



Cabinet

CAB Min (03) 19/12

Minute of Decision

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Minister of Foreign Affairs and Trade
Minister of Defence

Copies to:

Prime Minister
Deputy Prime Minister
Hon Jim Anderton
Minister for Social Development and Employment
Minister of Health
Minister of Corrections
Associate Minister of Foreign Affairs and Trade
(Official Development Assistance)

Additional Item: Iraq and Operation Enduring Freedom: Options for New Zealand Contributions

On 9 June 2003 Cabinet:

New Zealand Contributions to Iraq

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scope

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scope

New Zealand Contributions to Operation Enduring Freedom (OEF)

- 8 noted that the UK has accepted the offer of two NZDF NCOs to provide command and leadership training to the Afghan National Army (ANA), and that officials are exploring a contribution to specialist light infantry training and other training support options;
- 9 authorised in principle the deployment of two NZDF NCOs to provide command and leadership training to the ANA from September 2003 to June 2004, with an appropriation of the approximate cost of \$NZ 0.2-0.3 million to be sought at a later date;
- 10 noted the capability of the NZDF to deploy up to 100 personnel to Afghanistan to lead or contribute to a Provincial Reconstruction Team (PRT) for a period of 12 months from mid-August 2003;
- 11 authorised officials to continue to pursue the option of leading or contributing to the Bamian or another established PRT and for the deployment of a reconnaissance team to Afghanistan to explore this and ANA training support options, including the provision of specialist light infantry training, with associated costs to be incurred against existing appropriations within Vote Defence Force and Vote Social Development;

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Other Matters

- 14 noted the approximate cost of each deployment set out in Annex A of the paper tabled at Cabinet;
- 15 noted that some of the deployment options included in the paper may, if approved or extended, constrain the NZDF's ability to deploy certain force elements for any contingencies that may arise in the region

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Secretary of the Cabinet

Reference: Paper, dated 6 June 2003,
tabled by the Prime Minister

Office of the Minister of Foreign Affairs and Trade
Office of the Minister of Defence

Chair
Cabinet

NEW ZEALAND DEFENCE FORCE CONTRIBUTIONS TO OPERATION ENDURING FREEDOM: PROVINCIAL RECONSTRUCTION TEAM

Proposal

1. On 9 June 2003, Cabinet authorised the deployment of a joint New Zealand Defence Force (NZDF)/Ministry of Foreign Affairs and Trade (MFAT) reconnaissance team to Afghanistan to assess the practicability of New Zealand participating in or leading an established Provincial Reconstruction Team (PRT), preferably in Bamian, as part of Operation Enduring Freedom [CAB Min (03) 19/12 refers]. This paper provides Cabinet with a summary of the team's conclusions and proposes that Cabinet approve the deployment of up to 100 NZDF personnel to lead the Bamian PRT in Afghanistan for 12 months, from late September 2003, with a possible extension of a further 12 months.

Executive Summary

2. On 9 June, Cabinet directed officials to pursue options for leading or contributing to an established PRT in Afghanistan, preferably in Bamian, subject to the findings of a reconnaissance visit [CAB Min (03) 19/12 refers]. The reconnaissance team has since returned from Afghanistan, and its reports form the basis of this paper. All the indications were that the US and Afghanistan welcome the New Zealand proposal.

3. The reconnaissance team examined a range of options for a New Zealand contribution to an established PRT. These included PRT leadership, contributing NZDF elements to a composite PRT, or lending financial support to an established PRT.

4. After consultations with the US authorities at Bagram and in Kabul, and a site visit, the reconnaissance team concluded that leading the Bamian PRT was within the capabilities of the NZDF. In doing so, it would also make a substantive contribution to Afghan reconstruction and the campaign against terrorism. Accordingly, Cabinet approval is being sought for the deployment

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of up to 100 NZDF personnel to lead the Bamian PRT in Afghanistan for 12 months, from late September 2003.

5. Following the visit to Bamian by the reconnaissance team, the costs for the deployment of the PRT have firmed. They are now estimated at \$21.464 million (GST inclusive) for 2003/04 and \$4.718 million (GST inclusive) for 2004/05. These figures include NZDF operating and capital expenditure, as well as Defence Force allowances paid by the Ministry of Social Development.

Background

6. On 9 June, Cabinet considered a submission on further New Zealand contributions to humanitarian and reconstruction activities in Iraq and Operation Enduring Freedom [CAB Min (03) 19/12 refers]. One of the contributions officials were authorised to pursue was the option of leading or contributing to an established PRT in Afghanistan, subject to the findings of a reconnaissance visit. In addition, the submission noted that planning for this contribution was set against the following assumptions, which the reconnaissance team would confirm with the US:

- US Central Command will support the offer by New Zealand to lead or contribute to an established PRT, preferably in Bamian.
- US Central Command will provide logistic sustainment in theatre for all non-New Zealand specific support requirements, including aero-medical evacuation and tactical transport.
- US forces will hand-over the existing facilities in Bamian intact, less equipment.
- US forces will provide an engineer capability to Bamian to develop the infrastructure required to accommodate the New Zealand contribution.

