## HON JUDITH COLLINS KC, MINISTER OF DEFENCE

# Proposed New Zealand Defence Force Contribution to Military Action Against Houthi Targets

#### March 2024

This publication provides documents on Cabinet's January 2024 decision to deploy a targeting team of up to six New Zealand Defence Force personnel to the United States-led coalition conducting military action against the Yemen-based Houthi militia, until 31 July 2024.

It comprises the Cabinet minute of decision Proposed New Zealand Defence Force Contribution to Military Action Against Houthi Targets [CAB-24-MIN-0007] and the associated Cabinet paper [CAB-24-SUB-0007].

Certain information is withheld in accordance with the provisions of the Official Information Act 1982, where the making available of the information would be likely to prejudice:

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

In addition, certain information has been withheld in order to:

- maintain the constitutional conventions for the timing being which protect the confidentiality of advice tendered by Ministers of the Crown and officials [section 9(2)(f)(iv)]
- maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any department or organisation in the course of their duty [section 9(2)(g)(i)]
- maintain legal professional privilege [section 9(2)(h)]

Where information is withheld pursuant to section 9(2) of the Act, it is not considered that the public interest in this information outweighs the need to protect it.

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

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## Minute of Decision

Cabinet

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

### Proposed New Zealand Defence Force Contribution to Military Action Against Houthi Targets

Portfolios Foreign Affairs / Defence

On 23 January 2024, following reference from the Cabinet Business Committee, Cabinet:

- 1 **noted** the deterioration of the security situation in the Red Sea due to Houthi attacks on international commercial shipping, and the significance of the Red Sea for New Zealand's trade;
- 2 **noted** that the United States (US) has formed a coalition, conducted initial precision strikes on Houthi targets and requested a contribution from the New Zealand Defence Force;
- 3 4
- 5 **agreed** to deploy a targeting team of up to six New Zealand Defence Force personnel to the United States-led coalition until no later than 31 July 2024;
- 6 **noted** that the total estimated cost is \$0.543 million in Financial Year 2023/24 and \$0.112 million in Financial Year 2024/25;
- 7 **noted** that the cost in Financial Year 2023/24 can be absorbed within Vote Defence Force baseline;
- 8 **noted** that the cost in Financial Year 2024/25 can be funded within the current unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA;
- 9 **agreed** to the three proposed strategic objectives for a proposed deployment;

#### CAB-24-MIN-0007 Revised

#### 10 **noted** that:

10.2

- s6(a) 10.1 the threat to personnel deployed to operational headquarters s9(2)(h)
- 10.3 the proposed contribution will not impact the NZDF's ability to respond to a security contingency in the Pacific region;
- s9(2)(f)(iv) 10.4
- noted that, with respect to any potential impacts on New Zealand trade, the Minister for 11 Trade will direct officials to work with exporting stakeholders on a mitigation strategy.

Rachel Hayward reviou. Secretary of the Cabinet Secretary's note: This minute was revised to add previously omitted paragraphs 9 and 10. Office of the Minister of Foreign Affairs Office of the Minister of Defence

Chair, Cabinet Business Committee

# PROPOSED NEW ZEALAND DEFENCE FORCE CONTRIBUTION TO MILITARY ACTION AGAINST HOUTHI TARGETS

#### Proposal

1. To seek Cabinet approval to respond positively to a United States request to join its international coalition conducting military action against the Yemen-based Houthi militia, by approving the deployment of a small New Zealand Defence Force (NZDF) personnel contribution to the coalition.

#### **Relation to Government Priorities**

2. The proposed contribution is in line with the Minister of Foreign Affairs' speech to the *United States Business Summit*, which noted priorities for New Zealand to be deliberate and attentive to New Zealand's contribution to international and regional security challenges, working alongside the US and our many other partners. It also supports New Zealand's interests in strengthening supply chains and building resilience.

3. The proposed contribution is also in line with *Defence Policy and Strategy Statement 2023* (DPSS) objectives, by demonstrating New Zealand's commitment to contributing globally to collective security efforts that protect New Zealand's interests, as well as the priority of working together with likeminded partners, as outlined in the *National Security Strategy 2023-2028* (NSS).

