

2011

s9(2)(a)

From: RIYADH
Sent: Wednesday, 16 November 2011 3:27 a.m.
To: MEA
Cc:

Subject: FORMAL MESSAGE: QATAR ACCREDITATION VISIT 30 OCTOBER - 3 NOVEMBER
PART III: BILATERAL RELATIONSHIP & INVESTMENT OPPORTUNITIES

[SEEMAIL] [RESTRICTED]

s9(2)(a)

CAVEAT:		OUR FILE:	QAT/NZ/2/3
HANDLING INSTRUCTIONS:	Singapore: MED: NZTE: MAF: London:	YOUR FILE:	

Summary

Accreditation visit to Doha indicates potential of bilateral relationship not only in food security,

Out of scope

We receive a blunt message that the perception of NZ as a reliable investment partner with an investor-friendly regulatory environment has been tarnished by our live animal export restrictions and the damage done to the Saudi investor concerned.

s6(a)

Out of scope

Action

Out of scope

Report

Pages 2 to 5 are withheld under s 6(a), s9(2)(ba) and out of scope

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BROWN RIGG
AGRICULTURE

www.brownrigg.co.nz

2 November 2011

Hon. Murray McCully MP
Minister of Foreign Affairs
E: m.mccully@ministers.govt.nz

Dear Minister McCully

I write to you on behalf of Hmood Alali Alkhalaf and George Assaf of Awassi New Zealand Ltd.

Firstly, Hmood and George extend congratulations on New Zealand winning the Rugby World Cup.

Thank you for meeting George Assaf and myself in Auckland on 18 October 2011 to discuss trade between New Zealand and the Middle East and, in particular, the resumption of a specialized live export sheep trade with the Kingdom of Saudi Arabia.

As outlined at the meeting, Hmood Alali Alkhalaf has been working patiently with the New Zealand Government for the last seven years towards resumption of the sheep trade. He is now deeply concerned that, despite repeated Government assurances that progress towards resumption of the trade was continuing, this has now stalled. He feels that if this is the case then he would have no option but to seek commercial redress, as indeed has been suggested by your Government as a last resort option for him.

In the course of our discussions with Government Ministers and Government officials we have agreed to significant amendments to live export trade protocols to ensure that the trade reaches the very high animal welfare standards that New Zealand requires eg:

- No live export of cattle to the Middle East for slaughter.
- No live export of young, ie under 8-months of age, New Zealand breed lambs.
- Live export trade to be limited to the Awassi breed and older New Zealand breed sheep.
- Use of only the more modern, spacious, animal and environmentally friendly, live export carriers.

We understand from you that the New Zealand Government is formulating a package of initiatives around trade with the Middle East that addresses the Gulf regions interest in food security and New Zealand agricultural IP, along with the more traditional exports.

Thank you for your undertaking to look seriously at resolving the live export trade impasse as part of a wider Gulf trade solution.

MacMASTER, Hamish (MEA)

From: ARMSTRONG, Wade (PATP)
Sent: Thursday, 13 October 2011 2:21 p.m.
To: MacMASTER, Hamish (MEA)
Subject: FW: Saudi Arabia: Live Sheep: feedback from John's mtg with MFA

[SEEMAIL] [RESTRICTED]

Hamish

I understand Clare cd not find you earlier. I just wanted to let you know that

we have prepared some draft talking points that his office could put to him before he sees Laversha next week (as Paula reports). That may be subject to confirmation since email says he is seeing Assaf and Brownrigg.

In either event the question is basically the same, whether it is put to Laversha or to Al Khalaf's agents, namely - would your principal, Al Khalaf, be interested in a proposal to take his Awassi flock to a third country? - as part of a wider move between NZ and Saudi Arabia to finalise a bilateral Ag Coopn Arrangement which could have far-reaching mutual benefits (?) in ag science and innovation. I am not here next week, nor is Richard. So Clare will have the joy with you of liaising on this and Crawford is across the issue.

From: (Inet) s9(2)(a) - Private Secretary to Hon Tim Groser
Sent: Thursday, 13 October 2011 10:53 a.m.
To: MacMASTER, Hamish (MEA)
Cc: ARMSTRONG, Wade (PATP); KELLY, Clare (TND); ARMSTRONG, Wade (PATP); WALKER, David (DS AMAG); FALCONER, Crawford (DS TEG); (Inet) s9(2)(a) - Private Secretary to Hon Tim Groser
Subject: RE: Saudi Arabia: Live Sheep: feedback from John's mtg with MFA

Thanks s9(2)(a) that accords with the conversation I had with MFA immediately prior to your meeting, which triggered me to get John A to raise it directly. Re the meeting with the investor- George Assaf through David Brownrigg of Brownrigg Agriculture, Hastings- the meeting is not yet scheduled but MFA is looking to have it next Tuesday if scheduling permits.

I mentioned that the information gap might be what was impeding officials' ability to provide useful inputs- i.e. if MFA thought the paper was not as helpful as he had been hoping it would be, could we get the officials in to see him so they could get to grips with where he was at in his thinking- which after this morning, I think is several steps ahead. He wasn't keen on a meeting but we might be able to get one after he has met with Assaf.

I also suggested that perhaps an official could be present in his meeting with Assaf and Brownrigg next week- s9(2)(a) I will ask for a read-out- which might be direct to John or, ideally, via a meeting with relevant officials.

Re the sub- I took the paper down to Groser's office yesterday with suggestion that it be for concurrence not only information- happy to sort that out at this end with s9(2)(a) but future papers = joint.

Anyway- will feed in info as it comes to hand- and if others could do the same that would be useful.