7. The reconnaissance team has since returned from Afghanistan and its reports form the basis of this paper.

Options for New Zealand Participation

8. The US has established three PRTs in locations throughout Afghanistan. The British have recently established a fourth, with a further four to be established by September 2003 (Germany is considering establishing a PRT at Herat). PRTs consist of relatively small teams (50-100 personnel, depending on location and individual country approaches) tasked with assisting the Afghan Transitional Authority to extend its influence beyond Kabul. Their focus is on enhancing the security environment and promoting the reconstruction effort, while monitoring and assessing military, civil and political reform efforts through community engagement. PRTs are not combat units.

9. The reconnaissance team examined a range of options for a New Zealand contribution to a PRT. The options included PRT leadership, contributing NZDF elements to a composite PRT, or lending financial support to an established PRT.

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10. After consultations with US authorities at Bagram and Kabul, and a site visit to Bamian, the reconnaissance team concluded that leading a PRT of up to 100 personnel for 12 months was within the capabilities of the NZDF. The offer to lead a PRT was very warmly received as a solid contribution to Afghan and regional security and the fight against terrorism. As a PRT lead nation New Zealand would also have representation on the PRT Policy Group. This consists of a US Ambassador; the Afghan Interior Minister; representation from the United Nations Assistance Mission to Afghanistan (UNAMA); and the PRT lead nations Ambassadors (US, UK, New Zealand – and Germany, should Germany decide to take up leadership of a PRT).

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Timing of the deployment

12. We recommend a commencement date of 28 September 2003 in order to complete the handover from US control before the onset of winter. In order to meet this start-up date, an advance party would deploy to Bagram, Afghanistan, in mid August, departing for Bamian before the end of August. The main body would deploy to Bagram in early September for training, and depart for Bamian one week later. The handover to a New Zealand PRT would commence on 21 September. This timeline is indicative, and may be subject to slight variations.

PRT Composition

13. The NZDF can sustain a PRT of up to 100 personnel, drawn from each of the three services, and including both servicemen and women. This includes the provision of up to personnel from the New Zealand Special Air Services (NZ SAS) who will deploy to Afghanistan for eight weeks to provide additional force protection and knowledge of local conditions during the set-up phase. There may also be scope for Territorial Force involvement, particularly from officers with a policing background. Staff would be deployed on either four or six month rotations.

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MFAT Participation

15. We envisage that the Ambassador in Tehran should attend the proposed monthly meetings of the PRT Policy Group. We do not recommend the placement of an MFAT officer in the PRT at this stage. As matters currently stand there is no apparent requirement or role for such an officer, but this is an issue that could be revisited once the PRT is up and operating.

NZAID Participation

16. NZAID staff or contractor participation in the PRT similarly would not appear to be necessary at this stage. NZAID funding for 2003/04 does not include an allocation for Afghanistan. US officials have indicated their intention to leave on site USAID, State Department and US Department of Defence officials with access to substantial funding for reconstruction activities.

17. The reconnaissance team has recommended that the PRT Commander have access to a New Zealand-funded small project fund. Accordingly, we recommend that a small project fund of NZ\$0.225 million (GST inclusive) be allocated within the PRT funding from Vote: Defence Force, which can be disbursed directly by the PRT Commander in broad consistency with New Zealand's approach to small projects and the OECD Development Assistance Committee guidelines for eligible development activities in post-conflict reconstruction. In the event New Zealand is requested to find funding for substantial development projects, proposals could be put to Ministers for consideration on a case-by-case basis.

Force Protection

18. Bamian is one of Afghanistan's more benign regions, with low levels of terrorist and/or warlord activity. This compares favourably with the situation in Kabul. In the six months in which the US has operated the Bamian PRT, there have been no security incidents of any kind. Threats to personnel include vehicle accidents, the environment (extreme cold, altitude and isolation), criminal activity, landmines and opportunity targeting.

19. The Bamian PRT site is protected by a wire-topped wall, heavy weapon firing positions and bunkers outside the main compound.

This would be augmented by a NZDF Infantry Platoon, capable of responding to low-level contingencies. In the of more complex contingencies

as would an aero-medical evacuation capability. All NZDF personnel in Afghanistan will be armed.

