ministers. According to Morton, Li had a more "forward leaning" stance on New Zealand's Global Alliance proposition. (Note: New Zealand has been pushing for a Global Alliance to research how to cut world-wide emissions from agriculture. The country sees itself in a unique position as the only developed country with close to 50 percent of its greenhouse gases stemming from agriculture. New Zealand officials repeatedly emphasize their desire to play a key role in helping the world address the twin challenges of ensuring food security while reducing carbon emissions. End note.) Morton said New Zealand was "greatly appreciative" of Li's support for and interest in the Global Alliance. Morton attributed part of Li's interest to the fact that for the first time this year China began gathering statistics on agriculture emissions, and China is now the largest emitter of agriculture greenhouse gases in the world. Morton believes Li sees New Zealand as a country that can bring "value added" to reducing agriculture emissions inside China, noting that Li also underscored his interest in the Global Alliance when he met with the PM Key.

New Zealand and China Sign Four Agreements

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7. (C) New Zealand took the opportunity of Li's visit to sign four

agreements that had been under consideration for some time, according to Morton. The first was a memorandum of understanding on cooperation in education and training, with a focus on high level research. Morton noted that there are currently 20,000 Chinese students studying in New Zealand. This number was down from the peak in the mid-1990's when there were close to 50,000 Chinese students studying in the country. Many of the Chinese students at that time were studying in short-term English courses. Now, most of the Chinese students are in tertiary education and diverse fields of study. Morton noted that New Zealand is "more comfortable" with the current number of students. Even with the lower numbers, China still remains New Zealand's most significant source of foreign students. The second agreement addressed the issue of Chinese entering New Zealand for temporary employment, a provision that was made in the FTA that New Zealand signed with China. Morton said the agreement was something that the Chinese insisted upon because it spelled out the guidance on how Chinese workers would be recruited. He said the Chinese were concerned that "middlemen recruiters" in China would take advantage of the program, and China did not want the program to become a liability for the country.

8. (C) The third agreement was a provision that would facilitate New Zealand's dairy products into China. New Zealand wants China to recognize its SPS testing measures and certification and is pushing for an eventual mutual recognition of each others' e-certification. The agreement was a step in that direction whereby both parties committed to observing each others' practices. The final agreement involved hygiene standards of New Zealand's offal exports to China. Morton said China has not been happy with

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New Zealand standards because they did not meet Chinese market requirements. However, New Zealand has pushed back because they do not want China "to confuse international safety standards with its own market requirements." The agreement sets out what the standards would be.

Dalai Lama's December Visit to New Zealand Discussed

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9. (C) Morton said that PM Key had earlier conversed with Premier Wen Jiabao concerning the Dalai Lama's December 4-7 visit to Auckland, saying that neither he nor any of his ministers would meet with the Dalai Lama. Morton said the Chinese "obviously registered" this. Morton added that the PM and made this decision without any consultation, but others in the Government are still obliged to respect it. However, Key has not said that other members of parliament cannot meet the Dalai Lama. Morton also noted that before Key became Prime Minister, he met the Dalai Lama on other occasions. However, "the quid pro quo" is that New

Zealand continues to raise Tibet as an issue and encourages dialogue between the two sides, said Morton.

Bio Notes on Li Keqiang

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10. (C) Morton, who attended events throughout Li's visit, made several comments regarding Li's style and character. Morton said that from his experience, Li was "quite engaging" and had a different style than many Chinese leaders. He likened Li to Western style politicians in that Li did not "retreat to rote statistics" but answered questions directly and with a certain frankness. Li did not speak English in formal settings but was "quite comfortable" speaking English in one-on-one side conversations. His English was not at a "high level, but it was sufficient to make himself understood." Morton said that it was apparent that Li had "command of his delegation," which included Chinese Ambassador to New Zealand Zhang Limin. However, Li was not overbearing and "commanding", but he sometimes made jokes about himself and was comfortable asking other people in his delegation to respond to questions and add points to the conversation. At one point, Li even asked the Chinese Minister of Agriculture Sun Zhengcai to make a presentation. Morton also said that Li showed a "populist" streak. Much to New Zealand authorities' surprise, Li stopped the motorcade on several occasions unannounced and got out to shake hands with onlookers.

Background on New Zealand/China Relations

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11. (SBU) New Zealand and China celebrated 35 years of diplomatic relations on 22 December 2007. The bilateral relationship has grown to become one of New Zealand's most valuable and important. China is New Zealand's third-largest trading partner, and a major source of migrants, students and tourists, and New Zealand views China as an important bilateral, regional and multilateral partner.