Thanks,

s9(2)(a)

From:
Sent: Thursday, 13 October 2011 10:11 am

s9(2)(a)

14/10/2011

To: MacMASTER, Hamish (MEA)

Cc: ARMSTRONG, Wade (PATP); KELLY, Clare (TND); ARMSTRONG, Wade (PATP); WALKER, David (DS AMAC); FALCONER, Crawford (DS TEG); 1 s9(2)(a) PSec Groser; s9(2)(a) PSec McCully

Subject: Saudi Arabia: Live Sheep: feedback from John's mtg with MFA

[SEEMAIL] [RESTRICTED]

[RESTRICTED]

Hi Hamish,

The Minister had seen your sub this morning, and he had a discussion with John about it this morning.

Apparently Graeme Leversha rang John Allen last week (I didn't know that until this morning): GL said he was aware John Allen was no longer intending to meet the investor, GL's view was that the investors were perturbed by that. John clarified: Mai Chen had approached John suggesting the mtg; John said he would reflect; he had consulted Ministers and it was agreed the issue needed to be addressed at the political level in the first instance. John thought Mai Chen had conveyed that to the investor, but perhaps given GL's reaction she had not.

Mr McCully intends to meet Graeme Leversha next week (I don't know where or when - but s9(2)(a) do you think it might be possible to find out? it would obviously be helpful to have someone in the room or get feedback somehow). The Minister said it would be important to distinguish between the political architecture of any solution (ie his food security agreement concept) and any commercial deals that were developed under it. He did not find MFAT's paper helpful in that respect. He thought the idea still needed to be pursued, as a result of which the investor would either say to his Minister "there's a (commercial) way through this on the table for me, so please look positively at any (political) proposal that comes your way": or he would say "this does not take us forward". We would not find out until the ideas were tested, and we had to make the investor want this as a solution.

Next steps, then (in the Minister's mind) is us continuing to work up the food security idea, and him talking to Graeme Leversha. It is not clear to me whether he intends to involve Mr Groser in that conversation, nor how we'll get feedback (John is unlikely to see the Minister again until after the RWC final).

One last thing- in retrospect, I think also the paper should probably have gone to both Ministers directly, rather than MoT being 2nd on the list.

s9(2)(a)

From: MacMASTER, Hamish (MEA)

Sent: Friday, 7 October 2011 4:42 p.m.

To: WALKER, David (DS AMAC); FALCONER, Crawford (DS TEG)

Cc: ARMSTRONG, Wade (PATP); KELLY, Clare (TND); ARMSTRONG, Wade (PATP); CRAWLEY, Anthe (MEA); s9(2)(a) ALLEN, John (CEO)

Subject: Saudi Arabia: Live Sheep submission

[RESTRICTED]

Hi David / Crawford,

The attached draft submission has been prepared in response to the Minister's desire to engage with the Saudis on food security, including the proposal (Leversha) to export sheep to a third country for breeding purposes. It follows consultation between MEA and TND and we are in agreement on the text. Given the sensitivity of the issue and the necessity of securing MFA / MoT agreement in the first instance, we have deliberately limited referral to just those two Ministers. Unless we hear to the contrary, MEA plans to forward the submission Monday afternoon.

Regards

14/10/2011

Hamish

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MINISTRY OF
FOREIGN AFFAIRS & TRADE
MANATŪ AORERE

WLN-62638971

7/10/11

12 October 2011

SAUNZ/1

Minister of Foreign Affairs

For action by 21 October 2011

SAUDI ARABIA: FOOD SECURITY: A POSSIBLE APPROACH

Submission: Issues

Purpose: To consider options for possible ways forward on the live sheep issue with Saudi Arabia, including the proposal for a food security agreement.

Comments:

Recommended Referrals

Minister of Trade

For information by 21 October 2011

Contacts

Hamish MacMaster Director, Middle East and Africa
Division
Principal Trade Policy Adviser

(wk)

(wk)

59(z)(a)

Minister's Office Comments

Signed / Referred

Date: __/__/__

Saudi Arabia: Food Security: A Possible Approach

Key Points

Recommendations

It is recommended that you:

- 1 Note that the proposal for a food security agreement with Saudi Arabia is unlikely to address the range of Saudi concerns affecting bilateral relations, arising principally from the live sheep issue, but nonetheless warrants cautious exploration. Yes / No

- 2 Yes / No

- 3 Yes / No

- 4 Agree that the main elements of any such alternative, for initial consultation and Saudi stakeholder response, would include (a) a long-term partnership on food issues, comprising joint policy, RST and investment cooperation aimed at supporting Saudi food security objectives; (b) raising Saudi awareness in MAF's recently-developed halal export Notice as evidence of New Zealand's commitment to providing a reliable supply of halal product; Yes / No

- 5 Note however that the suggestion of facilitating live sheep shipments of breeding stock to Saudi Arabia or to third countries is likely to raise a number of practical, including zoosanitary difficulties and may draw adverse comment. Yes / No

- 6 Agree that as a first step, the Riyadh Embassy approach the concerned investor in Saudi Arabia to obtain his initial response, after which you would decide on next steps. This might include a subsequent approach to the Saudi Ministry of Agriculture (ideally at Ministerial level). Yes / No

Saudi Arabia: Food Security: A Possible Approach

- 7 Note that if this approach bears fruit, NZ should commence planning for a visit by a suitably senior Government Minister to Saudi Arabia early in 2012 to convey personally a concrete food security partnership proposal, to set down a pathway for proposed food security and agricultural cooperation, and to discuss how this might be sequenced with progress towards conclusion (signature and ratification) of the FTA.