#### **Executive Summary**

4. Following a deterioration of the security situation in the Red Sea due to Houthi attacks on international commercial shipping and US naval vessels, the US has formed a coalition of six nations and conducted precision strikes on Houthi targets.

5. We recommend that Cabinet approve the deployment of a small NZDF personnel contribution to this US-led coalition operation for limited military action against the Yemen-based Houthi militia. Cabinet is asked to consider two options for this contribution:

- 5.1. Option 1: Deploy an NZDF targeting team of up to six personnel to provide US Central Command a contribution of notable operational value until no later than 31 July 2024 (*Recommended*)
- 5.2. Option 2: Deploy two NZDF personnel in planning and targeting roles as a minimal base contribution until no later than 31 July 2024.

6. Ministers have already agreed to provide political support to US-led strikes on Houthi military targets, which commenced 12 January, through joint partner and New Zealand Ministerial statements. A contribution of NZDF personnel would: further demonstrate New Zealand's commitment to the international rules-based system and collective responses to international security challenges; defend New Zealand's interests in the freedom of navigation and international trade, and the economic wellbeing of New Zealanders and New Zealand business;

#### s6(a), s9(2)(g)(i)

; and support efforts to

uphold the security of maritime transport routes in the Middle East.

7. This approach recognises that New Zealand has militarily contributed to international efforts to improve maritime security in the Middle East since the mid-1990s and currently deploys  $S^{6(a)}$  NZDF personnel to several regional coalitions and commands. The Suez Canal is an important shipping route for our goods trade with Europe and North Africa, and a significant proportion of our trade transits through this region.

#### s6(a), s9(2)(g)(i)

Having taken these matters into account, we recommend a small personnel contribution, s6(b)(i)

9. Neither of the proposed options would impact the NZDF's ability to respond to a security contingency in the Pacific region.

10. Officials will advise key partners of Cabinet's decision. Should Cabinet agree to the proposed deployment, the NZDF will commence deployment within seven days and have all personnel deployed by 01 February 2024. A press release would also be prepared for Ministers' consideration.

#### Context

Recent deterioration of Maritime Security in the Red Sea

11. The Houthi s6(a) Shia political and military group that emerged in North Yemen during the 1990s and are one of several regional actors with longstanding animosity towards Israel. Since the onset of the Israel-Hamas armed conflict in October 2023, the Houthi have sought to demonstrate their support for Hamas and in November 2023 announced their intention to "target all ships owned or operated by Israeli companies or carrying the Israeli flag." In December, the Houthi widened their targeting to all ships bound for Israeli ports, regardless of nationality.

12. Since then, the Houthi have perpetrated over 27 high-profile attacks and hijackings against commercial ships using Anti-Ship Cruise Missiles (ASCM), armed Uncrewed Aerial Vehicles (UAV), boats and helicopters. The Houthi have also attacked US warships and US Navy helicopters which resulted in self-defence actions being taken by the US assets.

13. An increasing number of shipping companies have chosen to avoid the Red Sea and divert around southern Africa. This detour adds approximately 10-12 days (and considerable cost) to most voyages to and from the European and North African regions. This is expected to have significant flow on effects, particularly for New Zealand's agricultural exports and businesses importing from these regions.

14. Without international intervention, Houthi attacks on commercial shipping will continue and potentially escalate, adversely impacting New Zealand's interests through trade disruption, increased costs, and the safety of mariners.

The International Response so far...

15. In November 2023, the US established Operation PROSPERITY GUARDIAN (OPG) under an existing multinational Middle East maritime coalition (Combined Maritime Forces (CMF<sup>1</sup>)) to protect commercial shipping in the Red Sea through

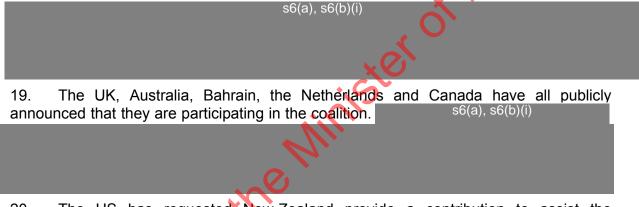
<sup>&</sup>lt;sup>1</sup> CMF is the world's largest multinational naval partnership, consisting of 39 nations. New Zealand has contributed to CMF since the mid-1990s.

defensive actions. In December 2023, the US requested that CMF partners, including New Zealand, contribute to OPG with ships, aircraft and/or personnel. Approximately 12 partners have provided a contribution to OPG to date and more nations are expected to join.