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The relationship between the two countries is characterized by regular high-level contacts, and an expanding range of official dialogues - both formal and informal. During Premier Wen Jiabao's April 2006 visit to New Zealand, an agreement to hold annual leaders' meetings was reached, and two of these have since taken place - the first at the second East Asia Summit in Cebu, Philippines at the beginning of 2007 and the second during Deputy Prime Minister Dr. Cullen's September 2007 visit to China. This was followed by the visit of Prime Minister Helen Clark to witness signature of the Free Trade Agreement in April 2008. (Helen Clark made four visits to China during her time in office.) Prime

Minister John Key visited China in April 2009 - his first bilateral visit to Asia. A range of New Zealand ministers have made visits to China over the past few years, including those with responsibility for information and technology, food safety and police, defense, health, education, finance, and research, science and technology.

12. (SBU) From the Chinese side, President Hu Jintao made a State visit to New Zealand in October 2003, and Vice Premier Zeng Peiyan visited New Zealand in March 2007. Premier Wen Jiabao visited in April 2006, and the Chairman of the National People's Congress Wu Bangguo visited in May 2005. Bilateral communication between New Zealand and Chinese officials has also expanded over the years. Foreign policy, economic and trade talks are held regularly. There are formal bilateral dialogues on SPS issues, agriculture, dairy and forestry as well as regular contact on a wide range of other issues. Developments in Tibet in March 2008 put the focus on human rights issues for New Zealand, prompting several Government statements of concern and a motion by the New Zealand Parliament. New Zealand is careful to abide by its joint communiqué of 1972 to refrain from official dealings with Taiwan. While supporting a one China policy, New Zealand still maintains economic and cultural ties with Taiwan, an important trade and economic partner.

Trade Relations Growing Stronger

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13. (SBU) FTA negotiations were launched in November 2004 and concluded in April 2008 after 15 rounds of discussions. The FTA entered into force on 1 October 2008. New Zealand is the first OECD country to conclude an FTA with China. Over time the FTA will result in the elimination of tariffs on 96 percent of New Zealand exports to China and is projected to lift New Zealand's export revenue from trade with China by between NZD 225-350 million (USD 162-252 million) per year. The FTA built upon the bilateral economic relationship established by New Zealand's Trade and Economic Cooperation Framework, signed in May 2004 by China's Minister of Commerce Bo Xilai and New Zealand's Minister for Trade Negotiations Jim Sutton. In this Framework, New Zealand recognized China as "having established a market economy system." The NZ-China FTA is a comprehensive agreement covering trade in goods and services as well as investment. A Most Favored Nation clause further ensures that any provisions extended by either New Zealand or China to third parties in future trade agreements will automatically apply to each other. New Zealand and China also entered into binding agreements on labor and environment, aimed at encouraging dialogue and co-operation in these areas. More details on the FTA and its outcomes can be found at [www.chinafta.govt.nz](http://www.chinafta.govt.nz).

14. (SBU) China is New Zealand's third-largest trading partner. According to New Zealand statistics, two-way merchandise trade grew

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to NZD 9.7 billion (USD 7 billion) in the year to April 2009. Exports to China, valued at NZD 3.08 billion (USD 2.2 billion), increased by over 35 percent in the last year, while imports from China increased by 12 percent. China is New Zealand's fourth largest export market, after Australia, the US and Japan. China is New Zealand's second largest source of imports, after Australia. These statistics do not take account New Zealand exports to China through Hong Kong (USD 527 million). Up to one third of exports to Hong Kong are destined for the Mainland. New Zealand exports also end up in China via Singapore and other Southeast Asian countries. New Zealand's exports to China are dominated by agricultural products. Dairy, wool and oils and fats are the largest agricultural exports. New Zealand's exports to China have diversified, however, with forestry (now second only to dairy), seafood, machinery, aluminum, and high technology products (especially telecommunications products) featuring in New Zealand's non-agricultural exports to China. New Zealand's imports from China include electrical machinery and equipment, textiles, clothing and footwear, toys, and a wide range of light consumer goods.

Chinese Visitors to New Zealand on the Rise

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15. (SBU) New Zealand's exports are also diversifying in the services sector; education and tourism are New Zealand major services exports to China. Besides the large number of Chinese students that come to New Zealand visitor (business and tourist) numbers from China have grown by a factor of six since New Zealand was granted Approved Destination Status (ADS) by China in 1999. China has now overtaken South Korea to become New Zealand's fifth-largest source of visitors (112,000 in the past year). Although there has been a recent down turn following the global economic crisis, New Zealand estimates that Chinese visitor number will reach 200,000 in the near future, which would make China its third-largest visitor market. New Zealand estimates that Chinese visitors make an economic contribution in excess of NZD 300 million (USD 216 million) each year. China's investments in New Zealand totaled close to NZD 808 million (USD 582 million by the end of 2008).