Yes / No

Hamish MacMaster
for Secretary of Foreign Affairs and Trade

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Saudi Arabia: Food Security: A Possible Approach

Summary

This submission examines the proposal for a food security agreement with Saudi Arabia as a potential means addressing the issue of live sheep exports currently impacting on bilateral relations and hence more widely with GCC members.

2 A particular element of this proposal is the recent suggestion from a New Zealand investor that the domestic Awassi flock be moved offshore as a possible step towards a resolution of the issue. While an offer to conclude a cooperative arrangement on food security including this specific element may assist in fostering some political goodwill, s 9(2)(j)

[s 6(a)

3 This submission outlines these issues and considerations which may impact on the situation in the period ahead, for example the as yet unpublished Australian Farmer report into livestock exports. This is expected to recommend revised requirements for sheep exports to Saudi Arabia comparable to those which New Zealand had proposed prior to the cessation of negotiations on shipment conditions with Saudi Arabia.

Report

4 The Saudis have made it clear that a failure to resolve the bilateral live sheep issue to their satisfaction will s 9(2)(j)

but will impact negatively on the overall bilateral relationship. Contagion from this issue could also negatively affect our relationship with other Gulf States. To prevent this damage s 9(2)(j) the onus is on New Zealand to address this issue. You have requested that in an effort to move matters forward, officials give thought to some form of food security partnership with the Kingdom as an alternative to resumption of sheep exports.

s 6(a)

More broadly, Saudi Arabia – in common with all other Gulf States – has deep concerns over securing its food supply longer term and is especially sensitive to export prohibitions imposed by other countries.

Saudi Arabia: Food Security: A Possible Approach

A recent conversation with a senior GCC official indicated that the GCC has identified food security as one of nine key challenges which the GCC must address. Any solution to the current problem will have to address these various concerns and perceptions.

s6(a)

s6(a)

8 It is clear that the concerned investor – Hmood Al-Khalaf – has substantive and diversified business interests in New Zealand, Australia and other locations.

s6(a)

He needs to become a part of any solution. To date, there has been no direct discussion between officials and Al-Khalaf on whether there is in fact any alternative that may alleviate his commercial concerns

s6(a)

A resumption of the trade?

s6(a)

s6(a)

Saudi Arabia: Food Security: A Possible Approach

56(a)

11 Saudi Arabia, while keen to see New Zealand return to the trade, has taken steps to diversify its importation of live-sheep exports. Australia has continued to export, but its share has diminished due to price. Saudi importers are now sourcing sheep from a wide range of places, meet an ever-growing demand.

59(2)(g)(i)

Something less than a resumption of full trade?

56(a)

14 An alternative such as a Food Security Initiative (outlined below) is most likely to receive a hearing if it is put forward as an option on which we are genuinely consulting, as part of a broader exploration of all the possibilities, including resumption of the trade. [

56(a)

]

Saudi Arabia: Food Security: A Possible Approach

Possible content of a Food Security Initiative

15 What might a Food Security Initiative look like and how should the idea be taken forward?

16 MAF and other sectoral expertise would be needed in shaping a Food Security Initiative and costing its implementation, but in broad terms we suggest it might have four main elements: (a) the brokering of agricultural investment partnerships (New Zealand expertise, Saudi finance) in and outside of Saudi Arabia in areas of core interest to them, including livestock breeding. This could include a solid commitment of New Zealand public sector IP and technology transfer; (b) agricultural policy cooperation with a well resourced mechanism to ensure it actually happens; (c) agricultural/biotech RST cooperation and joint research; and, possibly, (d) facilitation of export of livestock for breeding and assistance to the Saudi investors with setting up an enhanced breeding programme.

17 Regarding the New Zealand private sector interest in (d), it may be that the export for breeding of the Awassi stock in New Zealand to a third country location (where we understand Al-Khalaf has operations) could be a part of the broader food security/agricultural cooperation solution. However to do so might require an exemption from current export restrictions, depending on the intermediate country. There would be no guarantees that a third country location could be found offering the same animal health status as New Zealand

sb(a)

Further, it is by no means certain that this would allay domestic concerns around the welfare of exported stock, as New Zealand would lose its means to control the conditions under which such stock were transported and eventually slaughtered.

out of scope

[sb(a)

19 A successful Food Security Initiative could have benefits for the New Zealand agricultural and science sectors and the broader New Zealand economy. Indeed, conversations have begun with the GCC around a joint New Zealand-GCC programme in this area (which could be supplemented by specific bilateral programmes). We might well be able to indicate this initiative

Saudi Arabia: Food Security: A Possible Approach

could in time yield more sheep (and other agricultural benefits) than simply resuming the trade. It could, for example, extend to dairy cooperation and breeding. However, it would have to be demonstrably realistic, i.e. able to yield plausible outcomes and have a strong commitment of technical and financial support from the New Zealand Government. How this could fit in with MAF resources and priorities has yet to be examined.

Process

20 The history of negotiation on the export of sheep for slaughter is one of less than optimal management by different parts of the New Zealand Government and Saudi concerns have been exacerbated by perceptions of prevarication and mixed messages. This has damaged credibility and left us facing a significant trust deficit with the world's leading Islamic nation. It is clear that moving forward the Government must speak with one voice and act decisively and quickly. Any proposals or messages need to be presented by senior Ministers to demonstrate to Saudi Arabia the political commitment of the New Zealand Government to the process.

21 We suggest, therefore, the need for a graduated and well thought-through approach to putting up an alternative for consideration. As a first step, it may be fruitful to 'test the water' with the concerned Saudi investor, although to do so would doubtless require quite a specific description of what was intended. Al Khalaf's response would shape the next steps. This might include a subsequent approach to the Saudi Ministry of Agriculture (ideally at Ministerial level) to sound out their views – so long as we are confident we have sufficient whole of Government to resource and carry it forward. This might be followed, all going well, by a scoping visit by the Special Agricultural Trade Envoy to develop an in-depth understanding. We suggest this sequence because any visit will require Saudi MAF cooperation.