Logistics

20. Geographical isolation and the environment pose significant risks to logistics arrangements. The harsh environment, over time, will degrade

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equipment, vehicles and clothing. The Afghanistan theatre headquarters for the US led Operation Enduring Freedom coalition, HQ Coalition Joint Task Force - 180, has agreed to provide the New Zealand PRT with logistic support. The details of this agreement would be formally concluded in a military Implementing Arrangement. Once concluded, the Implementing Arrangement would provide the New Zealand PRT with a similar level of logistic support provided to the US PRTs. In addition, a National Support Element of up to three NZDF officers would be located alongside the headquarter Coalition Joint Task Force-180, in Bagram, to respond to the New Zealand PRT's specific logistic and administrative requirements. The National Support Element would also facilitate and coordinate support from other countries and commercial contractors.

21. The Bamian PRT facility has sufficient sleeping accommodation for the New Zealand contingent. There is, however, a requirement to construct additional buildings and modify existing structures. Following the visit of the reconnaissance team, the US has indicated that they may complete these additional construction tasks before the planned arrival date of the New Zealand contingent. The NZDF will deploy with its own communications equipment.

22. Should Cabinet approve this deployment, then NZDF officials will seek to conclude with US Central Command an Implementing Arrangement; an agreement to complete the Bamian PRT construction tasks, and an agreement to transfer equipment to the NZDF that is already on site in the Bamian PRT.

Command and Control

23. The Chief of Defence Force (CDF) would retain full command of all NZDF personnel deployed to establish and operate the PRT in Bamian. CDF would assign these deployed NZDF personnel under operational command of the Commander Joint Forces New Zealand (COMJFNZ).

24. COMJFNZ would assign operational control of the New Zealand PRT to the Commander Coalition Joint Task Force - 180, the three star US Army General based in Bagram. He is responsible for all US led coalition military operations within Afghanistan. This officer would then delegate operational control of the New Zealand PRT to the Commander Coalition Joint Civil - Military Operations Task Force, a Colonel, who is the subordinate US commander. He is also based in Bagram, and is responsible for the operational supervision of all PRT within Afghanistan. The NZDF already has staff officers within the headquarters Coalition Joint Task Force - 180. Up to three additional NZDF staff officers would be attached to the headquarters Coalition Joint Civil - Military Operations Task Force as part of the PRT contingent deployment.

25. The New Zealand PRT would be commanded by a NZDF Colonel. He would also be designated as the Senior National Officer. The Senior National Officer would be authorised to withhold the services of NZDF personnel if any

task or proposed action is considered outside the scope of the PRT mandate, compromises New Zealand's national position within Afghanistan or may adversely affect New Zealand's national interests. The Senior National Officer will seek guidance from CDF, through COMJFNZ, at any time there is concern over the employment of NZDF personnel. CDF will keep Ministers with Powers to Act informed of any extraordinary reporting from the New Zealand PRT.

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27. At the diplomatic level, New Zealand's representation on the PRT Policy Group will afford the opportunity to gain early visibility of evolving policy that may have a direct impact on, or implications for, the New Zealand PRT.

Threat Assessment

28. Anti-government/coalition forces are active throughout much of Afghanistan, including its major cities where a recent suicide bombing in Kabul killed four German peacekeepers.

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29. Ethnic tension and factional fighting is rife and continues to interfere with reconstruction and institution building. Bamyan Province, the site of the proposed New Zealand PRT, is relatively stable. It remains largely free of the ethnic tensions common to other areas of Afghanistan although factional tensions do exist

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30. There has been an apparent increase in Taleban and other extremist activity in recent months. But the trends are not yet distinct and may not reflect a major alteration to the overall situation. The threat level remains at **MEDIUM** for the major cities and **HIGH** elsewhere. The threat level in Bamyan Province will be reviewed after the New Zealand PRT is established.

Legal Implications

31. Operation Enduring Freedom was at the outset regarded by participating nations as an international armed conflict.

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32. Within Afghanistan, however, the Afghan Transitional Authority has been in place for 12 months. Given this, and considering that a core objective of the PRT is to extend the influence of the Afghan Transitional Authority beyond Kabul,

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34. NZDF rules of engagement have already been developed for Operation Enduring Freedom deployments in Afghanistan. These rules of engagement would be applicable for PRT members, and adapted if necessary.

Financial Implications

35. Cabinet was advised in early June that the total approximate cost of deploying the New Zealand PRT to Afghanistan for a twelve-month period was \$NZ 25 – 27 million, plus up to \$NZ 2 million capital cost (GST inclusive, where applicable). Now that a reconnaissance team has visited the proposed PRT takeover site of Bamian and talked with the current US authorities there, a clearer picture of the total costs is possible. There remains, however, some uncertainty as to the cost for the facilities, communications equipment being left by the US and vehicles. Our current best estimate of cost is \$21.464 million (GST inclusive) for 2003/04 and \$4.718 million (GST inclusive) for 2004/05.