Bilateral Investment Increasing -- But Not as Quickly as Trade

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16. (SBU) Most Chinese investment in New Zealand has been in the forestry sector. There is also significant investment in manufacturing and commercial construction. Sectors such as



property, hotels and restaurants, meat processing, electronics, fish farming and tanning have all attracted the interest of smaller Chinese investors. New Zealand companies, including ANZ, Fonterra, Richina Pacific, NDA Engineering, Hayes International and PAN PAC have major holdings in China. There are also a number of other companies closely associated with New Zealand with strategic operations or investments in China: Beca Carter, Biovittoria, TL Jones Microscan, and University of Waikato in Shanghai/East China, Air New Zealand Engineering, Intuto, Natural History New Zealand, Western Institute of Technology Taranaki, and Wools of New Zealand in Beijing/North China. These companies see investment in China as important to secure a long-term market for New Zealand products and to assist in the penetration of the enormous consumer market

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developing in China. Another company, Ice Breaker, has been able to use China as a global manufacturing and distribution base for its New Zealand designed and marketed merino wool clothing. The New Zealand China Trade Association is the lead business advocacy group in New Zealand that focuses on commercial linkages between the two countries.

New Zealand Official Aid Drawn Down

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17. (SBU) Following a 2005 review its China program, the New Zealand Agency for International Development (NZAID) determined that China would no longer be classified a core bilateral aid partner. This decision reflected both China's significant economic development and NZAID's increased focus on New Zealand's Pacific neighbors. However, smaller poverty alleviation activities, amounting to NZD 500,000 (USD 360,000) per year, continue to be carried out under the Development Project Fund in seven Western provinces and autonomous regions (Tibet, Sichuan, Guizhou, Gansu, Yunnan, Guangxi and Xinjiang). Many of these projects assist ethnic minority communities or women. In addition, there is a small grant program of NZD 80,000 per year (USD 57,600) administered by the New Zealand Embassy in Beijing.

CLARKE

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classification:CONFIDENTIAL  
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SIPDIS  
AMEMBASSY WELLINGTON PASS TO AMCONSUL AUCKLAND

E.O. 12958: DECL: 2020/01/08  
TAGS: EFI..  
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SIPDIS  
AMEMBASSY WELLINGTON PASS TO AMCONSUL AUCKLAND

E.O. 12958: DECL: 2020/01/08  
TAGS: EFIS, SENV, EWWT, NZ, JA, AS  
SUBJECT: Japanese Whaling Vessel Collision With Sea Sheperd Boat --  
New Zealand's Perspective

REF: CANBERRA 000014

CLASSIFIED BY: Peter G. Tinsley, Acting Deputy Chief of Mission,  
State, Political/Economic Affairs; REASON: 1.4(B), (D)

1. (SBU) On January 7, Econoff spoke with Ministry of Foreign Affairs and Trade (MFAT) Environmental Division Deputy Director Carol Schwalger, who is the chief point of contact on the January 6 collision between a Japanese whaling vessel and the Ady Gil, a boat owned by the Sea Sheperd Conservation Society anti-whaling group. Schwalger said that the New Zealand Government (GNZ) is not making any judgment as to who was at fault for the collision, regardless of the public accusations and finger pointing in the press that both sides in the incident are currently engaged in. Since the Ady Gil is a New Zealand flagged vessel, the New Zealand Government has undertaken a preliminary assessment and investigation before deciding on next steps. Schwalger noted that MFAT has had an exchange with Japan regarding the matter, and Japan has promised to do a full investigation. According to MFAT's preliminary judgment, it is not clear which party is at fault. Schwalger added that the New Zealand Government is not under the same public pressure to respond as the Australian Government since the whaling issue is a "much hotter" issue there. She did note, however, that depending how the investigation goes, there could be "diplomatic consequences."

2. (SBU) During a January 7 interview on Radio NZ - the national radio station - Foreign Minister Murray McCully reiterated New Zealand's opposition to Japanese whaling operations in Antarctic waters but called on all parties to "put a greater premium on life, in such a harsh environment." He added that Maritime New Zealand was conducting the preliminary assessment in close cooperation with Australian maritime authorities (Note: The collision took place in an area where Australia is responsible for maritime search and rescue operations. End Note). McCully said that the GNZ would decide on appropriate next steps following completion of the preliminary assessment. In the interim, McCully noted, he would be taking the matter up with the Japanese on January 7 and, "despite our strongly differing views on the whaling issue, that we do work constructively with the Japanese authorities, because we have issues of safety and welfare at stake, and I've found that the Japanese Government and New Zealand Government can work together,

despite our differences over the whaling policy issue."