22 If this process leads to an in-principle agreement to a Food Security Initiative, it may be appropriate for a senior Minister to then travel to Saudi Arabia to put a formal detailed proposal on the table. Balghunaim can be convinced to lead a delegation to JMC talks due in New Zealand next year, it could assist such a process.

S9(2)(j)

S9(2)(j)



MINISTRY OF
FOREIGN AFFAIRS & TRADE
MANATŪ AORERE

3 March 2011

SAU/NZ/1

Minister of Foreign Affairs

For action by 7 March 2011

VISIT TO SAUDI ARABIA - LIVE SHEEP TRADE

Submission: Issues

Purpose: To provide you with a suggested line on the live sheep issue which is the purpose of your proposed visit to Saudi Arabia 19-20 March. Full briefing will be provided on this issue and the bilateral relationship.

Comments: No media comment is required.

Recommended Referrals

Prime Minister

For concurrence by 7 March 2011

Deputy Prime Minister

For concurrence by 7 March 2011

Minister of Trade

For concurrence by 7 March 2011

Minister of Agriculture

For concurrence by 7 March 2011

Contacts

Hamish MacMaster Director, Middle East and
Africa Division

s9(2)(a) (wk) s9(2)(c) (hm) >

~~Principal Trade Policy~~ Principal Trade Policy
Adviser

s9(2)(c) (wk)

Minister's Office Comments

Signed / Referred

Date: __/__/__

Visit to Saudi Arabia - Live Sheep Trade

Key Points

You are scheduled to visit Saudi Arabia 19-20 March to explain the New Zealand position on live sheep exports.

~~s6(a) + s9(2)(j)~~
this issue has the potential to impact negatively on our bilateral relationship with Saudi Arabia, New Zealand's largest market in the Middle East. The key issues are:

- Saudi Arabia is seeking a resumption of the live sheep for slaughter trade to serve the Haj pilgrimage. New Zealand shipments were discontinued in 2003 following publicity over the large number of deaths on a consignment from Australia.

- ~~s6(a) + s9(2)(ba)~~
~~s6(a), s9(2)(j), s9(2)(ba)~~
The live sheep trade is an extremely sensitive domestic issue in New Zealand, mainly for animal welfare reasons. It is one of the leading subjects of letters to Agriculture Minister Carter. In 2003 MAF opened negotiation on an arrangement covering the trade in live sheep as the basis of resuming the trade, but progress has been stalled in part due to the introduction of new requirements which have led to a Saudi sense of having been misled.

- ~~s9(2)(g)(i)~~
~~s9(2)(h), s6(a), s9(2)(g)(i)~~
The live sheep issue continues to be regularly raised with the New Zealand Embassy in Riyadh by the Saudi Government. ~~s6(a) + s9(2)(j)~~ not to respond soon runs the risk of giving personal insult to senior Saudi figures as well as impact negatively on other areas of the bilateral relationship, ~~s6(a)~~

- Accordingly, a visit to Saudi Arabia by you would demonstrate to the Saudis a commitment on the part of the New Zealand government to (1) address their concerns on this issue at the highest political level. (2) explain the political realities in New Zealand with respect to the live export situation (3)

~~s6(a)~~

s6(a)

• s6(a), s9(2)(g)(i)

- The Saudi investors in New Zealand are well connected in Saudi Arabia and have over the years assisted in developing bilateral relations.

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

Recommendations

It is recommended that you:

- 1 **Note** the urgent need to engage at the highest political level with Saudi Arabia on the issue of live sheep exports. Yes / No

- 2 **Agree** to visit Saudi Arabia to convey the government's decision not to resume the trade. Yes / No

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

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

- 3 Yes / No

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

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

- 4 **Note** the following suggested talking points for the proposed discussion in Riyadh. Yes / No

Hamish MacMaster
Director, Middle East and Africa Division

Annex A

Draft Talking Points

As a major agricultural trader we have a strong interest in meeting the import needs of countries around the world.

We also enjoy a strong positive relationship with the Gulf countries. In particular our relations with Saudi Arabia extend over a range of fields and we have shown that we can work together successfully across different areas. We regard the bilateral relationship with Saudi Arabia as one of our most important in the Middle East region. New Zealand has been working steadily towards developing our engagement with the Kingdom and the other states of the Gulf Cooperation Council (GCC) for some time. The growth in Saudi students in New Zealand combined with the opening of the Saudi Arabian Consulate-General in Auckland in early 2010 are recent significant steps forward in our relationship.

However there is one aspect of our relations that is proving challenging to address and very frustrating for my Government. That is the issue of the export of live sheep for slaughter – we need to talk in depth about this.

We are fully aware of the history of this trade and very sensitive to the long involvement in the trade of investors whom we know are good friends of New Zealand, who have dealt over the years with many New Zealand Ministers. We are concerned for them.

After the issue arose ^{s6(a), s9(2)(j)} my Government revisited the history of our dealings – both on the trade and specifically, the draft Arrangement.

We have since discussed the issue among Ministers. What I will say to you reflects those high level discussions.

I anticipate that what I have to say will not be to your liking. Our government has reached the conclusion that, while we fully appreciate the importance of the trade, the political atmosphere in New Zealand is such that **no New Zealand government could consider readily the restoration of the trade**. You will be aware from the long discussion of the Arrangement – 2004-2009 that there have been underlying political concerns – I am now being frank in explaining this to you.

s6(a), s9(2)(j)(i)

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

I emphasise that the decision is simply a reflection of the attitudes and political realities in New Zealand.