36. Taking the recommendations of the reconnaissance team and past experience of similar deployments as the basis for costs, the additional funding for 2003/04 and 2004/05, as shown below, is now sought for the estimated costs of deploying the New Zealand PRT to Afghanistan for a twelve-month period commencing in August 2003.

	FY03/04	FY04/05	GST status
NZDF Operating Expenses	\$16.298M	\$3.985M	Inclusive
NZDF Capital	\$0.867M	-	Not applicable
Defence Force Allowances (MSD)	\$4.299M	\$0.733M	Not applicable
Total Indicative Costs	\$21.464M	\$4.718M	

37. It should be noted that the funding sought is the marginal cost, with savings of \$0.945 million (GST inclusive) from redirected C-130 Hercules aircraft flying activities built into the overall estimate. Apart from these redirected flying activities, there are no other offset savings available for this deployment in current NZDF funding baselines. In the event of the deployment being reduced in length or savings made in the costs incurred, NZDF will return any surplus funds to the Crown.

38. There is no expected reimbursement from either the UN or Afghanistan Government for this deployment. Nor has specific allowance been made at this stage for the small project fund of NZ\$0.225 million (GST inclusive) recommended by the reconnaissance team. If agreement is made for such a fund, the funding would be met from savings within NZDF's operating expenses for this deployment.

Human Rights Implication

39. This submission has no inconsistencies with the Human Rights Act 1993.

Regulatory Impact Statement

40. There are no regulatory impacts arising from the recommendations in this submission.

Legislative Implications

41. There are no legislative implications arising from this submission.

Publicity

42. Defence and MFAT officials will prepare appropriate press lines if required.

Consultation

43. This submission reflects the views of the Ministry of Defence, the NZDF, MFAT and NZAID. Treasury has been consulted.

Recommendations

44. It is recommended that Cabinet:

1. **note** the findings of the joint New Zealand Defence Force (NZDF)/Ministry of Foreign Affairs and Trade reconnaissance visit to Afghanistan.
2. **note** the capability of the NZDF to deploy up to 100 personnel to Afghanistan to lead an established Provincial Reconstruction Team (PRT) for a period of 12 months from late September 2003.
3. **approve** the deployment of up to 100 NZDF personnel to lead the Bamian PRT in Afghanistan for 12 months, from late September 2003, with a possible extension of a further 12 months. This includes the deployment of up to New Zealand Special Air Services personnel to Afghanistan for eight weeks to provide enhanced force protection and knowledge of local conditions during the initial set-up phase of the New Zealand PRT. 6(a)
4. **note** that, should Cabinet approve this deployment, NZDF officials will conclude formal handover and support arrangements with US Central Command.
5. **agree** that a Status of Forces-type instrument would be sought with the Afghan Transitional Authority to provide optimal legal immunity and cover for the deployment.
6. **invite** the Minister of Defence to report to ERD in early 2004 on the findings of the review of the New Zealand PRT to be undertaken in December 2003, prior to consideration of the extension of the PRT for a further 12 months.
7. **agree** that the PRT Commander can spend up to NZ\$0.225 million (GST inclusive) on small projects consistent with NZAID policy for such disbursement.
8. **note** that funding for NZAID projects associated with this deployment has not been specifically identified, and may be met from savings or by seeking additional appropriation.
9. **agree** to increased funding for the deployment of the PRT in Afghanistan.

All figures are \$m, GST inclusive, where applicable					
	2003/04	2004/05	2005/06	2006/07	2007/08 and out years
Operating Balance Impact	20.556	4.635	-	-	-
Debt impact	0.867	-	-	-	-
No impact	0.041	0.083	0.083	0.083	0.083
Total	21.464	4.718	0.083	0.083	0.083

10. **approve** the following changes to appropriation to allow the deployment of the PRT to Afghanistan for a twelve-month period commencing in August 2003.

Vote Defence Force	\$m – increase / (decrease)					GST
	2003/04	2004/05	2005/06	2006/07	2007/08 and out years	
Departmental Output Class: Fixed Wing Transport Forces (funded by revenue Crown)	(0.945)	-	-	-	-	Incl.
Operationally Deployed Forces (funded by revenue Crown)	17.243	3.965	0.083	0.083	0.083	Incl
Capital Contributions to the Department: Capital Investment	0.867	-	-	-	-	N/A
Vote Social Development Non-Departmental Output Class: Benefits and Other Unrequited Expenses: Defence Force Allowances	4.299	0.733	-	-	-	N/A
Total Operating	20.597	4.718	0.083	0.083	0.083	
Total Capital	0.867	-	-	-	-	

11. **agree** the increases in appropriations in 2003/04 above be included in the 2003/04 Supplementary Estimates and that, in the interim, these expenses be met from Imprest Supply.

Hon Phil Goff
Minister of Foreign Affairs and Trade

Hon Mark Burton
Minister of Defence