3. (C) Comment: The Government of New Zealand's measured response and unwillingness to rush to assign blame for the collision between a Japanese whaling vessel and the New Zealand-flagged Ady Gil are in vivid contrast to the more sensationalistic coverage of the incident in the New Zealand press. Both sides are using the press to take their case to the court of public opinion and assign blame for the incident to the other party. While the whaling issue may not resonate as strongly with Kiwis as it does with Australians, most Kiwis support their Government's strong opposition to Japanese whaling in Antarctic waters. Whether that will sway public opinion against the Japanese on this particular incident remains to be seen. In the mean time, the Japanese Government-backed Institute of Cetacean Research has made New Zealander Glenn Inwood its spokesman on this issue and he has been vigorously defending the actions of the Japanese vessel, the Shonan Maru 2, in the New Zealand print and broadcast media.

End Comment.

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DEPARTMENT FOR EAP, EAP/ANP

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DEPARTMENT FOR EAP, EAP/ANP

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E.O. 12958: DECL: 2020/02/10

TAGS: PGOV, PREL, PHUM, SOCI, ECON, NZ

SUBJECT: New Zealand: PM Key and Diplomatic Corps hear grievances at Waitangi Day celebration

CLASSIFIED BY: Robert J Clarke, Charge' d Affaires, State, Wellington; REASON: 1.4(B), (D)

1. ( SBU) Summary: On February 5--the day before New Zealand's official national "Waitangi Day"--the Ambassador and DCM joined a large Diplomatic Corps contingent in Waitangi for a program commemorating the 170th Anniversary of the signing of the Treaty of Waitangi in 1840. The Diplomatic Corps' participation in celebrations at the Waitangi site ended a 15-year absence which began in 1995, when Maori protesters had underscored their displeasure with the government by baring their buttocks at the international guests. This year's carefully managed program for diplomats offered nothing so dramatic, but the political nature and

underlying tensions of the celebrations came through during the public exchanges between PM John Key and Maori leaders at the Te Tii Marae (tribal area). End Summary.

2. (SBU) Security was tight at the Te Tii Marae with dozens of Maori wardens and members of the Waitangi war canoe team armed with

paddles assigned to keep order. They formed up before PM Key's arrival under the direction of a Maori activist who gave a running commentary, saying that the PM would be safe (after being manhandled at the 2009 celebration) "even though we don't all like him." Key arrived surrounded by his own security and escorted by Titewhai Harawira, the respected activist and mother of the controversially outspoken Maori Party Member of Parliament (MP) Hone Harawira. Key entered the marae through an entrance flanked by controversial red, white and black Maori flags, received a Maori welcome, and sat for a formal discussion with tribal leaders.

3. (SBU) Hone Harawira, who is not a member of the Waitangi iwi (tribe) and normally would not be participating, was given the microphone early in the exchanges. Harawira began by lecturing Key for criticizing him based on newspaper stories (about his misuse of official travel funds). He berated Key and National Party policy, saying that "a lot of our people are still starving and raising GST (sales tax) might be good for you and your mates but it is certainly not going to help the people on low incomes." In a rambling presentation, he also said "you know what I am saying about Pakeha (caucasian) colonization is true."

4. (SBU) Dr. Pita Sharples, co-head of the Maori Party, which is in the governing coalition with the National Party, sat with PM Key. He was at pains in his remarks to reject Harawira's suggestion that being in the coalition was compromising Maori demands. When his turn came, PM Key spoke confidently about progress on the Treaty settlements. He acknowledged disproportionate Maori unemployment levels and pledged to address them. He said that the root of unemployment among young Maori was a high school dropout rate. His government, he said, was looking at alternate, better ways of delivering education but needed the cooperation of parents and tribal leaders. Key, in a reference to on-going negotiations on the Foreshore and Seabed Act (which in 2004 stopped Maori from going to the courts to seek customary title to foreshore and seabed areas), said 2010 could be a "breakthrough year." He added the cautionary note, however, that the negotiations had to have give and take on both sides and had a "bottom line of access rights for all New Zealanders." Key mentioned outright repeal of the Act, which many Maori are calling for, only as one possible outcome of the negotiations.