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

We wish to be open with you. I am open to fuller dialogue if you wish to seek more information.

I will now be talking to your investors on behalf of the New Zealand Government. We have an obligation to be equally open with them so I will tell them what I have told you. s6(a), s9(2)(g)(i)

discussion on the options they might prefer. They are welcome and respected members of the New Zealand farming community. They have many friends in New Zealand. We would hope that their Awassi stock will continue to be part of our processed meat industry. We recognise the time and cost of their investment

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

¹ There was only one NZ shipment of sheep for slaughter per annum for the years 2000 – 2003, although the export trade reached a peak in 1990 with 1.5 million sheep exported.

Questions and Answers

Q. What exactly do people object to?

b6(a)
b7(c)(1)(G)

Remainder of document
(page 3-4) withheld under
sections b6(a), b7(c)(1)(G).

From:

s9(2)(a)

Sent:

Thursday, 1 September 2011 3:08 p.m.

To:

s9(2)(a)

Cc:

Subject: FW: GCC FTA - Moving Forward

Attachments: 2622841-v1-Draft_letter_-_JA_to_Leversha_re_LS48.doc

[IN CONFIDENCE]

Hi

Attached is MEA/TND's considered response for John to Mr Leversha's email below.

Happy to discuss,

From: Laurium House

Sent: Monday, 22 August 2011 1:18 p.m.

To: ALLEN, John (CEO)

Subject: GCC FTA - Moving Forward

Commercial and in Confidence

Dear John Allen

We have been working hard behind the scenes to find a solution

The following offers a workable and commercial solution to the live sheep export problem enabling the Saudi's and NZ to complete the FTA

The solution involves:

1. Exporting live sheep for breeding purpose to satellite farms based in Malaysia and Sudan.
2. That flock is used as breeding stock and its offspring is exported to the GCC as live exports.
3. NZ export the initial base flock, then on an annual basis, export to top up breeding stock on satellite farms
4. Agricultural Estates Limited would manage the whole process (Ag Estates is a sister company of Laurium Asset Management)
5. Breeding technology, tracking, artificial insemination, nutrition can be managed by NZ experts through Agricultural Estates.
6. Agricultural Estates will enter into JV agreement with Awassi Land Holdings Corp. (The Saudi company who purchased farms in NZ for live sheep exports).
7. Directors of Agricultural Estates have a close working relationship with the project manager of the Awassi Land Holdings sheep programme.
8. Base stock will come from contract farmers in the Hawkes Bay and Canterbury as well as Awassi Land Holdings farms.
9. Agricultural Estates will work with overseas partners to develop the Malaysian and Sudanese farms.
 1. The programme in Malaysia will use the contacts Agricultural Estates has developed with the dairy project they are currently undertaking.
 2. The Sudanese programme will be with partners from Saudi, Qatar and Sudan. These

partners come through an Associate of Laurium Asset Management. They have big tracts of land that they are keen to develop into productive agricultural plots as a food security solution for both Africa and the Middle East.

3. There could be opportunities for satellite farms elsewhere. The Saudi's may be able to suggest some farm partners?
10. Funding options for the project can be addressed by Awassi, Ag Estates, Sudan partners, the Saudi's, Qatar, or the Fund.

I am comfortable that this offers a real solution to the GCC FTA impasse and indeed offers a good opportunity for all parties to develop their businesses based on NZ's agricultural expertise. The Saudi's get their live sheep, Awassi gets its business up and running, Agricultural Estates gets to grow its global agricultural consultancy business, Malaysia and Sudan get an increase in agricultural output (for both domestic and export purposes), NZ increases its reputation for agricultural expertise (without the live sheep exports for slaughter), Laurium Asset Management gets a seed investors(s) for its fund (refer to email below), Wellington gets credit for negotiating a FTA with the GCC, and we all get greater levels of trade and investment, with its associated benefits.

What we would like to understand is the level of interest from Wellington in embarking down this path. Bob Wilton and myself from Laurium Asset Management are willing to meet up with you and other parties to progress this matter. Further, Will Wilson a Director of Agricultural Estates could be part of the conversation as he will lead the sheep programme and could provide some in-depth technical direction.

This is a simple and elegant solution to the FTA impasse but it requires a great deal of work yet to finalise some of the detail. Laurium Asset Management and Agricultural Estates are ready to work with you on these details.

Regards

Graeme Leversha
Laurium Asset Management

PO Box 29 345
Newmarket, Auckland
New Zealand
www.Lauriumasset.com

"A regional leader in the alternative asset class by delivering risk-controlled solutions and best-practice performance, service and support to institutional clients".

From: Laurium House [mailto:laurium@clear.net.nz]

Sent: day, 12 August 2011 2:37 p.m.

To: 'ALLEN, John (CEO)'

Cc:

Subject: GCC FTA - Moving Forward

59(2)(a)

Dear John Allen

Thank-you for your time discussing the impasse we are at with the GCC FTA. The following outlines some of the key issues and some suggested courses of action:

1. The GCC FTA is currently being negotiated. There are some problems with Saudi parties around the approval of live sheep exports.
2. Laurium Asset Management (LAM) wishes to play an active part in a solution. We can contribute by providing a commercial slant to the solution.
 - a. Our proposal has two main objectives:
 - i. Complete and sign the GCC / NZ Free Trade Agreement as per substantially negotiated.
 - ii. Demonstrate a desire to enter into long-term trade and investment relationships on the basis of mutual need and benefit.