16. The UN Security Council issued a press statement condemning Houthi attacks on Red Sea shipping on 1 December 2024. This was followed by a joint statement by 44 countries, including New Zealand on 19 December. On 3 January 2024, New Zealand joined a statement with the US, Australia, Bahrain, Belgium, Canada, Denmark, Germany, Italy, Japan, the Netherlands, Singapore and the UK condemning Houthi actions in the Red Sea and issuing a final warning.

17. Following these statements, on 10 January 2024, the United Nations Security Council adopted, by a vote of 11-0 (with 4 abstentions<sup>2</sup>), Resolution 2722 condemning the Houthi attacks. The resolution affirms that the exercise of navigational rights and freedoms must be respected, and takes note of the right of Member States, in accordance with international law, to defend their vessels from attacks including those that undermine navigational rights and freedoms.

United States establishes a further Coalition and requests partner support



20. The US has requested New Zealand provide a contribution to assist the operation.

21. On 12 January, the coalition conducted its first round of precision strikes on selected Houthi military targets to degrade their ability to attack shipping in the Red Sea. This was in response to a large Houthi drone and missile attack in the Red Sea on 10 January. Ministers agreed to join a further statement in support of US-led military action, which was released on 12 January shortly following the strikes. The US has advised that additional precision strikes on Houthi targets are being planned.

#### New Zealand's Interests in Red Sea Maritime Security

22. Houthi actions jeopardise the free flow of trade back and forth through the Red Sea and Suez Canal. This challenge is being further exacerbated by disruptions occurring in the Panama Canal, which is reducing vessel traffic by up to 36% due to drought. As a trading nation with high reliance on stable and predictable shipping lanes, restricting Houthi actions in the Red Sea would align with New Zealand's interests in international commerce and maritime security.

23. Although no specific data is currently available on New Zealand's trade through the Suez Canal it is an important shipping route for our goods trade with Europe and North Africa. MFAT estimates that 11 percent of our total goods exports (\$7.7bn) and 20

<sup>&</sup>lt;sup>2</sup> China, Russia, Algeria, and Mozambique.

percent of our imports (\$15.7bn) are with the European and North African regions. In particular, the European region is a sizable market for New Zealand's agriculture exports, (especially lamb, wine, butter, and fruit). For instance, 16% and 28% of New Zealand's meat and wine exports respectively went to Europe in the year to September 2023. In addition, Algeria imported \$1.1bn of milk powder from New Zealand over the same period.

24. Officials estimate that the current situation in the Red Sea is likely to negatively affect imports and exports with the aforementioned markets. Some exporters, particularly those in the primary sector, have already reported lost orders due to the delay added by shipping around southern Africa. Transport and insurance costs have increased with anticipated implications for the competitiveness of New Zealand exports and the prices consumers will pay for imported goods. This will likely add to the cost of living burden already felt by New Zealanders.

25. New Zealand has a clear interest in the international rules-based order, which is threatened by the Houthi's illegal hijacking and targeting of commercial ships and civilian crews. The Houthi have shown no sign of respect for international law, and the law enforcement actions available under existing conventions would likely be insufficient to respond to the military threat posed by Houthi forces.

26. The NZDF has contributed to Middle East maritime security since the mid-1990s. We currently deploy <sup>s6(a)</sup> NZDF personnel <sup>s6(a)</sup> CMF <sup>s6(a)</sup> in Bahrain <sup>s9(2)</sup>(f)(iv)

#### **Proposed Strategic Objectives**

27. On the basis of New Zealand's interest in supporting maritime security in the Red Sea, there is a case for the deployment of NZDF personnel to support the US-led coalition. Officials have proposed the following three strategic objectives for this potential deployment:



28. Officials assess that the proposed contribution in this paper would achieve these objectives.

#### Proposed New Zealand Defence Force Contribution

29. There are two options proposed for an NZDF contribution to the US-led coalition, both of which could start deploying within seven days of Cabinet's approval:

Option 1: Deploy an NZDF targeting team of up to six personnel (Recommended)

29.1. Deploying a targeting team of up to six NZDF personnel is the recommended option as it would allow the NZDF to provide a contribution of notable operational value to US Central Command. It would also include a Legal

Advisor to ensure that New Zealand's Rules of Engagement (ROE) caveats were not transgressed during kinetic operations planning.<sup>3</sup>

Option 2: Deploy a minimum contribution of up to two NZDF personnel in planning and targeting roles

29.2. The deployment of two personnel to undertake planning and targeting specialist roles is considered a minimal base contribution, which will meet the US request and demonstrate New Zealand's support for this coalition. Whilst this option will demonstrate support, its operational value is not as significant as Option 1 and hence is not the recommended option.

30. An NZDF contribution to the coalition, irrespective of size, would almost certainly see NZDF personnel tasked to engage in planning and targeting for strike operations. This would place personnel in the targeting process for coalition kinetic military action to degrade or destroy Houthi military capability and fighters.

Proposed Commitment	Personnel/Capability	Location	Duration	Cost
Small NZDF	<b>Option 1:</b> Up to six NZDF personnel to form a targeting team, including a Legal Advisor.	s6(a)	Until July	Up to \$0.655M
personnel contribution	<b>Option 2:</b> Two NZDF personnel in planning and targeting specialist roles		2024	Up to \$0.164M

#### Benefits of the proposed contribution

Benefit	Analysis	
Contribution to strategic challenges	major strategic challenges which bear directly on New Zealand's prosperity	
Partnerships	s6(a), s9(2)(g)(i)	
Operational	Both contributions would allow the NZDF an opportunity to connect with its	

<sup>&</sup>lt;sup>3</sup> Kinetic actions include the use of lethal military capabilities designed to achieve one or more of a range of desired military effects on a target. By contrast, non-kinetic capabilities are those using non-lethal capabilities.

effectiveness, experience	partners in an operational headquarters conducting targeting, providing rare and valuable experience that would support NZDF interoperability with our			
and retention	traditional security partners. s9(2)(g)(i)			
	s9(2)(g)(i)			

Risks of a New Zealand Defence Force contribution

Risk	Analysis
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32. Alternatively, New Zealand could continue to make other contributions, such as maintaining political-level support for future joint statements supporting the coalition and contributing militarily to OPG under New Zealand's Middle East Maritime Security mandate. Officials assess that taking these steps would demonstrate New Zealand's commitment to maritime security in the Middle East s6(a), s6(b)(i), s9(2)(g)(i)

#### Possible alternative NZDF contributions beyond this request

33. The Chief of Defence Force (CDF) has deployed a Liaison Officer into OPG to scope potential NZDF contributions. Should the scoping result in a request for more staff officers, CDF has delegated authority from Cabinet under the existing Middle East Maritime Security mandate to deploy additional NZDF personnel into OPG, and will keep the Minister of Defence informed should this occur. s6(a), s9(2)(f)(iv), s9(2)(g)(i)

#### **Next Steps**

34. Officials will advise key partners of Cabinet's decision. Should Cabinet agree to the proposed deployment, the NZDF would begin to deploy within a week of Cabinet's decision and a press release would be prepared for Ministers' consideration. Officials would prepare additional advice on this deployment for Ministers prior to the expiry of the mandate.

#### **Threat Assessment**

35. The threat to NZDF personnel deployed to operational headquarters s6(a)

#### **Financial Implications**

#### Option 1: Deploy an NZDF targeting team of up to six personnel

36. The proposal to contribute a targeting team of up to six personnel for six months period from mid-January 2024 to 31 July 2024 is estimated to cost \$0.543 million in FY2023/24 and \$0.112 million in FY2024/25.

37. The cost in FY2023/24 of \$0.543 million will be absorbed within Vote Defence Force baseline. The cost in FY2024/25 of \$0.112 million can be funded within the current unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA, and no additional funding is required.