5. (C) Comment: PM Key's remarks on the Foreshore and Seabed Act at Waitangi have generated criticism among Maori because they seemed to walk back a position he took last November which seemed to promise repeal. The smart betting is that he will eventually back repeal, which underlies Maori Party cooperation with the National Party, but only after he achieves the difficult task of an "elegant" solution which does protect access rights for all New Zealanders to the foreshore and seabed areas, rights which are potentially highly lucrative. End Comment.

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E.O. 12958: DECL: 2020/02/19  
TAGS: OVIP, ETRD, PGOV, SENV, EAGR, FJ, NZ, APECO, MARR, UN, PREL  
SUBJECT: DAS Reed Engages on TPP, U.N. Reform, Environmental  
Cooperation, Fiji, APEC and Bilateral Issues with New Zealand

CLASSIFIED BY: Robert Clarke, DCM, Department of State, US Embassy  
Wellington; REASON: 1.4(B), (D)

1. (C) Summary. During a series of meetings hosted by the Ministry of Foreign Affairs and Trade (MFAT) on February 19, EAP Deputy Assistant (DAS) Secretary Frankie Reed engaged on a wide range of topics including the Trans-Pacific Partnership (TPP), the United Nations, environmental cooperation, Fiji, APEC, and U.S./New Zealand bilateral relations. New Zealand Chief Negotiator for the Trans-Pacific Partnership (TPP) Mark Sinclair said New Zealand views the TPP as a platform for future trade integration in the Asia Pacific and recognizes there will be a number of sensitive issues on both sides during negotiations. MFAT United Nations, Human Rights, and Commonwealth Division Director James Kember said New Zealand will continue to push for UN reform and voiced disappointment over U.S. handling of the Human Rights Report and Trafficking in Persons Report for New Zealand. MFAT environment officials welcomed more concrete cooperation with the United States under the Energy Development in Island Nations (EDIN) umbrella and expressed appreciation for U.S. support of the Global Alliance. MFAT Pacific Division Director John Adank said New Zealand relations with Fiji remain rocky and urged the United States and others to continue pushing the Bainimarama regime to return to democracy. On Asia-Pacific Economic Cooperation (APEC), MFAT Asia Division Director Stephen Payton said that New Zealand is reviewing its Bogor Goals and will work closely with the United States to prepare the stage for a successful APEC meeting in 2011

in Hawaii. New Zealand is also open to allowing India to join APEC. America's Division Director David Taylor emphasized New Zealand's appreciation for USG efforts put forward on the review of the military relationship and covered a wide-range of other bilateral matters. End Summary.

Trans-Pacific Partnership - Reaching for the "Gold Standard"

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2. (SBU) Regarding New Zealand domestic issues surrounding the TPP, Chief Negotiator for the Trans-Pacific Partnership Mark Sinclair emphasized that it has been a long-held objective of the Government of New Zealand to conclude a free trade agreement (FTA) with the United States, and there is a public perception that getting into the United States will be an "el Dorado" for New Zealand's commercial sector. However, the reality is quite different, said Sinclair, since the United States is already quite open to New Zealand trade and investment. He underscored that New Zealand needs to manage expectations in this regard. In addition, Sinclair said that although New Zealand has already negotiated many free trade agreements, it is the first time New Zealand will negotiate an agreement that will open so many political sensitivities with a partner government. Sinclair noted that Minister for Trade Tim Groser is well aware of this and quoted the Minister as saying, "getting the United States to agree to engage on the TPP is the easy part; the negotiating process itself will be gut wrenching, especially achieving the gold standard."

3. (SBU) On multilateral issues, Sinclair emphasized that New Zealand sees the TPP as a platform for future trade integration in the Asia Pacific. If the eight initial members can reach the "gold standard" on the TPP, it will "put the squeeze" on Japan, Korea and others, which is when the "real payoff" will come in the long term. He also stated that another challenge in negotiating is that the current economic and commercial situation has put a great deal of pressure on domestic agendas. Negotiators must therefore be very cognizant of the impact on jobs, wages, and other such factors. When asked what New Zealand's position is on including new members, Sinclair put forth that "smaller is better" for the current deal. However, he emphasized, that what is more important is U.S. Congressional approval and if "critical mass" can be achieved with the initial eight. New Zealand will take a "constructive view" if the group needs to "bulk up" and include Malaysia, for example.