Complete and sign the GCC / NZ Free Trade Agreement as per substantially negotiated.

1. In order to complete the FTA we need to come to a solution to the live sheep export issue. There are two paths.
 - a. Agree to live sheep exports.
 - i. LAM can work with partners in Saudi and undertake a JV abattoir to give MAF comfort that animal welfare is of the highest order. We could also undertake a more broader JV to ensure the whole supply chain is at a level that is acceptable to MAF.
 - ii. The Saudis view on this is that their abattoirs all meet international standards so do not need our input.
 - iii. Whilst we would rather not do this we may need to compromise in order to come to an agreement.
 - b. Take live sheep exports off the table
 - i. This may be done by removing Awassi Land Holdings from the equation. LAM could buy out the Awassi Land Holdings Limited whom hold NZ farms in Hawkes Bay and Canterbury. These farms were bought specifically for/ and with approval, to undertake live exports. LAM would see this as a cost of securing the cornerstone investors and securing the FTA.
 - ii. Further, we can offer Awassi the option to export animals from these farms to Malaysia (for breeding purposes) and then work with them to develop a sheep rearing and exporting business from Malaysia. Malaysia - as it is a Muslim country and is a base for Agricultural Estates (sister company to Laurium Asset Management). This demonstrates a willingness to help Saudi with the live sheep trade (although in a different country)
 - iii. The Saudis view on this would be the FTA should be completely free and therefore live sheep exports should be part of it. Have we given them sufficient grounds to make a compromise?
2. There are some other issues around the relationship with Saudi and NZ which will require some attending too.
 - a. We have spoken about these and whilst we agree that they are small issues individually, in total they have contributed to a souring in the relationship between Saudi and NZ.
 - b. There will be some work required by Wgtn to smooth things over. This may involve a high level visit to Saudi providing a strong signal that we are very willing to enter into the

agreement.

- c. There is some comfort that we will need to provide their representative in Auckland.
 - d. LAM is willing to play a part in improving this relationship in any way it can.
3. I understand that we are in a situation that does not necessarily have a simple solution. All parties I have talked to, on both sides, concur there are strong benefits to concluding a FTA. We just need to find a solution to the issues listed here. It is our view that the solution includes a commercial component.

Demonstrate a desire to enter into long-term trade and investment relationships on the basis of mutual need and benefit.

4. Laurium Asset Management has recognised some cornerstone investors from Saudi who are interested in a long-term investment in our food and agricultural sector as a food security solution. They are not keen to progress until we get resolution to the FTA impasse.
- a. LAM – Agricultural Strategies Fund represents an agricultural exposure developed within an institutional framework building on New Zealand's natural agricultural capabilities and offering a food security solution by developing long-term trade relationships based on mutual need and benefit. The result will be the formation of a consolidated New Zealand premium food group.
 - i. This fund represents a clear signal that we are interested in entering into long term trade and investment relationships.
 - b. Trading Company. A JV GCC / New Zealand Trading Company will be established. This is an integrated supply chain manager focusing on sourcing, marketing and delivery of goods and services from the GCC to New Zealand and vice versa.
 - i. The Trading Company's objective will be to help the development of trade between the two regions and it will offer sourcing and distribution opportunities to commercial enterprises in both regions.

Moving Forward.

My view is that we get a number of parties around the table and negotiate a solution with some of the commercial inputs from above. The first step would be to undertake this with the NZ parties only and then take it to Saudi. Taking no action at this stage would see a continued deterioration in our relationship with the whole ME.

These are my suggestions to help move things along. There may be many derivatives of the above that could eventuate. Laurium Asset Management offers to play a part in the talks and provide a commercial basis so we can get this FTA over the line. If we can agree we will develop NZ trade and investment with a whole new region who have food security issues that NZ can provide a solution too.

Regards

Graeme Leversha
Laurium Asset Management

PO Box 99 345, Newmarket, Auckland

2 August 2011

LGL/BTE/TA/GCC/LEG

DS TEG

EXPORT OF LIVE SHEEP

This page is withheld under
s 9(2)(h), s 6(a), s 9(2)(j).

Pages 2 to 19 are withheld
for the same reasons.

Your Reference:

Our Reference: SAU/NZ/2/3

FROM: Riyadh

C11000066- 02/05/2011 11:40
RIY a.m. RIY

TO: Wellington

Priority

CC:

MFAT: MEA, TND, UNHC, LGL, PATP,
CEO, EUR, DS AMAG, DS TEG,
DS MLG

AGENCIES: SEEMail:

Manual:

P/S MFA, P/S Trade, PMC [FRA]

ATTACHMENTS: 0040841.01.doc

Special Delivery Instructions: PLEASE NOTE THE LIMITED DISTRIBUTION OF THIS MESSAGE. REQUESTS FOR SENDING TO OTHER POSTS/DIVISIONS ARE TO BE DISCUSSED DIRECTLY WITH MFA OFFICE.

SAUDI ARABIA; VISIT OF MINISTER MCCULLY: 22-23 APRILSummary

Timely visit by Foreign Minister to Saudi Arabia emphasises the value that both countries derive from the relationship, especially around education

directly with the new GCC Secretary-General is a major plus, particularly as we seek to engage more closely with the GCC (and the OIC) around the Security Council campaign. and Minister makes a pitch for a closer strategic dialogue. *The visit also confirms worst fears that the live-sheep issue is a major risk factor in the relationship with Saudi Arabia [59(2) (j) conclusion,

MessageAction

For information. MFA has seen this report.