38. The following table provides financial estimates for the activities Cabinet has been asked to consider for Option 1.

	\$ million	
<b>Vote Defence Force</b> : Operations Contributing to New Zealand's Security, Stability and Interests MCA	2023/24	2024/25
Minister of Defence		
Deploy up to six personnel for six months from mid- January 2024 to 31 July 2024	0.543	0.112
Total	0.543	0.112

Option 2: Deploy a minimum contribution of up to two NZDF personnel

39. The proposal to contribute two personnel for six months period to 31 July 2024 is estimated to cost \$0.136 million in FY2023/24 and \$0.028 million in FY2024/25.

40. The cost in FY2023/24 of \$0.136 million will be absorbed within Vote Defence Force baseline. The cost in FY2024/25 of \$0.028 million can be funded within the current unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA, and no additional funding is required.

41. The following table provides financial estimates for the activities Cabinet has been asked to consider for Option 2.

	\$ million	
Vote Defence Force: Operations Contributing to New	2023/24	2024/25
Zealand's Security, Stability and Interests MCA		
Minister of Defence		
Deploy two personnel for six months from mid-January	0.136	0.028
2024 to 31 July 2024		
Total	0.136	0.028

42. This deployment is not declared to be 'qualifying operational service' under the Act. There is no impact on the veterans' support entitlement obligation for either option.

#### Legal Considerations

s6(a), s9(2)(h)





#### Consultation

54. This paper was jointly prepared by the Ministry of Defence, the NZDF and the Ministry of Foreign Affairs and Trade. The Department of the Prime Minister and Cabinet, the New Zealand Security Intelligence Service, the Government Communications Security Bureau, and the Treasury were consulted.

s9(2)(h), s6(a)

#### Recommendations

- 55. The Ministers of Defence and Foreign Affairs recommended that the Committee:
  - 1. **Note** the deterioration of the security situation in the Red Sea due to Houthi attacks on international commercial shipping, and the significance of the Red Sea for New Zealand's trade.
  - 2. **Note** the United States has formed a coalition, conducted initial precision strikes on Houthi targets and requested a contribution from the New Zealand Defence Force.



5. **Agree** to contribute to the US-led coalition through either one of the following options:

**Option 1:** Deploy an NZDF targeting team of up to six personnel (**Recommended**)

- 5.1. **Agree** to deploy a targeting team of up to six New Zealand Defence Force personnel to the United States-led coalition until no later than 31 July 2024.
  - 5.1.1. **Note** the total estimated cost is \$0.543 million in Financial Year 2023/24 and \$0.112 million in Financial Year 2024/25.
  - 5.1.2. **Note** the cost in Financial Year 2023/24 can be absorbed with Vote Defence Force baseline.
  - 5.1.3. **Note** the cost in Financial Year 2024/25 can be funded within the current unallocated baseline for Vote Defence Force: Operations Contributing to New Zealand's Security, Stability and Interests MCA.

Or

**Option 2:** Deploy a minimum contribution of up to two NZDF personnel

5.2. **Agree** to deploy two New Zealand Defence Force personnel to the United States-led coalition until no later than 31 July 2024.

- 5.2.1. **Note** the total estimated cost for Option 2 is \$0.136 million in Financial Year 2023/24 and \$0.028 million in Financial Year 2024/25.
- 5.2.2. **Note** the cost in Financial Year 2023/24 can be absorbed with Vote Defence Force baseline.
- 5.2.3. **Note** the cost in Financial Year 2024/25 can be funded within the current unallocated baseline for Vote Defence Force: Operations

Contributing to New Zealand's Security, Stability and Interests MCA.

- 5.3. Agree to the three proposed strategic objectives for a proposed deployment.
- 5.4. Note the threat to personnel deployed to operational headquarters S
- s9(2)(h) 5.5. 5.6. Note the proposed contribution would not impact the NZDF's ability to respond to a security contingency in the Pacific region. s9(2)(f)(iv) 5.7. 6. Note that, with respect to any potential impacts on New Zealand trade, the Minister for Trade will direct officials to work with exporting stakeholders on a mitigation strategy. Authorised for lodgement Hon Judith Collins **Rt Hon Winston Peters MINISTER OF FOREIGN AFFAIRS** MINISTER OF DEFENCE