4. (SBU) When asked what the top local impediments will be to

concluding an agreement, Sinclair noted a number of areas sensitive to New Zealand. It is "no secret" that Monsanto does not like New Zealand's genetically modified organism (GMO) regulations, Sinclair said. Intellectual property rights (IPR) is another "sleeper issue" that may raise concerns when it begins to impinge on New

Zealand's digital lifestyle. Sinclair added that foreign investment is always open to populist views in New Zealand, and it can be particularly sensitive when it comes to land acquisition or New Zealand brands that are considered "icons." David Taylor added that investment involving New Zealand's natural resources will also be a sensitive point, particularly in light of the Government's recent decision to open up some conservation areas to resource extraction. According to Sinclair, pharmaceuticals are also bound to be a contentious issue.

#### Multilateral Issues at the United Nations

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5. (SBU) MFAT United Nations, Human Rights, and Commonwealth Division Director James Kember touched on UN reform issues, as well as the U.S. Human Rights Report and Trafficking in Persons Report. On the United Nations, he noted that New Zealand has not signed onto the Declaration on the Rights of Indigenous Peoples because there were still issues to be worked out in the domestic process. (Note: New Zealand officials said they voted against the Declaration because it was inconsistent with New Zealand's constitutional and legal arrangements. End note.) He said that he had met with former Prime Minister (and current UNDP Administrator) Helen Clark the previous day, and she urged New Zealand to continue pushing a U.N. reform agenda in the broader sense. Kember added that New Zealand will continue down this path, but it has largely been silent on Security Council reform. There is, however, a "red line" for New Zealand on Security Council expansion -- it does not want to see more members with veto power. New Zealand will also seek another term on the Security Council and would appreciate the United State's support of its candidacy. Kember assured that the Government of New Zealand has put a great deal of thought into this decision and believes that the move will help achieve the country's regional security goals.

6. (SBU) Regarding the G20, Kember said that although there are some that call into question whether it is a viable ongoing institution, especially because it excludes the G77, New Zealand continues to "have faith" in the G20. This is because New Zealand has a mechanism for accessing the G20 through U.S. leadership. Taylor added that New Zealand greatly appreciates the United States seeking the views of others; however, it is concerned about others being invited into the group. As the numbers creep up, New Zealand is "not comfortable" if it does not also have a place at the table. In response to the question of other U.N. institutions that need reform, Kember said that the U.N. Economic and Social Council (ECOSOC) and other regional institutions set within it have become irrelevant and their time had "come and passed." On the U.N. Human Rights Council, New Zealand appreciates close collaboration with the United States and hopes to strengthen future cooperation. In response to a question on Helen Clark's views on United Nations Development Program's disaster relief portfolio, Kember said she was laudatory of UNDP's work, and had said that in Haiti UNDP did the best it could given the circumstances. He added that Clark views the UNDP as an "influencer" not an "implementer" and believed that the institution should focus on

strategizing and facilitating rather than getting into the "nitty gritty stuff."

New Zealand Unhappy with Human Rights Report and the TIP Report

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7. (SBU) Regarding the U.S. Human Rights Report and the TIP Report, Kember emphasized his disappointment with how the reports

on New Zealand were handled. He said that New Zealand provides a great deal of information and input for the reports, and the results were a "poor reflection of what New Zealand provided." He added that he appreciates the U.S. Embassy working closely with MFAT on the reports and expressed his hope that a "more accurate report will come out of it." DAS Reed responded that the U.S. Government appreciates MFAT's assistance and pointed out that the final report reflects a consensus that reaches beyond the Embassy or any geographic bureau at the State Department.

Environmental Cooperation - Ready to Put Meat on the Bones

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8. (SBU) On environmental issues, MFAT Environment Division Deputy Director Janet Lowe and Economic Division Officer Laura Hogg briefed DAS Reed on U.S./New Zealand cooperation under the Energy Development in Island Nations (EDIN) agreement and Global Alliance. Lowe emphasized the importance that New Zealand attaches to developing further projects that support island clean energy projects. She said that Foreign Minister Murray McCully wants to now "put meat on the bones" on the agreement that was reached between New Zealand, Iceland and the United States in 2008, not only because it will help island nations develop sustainable energy sources but also because it is another area to strengthen ties with the United States. The Minister is particularly focused on "the concrete stuff." Currently 65% of New Zealand's energy comes from renewable resources, and the country has a particular expertise on geothermal energy. According to Lowe, New Zealand completed a study on the feasibility of geothermal energy in 20 island nations. Of the 20, the study concluded that five countries had potential. Now New Zealand is studying how it can take this study to the next level. Besides geothermal, New Zealand is also looking at ways to help Tonga get a solar power station up and running. New Zealand is also interested in doing research together with the United States in Hawaii. Ambassador Huebner welcomed the opportunity for MFAT and the Embassy to work more closely on such projects. On the Global Alliance, Hogg said that New Zealand is very grateful for ongoing U.S. support. She underscored that the emphasis of the Global Alliance is twofold: address food scarcity and reduce greenhouse gas emissions.