Report

2 Foreign Minister McCully visited Saudi Arabia from 22-23 April 2011. This was only the second visit of a New Zealand Foreign Minister to the Kingdom within the past decade and the Minister was well received by his Saudi hosts. Minister McCully met with his

col' arpart, Prince Saud Al-Faisal, HRH Prince Salman, the Governor of Riyadh, the Minister of Agriculture, Dr Balghunaim and the new Secretary-General of the Gulf Cooperation Council (GCC). Coming on the heels of the successful visit of Minister Brownlee, Minister McCully was able to strongly reinforce the commitment of the New Zealand government to the bilateral relationship. The programme was compact but targeted at the core areas of current focus for New Zealand and organisationally the Saudis came to the party (not always the case for visits to the Kingdom).

3 Bilaterally the messaging from the Saudis was clear. New Zealand is a valued partner and friend; *out of scope*
there are significant opportunities to expand relations; the live sheep issue is a problem that is preventing the both sides from fully capitalising on these opportunities and there needs to be a more frequent level of ministerial engagement to add impetus to the relationship. The Minister was also able to traverse a range of regional matters of interest to New Zealand. *out of scope*

4 The visit reconfirmed that the live sheep issue is a significant risk factor for New Zealand that threatens to degrade other aspects of the bilateral relationship. Offence has clearly been caused. *59(2)(g)* *56(a)*

out of scope

out of scope

Minister of Agriculture HE Dr Fahd bin Abdulrahman bin Sulaiman Balghunaim

7 MFA's meeting with Minister Balghunaim (attended by the Saudi Ambassador to Australia who had returned specifically for the visit), three hours after arrival in Riyadh, started well, with a broad-ranging discussion on the food security and water management challenges facing Saudi Arabia.

8 The discussion inevitably turned to live-sheep exports, the major outstanding irritant in the bilateral relationship.

9 Minister McCully began the discussion by traversing his own understanding of the issue and how it had impacted on the bilateral relationship with Saudi Arabia and on our FTA aspirations with the GCC.

MFA suggested that both sides moved forward in an atmosphere of openness and trust. A greater level of dialogue was required. New Zealand did not yet have a proposal for Saudi Arabia on the issue, as the matter was still with senior Ministers and was likely to remain that way for the remainder of 2011. But this visit should be seen as a commitment from the current government to seek a pathway forward and rebuild trust and confidence. The outcome may not be as Saudi Arabia is seeking, but the broader relationship must be maintained.

s6(a)

11 Minister Balghunaim commented that the Saudi investor who had been consistently encouraged by the New Zealand government over a period of years, had lost a substantial amount of money over this

s6(a)

s6(a)

out of scope

The remainder of this document is withheld under 56 (a) and out of scope.

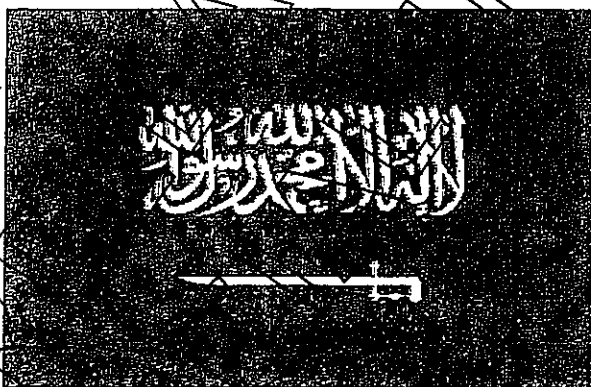
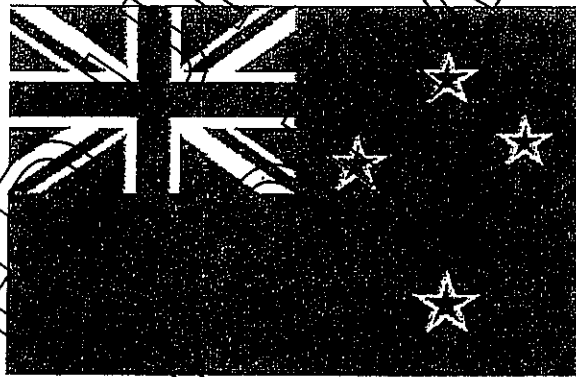
Visit by the Honourable
Murray McCully

to

Abu Dhabi, United Arab Emirates
19 April 2011

and

Riyadh, Kingdom of Saudi Arabia
23-24 April 2011



MINISTRY OF
FOREIGN AFFAIRS & TRADE
MANATŪ AORERE

Saudi Arabia

Overview

Your visit to Saudi Arabia from 22-24 April is only the second by a New Zealand Foreign Minister in the past decade and the 7th Ministerial visit during the same period. Minister Brownlee was in Riyadh for two days in late February, but his visit was curtailed by the earthquake in Christchurch. Your timely visit will further reinforce in Saudi eyes the commitment of the New Zealand government to the bilateral relationship. This is important to further our ambitions here and develop a broader constituency of support for New Zealand outside of the New Zealand-Gulf Cooperation Council FTA. Saudi Arabia places great store on frequent, personal, high-level contact: something that New Zealand has not always achieved in Saudi Arabia in the past.