Pessimistic Outlook on Fiji

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9. (SBU) MFAT Pacific Division Director John Adank outlined the rocky relations between New Zealand and Fiji during recent years and pointed out that New Zealand is making every effort to revive its diplomatic ties with Fiji. He noted that since 2007, three New Zealand diplomats have been expelled (one high commissioner and two acting high commissioners). According to Adank, the expulsions occur whenever the Bainimarama regime tires of New Zealand's travel restrictions. Although New Zealand's diplomatic footprint has been reduced, Foreign Minister McCully is making every effort to move the relationship forward. During the first week of January, FM McCully met with Fiji's Foreign Minister Kubuabola and pressed the issue of restoring New Zealand's diplomatic footprint in Fiji and issues surrounding Fiji's erratic visa issuance for the Pacific Island Forum (PIF) officials. Adank underscored that the situation in Fiji has deteriorated further over the past year and that the United States, New Zealand, Australia and other countries need to continue pressuring Fiji to restore democracy. He added that there is no sense that the regime in Fiji intends on engaging internally or externally on the issue. Adank urged the United States to consider the reaction of other Pacific Island nations in any decision it takes with regard to Fiji. It needs to be done in the "right light" and "managed carefully" to avoid driving a wedge between the Pacific Island countries, said Adank.

Asian Regional Architecture - Three Points on APEC

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10. (SBU) MFAT Asia Division Director Stephen Payton briefly discussed three issues with regards to Asia-Pacific Economic Cooperation (APEC). He said that New Zealand will work closely with the United States for the next meeting in Yokohama and help prepare the stage for a successful APEC meeting in 2011 in Hawaii. Second, Payton said that New Zealand is currently reviewing its implementation of Bogor Goals, and there is some sensitivity around this. He pointed out that New Zealand has not met the "strict definition" of the goals, and there are perhaps some areas that New Zealand and the United States could work together in this regard. Last, Payton said that New Zealand is considering its position on APEC's membership moratorium. New Zealand is open to allowing India to join.

Bilateral Relations with the United States - Continuing on an Upward Trajectory

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11. (C) Covering a wide-range of bilateral matters, America's Division Director David Taylor first and foremost emphasized New Zealand's appreciation for USG efforts put forward on the review of the military relationship. He welcomed the "candor and warmth" of

discussions with DAS Reed and DASD David Scher and said that MFAT will continue to work with the Embassy on joint messaging. Taylor also noted his appreciation for the role of the Embassy and its "constructive, collegial relationship" with MFAT. Regarding the Secretary's visit, Taylor noted that the last minute postponement in January due to the Haiti crisis was completely understandable and he looked forward to her rescheduling. He hoped Washington would give as much advance notice as possible. On the topic of visitors in general, Taylor said there is "real value in visitors from Washington" and expressed his hope that the number of visitors from Washington will continue to grow. He also pressed on the issue of Prime Minister Key's visit to Washington and noted the PM's preference for June. In response to the last point, DAS Reed emphasized that the difficulty in scheduling was not a reflection of the relationship with New Zealand but was purely an internal coordination issue. Taylor also addressed the issue of budget cuts and resource caps at MFAT, but he expressed his expectation that he would be able to augment his staff at the New Zealand Embassy in Washington with an additional officer in the political section and an additional officer to handle the TPP.

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RUEHLO/AMEMBASSY LONDON 0008 RUEHSM/AMEMBASSY STOCKHOLM 0003  
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E.O. 12958: DECL: (##)  
TAGS: PHUM, UNGA, PREL, PGOV, NZ  
SUBJECT: UN GOLDSTONE RESOLUTION: NEW ZEALAND IS WATCHING EUROPE

REF: 10 STATE 15722

CLASSIFIED BY: Adam Smith, Second Secretary, DoS, P/E; REASON:  
1.4(B), (D)

1. (SBU) Poloff delivered reftel demarche to Michael McBryde, the Foreign Ministry's UN Division Deputy Director, urging GNZ to vote

no or abstain (as NZ did in November 2009) on the February 26 UN Goldstone Report draft resolution recently circulated by the Palestinian Observer Mission.

2. (SBU) McBryde stated that Jim McLay, NZ's UN Ambassador, follows Middle East issues very carefully and is well aware of sensitivities regarding the Goldstone Report. Last November McLay recommended abstention on the Goldstone Report draft resolution because he felt that the UN should "take note of" the report, not endorse it. NZ's UN delegation considers the latest draft resolution to be more "moderate and constructive", and it is waiting to see how European countries such as the UK, France, and Sweden will vote. NZ's UN delegation will have the authority to finalize its position (and its vote) based upon how the February 26 debate unfolds.

3. (SBU) NOTE: James Kember, the Foreign Ministry's UN Division Director, will travel on March 11 to meet with NZ's European and New York-based UN delegations. McBryde stated that Kember has only been in his current position since September 2009, and this will be his first trip to meet with these two groups. McBryde referred to the trip as a "pastoral mission" and did not share any specific agenda items. END NOTE

4. (C/NF) COMMENT: When pressed, McBryde admitted that, in particular, New Zealand is watching to see how the UK will vote on the Goldstone Report draft resolution. He said the UK has indicated that the new draft resolution is more "moderate and constructive", and there is a chance that London will change its vote from abstain to yes. Post believes that a shift in the UK position could have a significant impact on New Zealand's vote. McBryde further confided that this is a "particularly sensitive issue because Ambassador McLay is scheduled to travel to several Middle Eastern countries next week (including Israel)." END COMMENT  
CLARKE

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E.O. 12958: DECL: 2020/02/25  
TAGS: PREL, PGOV, MARR, NZ

SUBJECT: PM Key on Media Strategy after Military Review Briefing; His Prospective Bilateral Visit

CLASSIFIED BY: Robert J Clarke, Charge' d Affaires, State, Wellington; REASON: 1.4(B), (D)

1. (C) Summary: On February 22, the Ambassador accompanied a Washington visitor to a "courtesy call" on Prime Minister (PM) John Key which turned into an hour plus discussion. PM Key noted that he (in contrast to MFAT) was not concerned about immediately devising a "media strategy" after the recent briefing on the USG review of bilateral military relations delivered by DAS Frankie Reed and DASD Bob Scher. He expressed confidence that he could handle any related questions if they came up (which they have not in several encounters with the media that the PM has subsequently had). Key also raised the topic of a bilateral visit to the Washington DC in a manner that indicated how important confirming the visit for June is to him. End Summary.

MILITARY REVIEW RESULTS--NO IMMEDIATE MEDIA STRATEGY NECESSARY

2. (C) PM Key is not worried about immediately developing a media strategy and common press guidance on results of the U.S. review of bilateral military relations. These results had been confidentially briefed to the Foreign Affairs (MFAT) and Defense ministries by DAS Reed and DASD Scher on February 18. Key said he did not expect questions to come up about the military review until a specific event, such as announcement of a rescheduled visit by the Secretary, or his own trip to the United States, got reporters focused on that long-standing topic. If he did receive questions, Key said, he was comfortable talking in general terms about the on-going, developing bilateral relationship and referring reporters with any questions on the military review to U.S. authorities. (Note and comment: Key's attitude is precisely opposite to that of MFAT which has been arguing that a pro-active press strategy (i.e. a US-authorized press line) is needed now. Since February 22, the PM has had several encounters with the press and no questions on the military review came up. End note and comment.)

PM KEY STILL HOPES FOR A JUNE BILATERAL VISIT TO WASHINGTON

3. (C) PM Key also lobbied for an early decision on a pending bilateral visit to Washington DC. He did so in a way that began indirectly but ended by underscoring for the Ambassador the importance to the Prime Minister of fixing a date, preferably (for him) of June 2010. He claimed that he was not merely focused on that aspect of US-NZ relations, and understood that President Obama was busy, and knew that final decisions on scheduling dates would eventually be made. However, after the circuitous lead-in, Key explained why combining a bilateral visit with the April 2010 Nuclear Security Summit (which he will attend) would not work. He recounted the conversations at APEC which led him to believe he had a firm invitation from POTUS for a separate bilateral visit in the first half of 2010 (i.e. NLT June). Key said the exchanges resulted in him briefing the press in a certain way about the "invitation," which he said he would not have done if he had thought the offer were actually more casual and indefinite. Expectations in NZ were set, Key said, and the matter potentially could turn into a political embarrassment for him. Key noted that his June schedule was "still empty."

4. (C) Comment: The manner in which PM Key pitched the bilateral visit indicated to the Ambassador that nailing down a June visit is of intense importance to Key. The Ambassador gathered from the exchange that June is being held open by the GNZ in hopes of a confirmation for a bilateral visit then in the near future. Key, who has not previously raised this topic personally (leaving that to FM McCully and MFAT) clearly hoped his explanation might result in an early confirmation for June. End Comment.

CLARKE

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