2 The primary aim of the visit is to address the live sheep issue which is an obstacle to the bilateral relationship

§9(2)(i)

3 Your programme includes calls on key Government Ministers, including Foreign Affairs and Agriculture, to support the core objectives of the visit.

out of scope

out of scope

out of scope

Pages 27 and 28 are out of scope

Key Objectives

The principal purpose in visiting Saudi Arabia is to engage with senior Saudi Ministers on outstanding matters related to the live sheep trade. Outside of this focus, there are additional targeted high level calls and engagements to address the broader bilateral objectives of your visit. These objectives are:

To explore possible solutions to break the impasse on live sheep;

out of scope

Pages 30 to 60 are out of scope

The Export Trade In Live Sheep For Slaughter

Overview

1. Demand for live sheep imports by Saudi Arabia and the Middle East is generally high and primarily stems from religious and cultural preferences for freshly slaughtered meat. Despite investment in intensive breeding units, domestic production in the Middle East is limited and unable to satisfy demand. Demand for live sheep is principally met through imports from Australia, North Africa and Iran.
2. The principal method of selling live sheep in the Middle East is in the traditional market place, where animals are sold and slaughtered in full view of the client (not in a commercial slaughterhouse) without pre-slaughter stunning. However Saudi Arabia has commercial abattoirs (one at least built by a New Zealand company) and there is a regulation (Circular Note 10484) that states: "...to restrict the slaughtering only to the municipal slaughterhouses, to intensify the control on the slaughtering and to abide by implementing this order with no exception."

New Zealand Exports

3. New Zealand's live sheep trade commenced during the 1980s, reaching its peak in the 1990s when over one million sheep were exported annually to the Middle East for slaughter. During the 1990s, lamb prices were extremely low and the live export trade offered a significant alternative market for New Zealand exporters. By 2000, the trade had dwindled to an average of one shipment per year of approximately 40,000 animals per consignment. New Zealand stopped livestock exports to Saudi Arabia following the 2003 *MV Cormo Express* incident when a consignment of sheep from Australia was rejected by Saudi Arabian officials over alleged disease concerns. The New Zealand government of the time specified that exports would not resume until an arrangement that could provide confidence in animal welfare issues was in place. Since 2004 we have been negotiating towards an arrangement with Saudi Arabia which focuses on animal welfare provisions that would apply if the export of live sheep for slaughter were to recommence.

Customs Exports Prohibition Order

4. In 2006, Cabinet directed MAF to review the policy on the export of livestock for slaughter. This review was undertaken to give the Government greater ability to manage the risks to New Zealand's

reputation as a responsible exporter of agricultural products resulting from the export of livestock for slaughter¹ and to alleviate the potential for a consumer backlash against New Zealand products. Following the review, the Customs Export Prohibition (Livestock for Slaughter) Order 2007 (CEPO) was put in place to prohibit the export of livestock for slaughter from New Zealand. It was reviewed in December 2010 and extended for a further three years (2013). The CEPO applies to all exports of live cattle, sheep, deer and goats for slaughter regardless of the country of destination and the size of the shipment. The prohibition is not absolute² and individual consignments may be approved by the Director-General of MAF. There have been no applications for the export of livestock for slaughter to any country since the CEPO was put in place.

5. The Director-General of MAF outlined the matters that may be taken into account in considering any application for the approval of any consignment. These include the importing country having requirements in place that meet the World Animal Health Organisation (OIE) guidelines for the slaughter and transport of animals, pre-shipment audit of facilities, and any other matter that may be considered relevant, such as arrangements for the transport and unloading of stock (thus reducing the risks in this area). In negotiating with Saudi Arabia, New Zealand has added conditions beyond the guidelines of the World Organisation for Animal Health (OIE).

Risks of trade in live sheep for slaughter

6. out of scope

Value of agricultural trade

7. The Middle East is a major market for the New Zealand meat industry. The GCC is our fourth largest regional market by value for sheepmeat

¹ A key driver for the review was the growing discomfort over the handling and slaughter methods of some other countries, which differ significantly from those practiced in New Zealand (for example, large scale slaughter without prior stunning).

after the European Union, United States and Asia. New Zealand sheepmeat exports to the GCC in 2008-09 totalled NZ\$141 million. In 2010 New Zealand's total exports to Saudi Arabia were worth NZ\$615.5 million. Frozen and chilled sheepmeat exports accounted for NZ\$110.2 million or 18% of all our exports to Saudi Arabia. (Beef was an extra \$10.1million)

8. Overall, New Zealand's agricultural exports in 2010 were valued at NZ\$23.9 billion (or 54.9% of New Zealand's global exports). Meat exports were NZ\$5.1 billion of which sheepmeat was NZ\$2.7 billion. (The total export of live animals, except horses, in 2006 prior to the CEPO was valued at NZ\$49 million, mostly the export of animals for breeding, not slaughter. While this would be larger if the sheep trade to Saudi Arabia were to resume, it is likely to remain negligible.)

9

out of scope

10.

out of scope

Negotiations with Saudi Arabia

11. New Zealand began negotiating with Saudi Arabia in 2004 towards an arrangement focusing on animal welfare provisions that would apply if the export of live sheep for slaughter were to recommence. Negotiations were put on hold in 2006 pending New Zealand's review of livestock export policies, resuming in January 2008.

12. Negotiations highlighted some significant areas where New Zealand and Saudi Arabia were struggling to find agreement, including:
- a.

b.

c.

S6(a)

Trade Negotiations Division

March 2011

Pages 65 to 104 are out of scope

F

SAU/NZ/1/2

Talking points for Telephone Call to
Sheik Abdullah bin Zayed Al Nahyan,
Minister of Foreign Affairs, United Arab Emirates and
Chair of the Gulf Cooperation Council

Live Sheep Issue

S 6 (a)
89 (2) (j)

SAU, NZ, 1/2

Visit of Hon Gerry Brownlee to Saudi Arabia and Kuwait

20-27 February 2011

Export of Live Sheep to KSA for Slaughter

Key points

- Saudi Arabia is seeking a resumption of the live sheep for slaughter trade to serve the Haj pilgrimage. New Zealand shipments were discontinued in 2003 following publicity over the large number of deaths on a consignment from Australia. Australia, however, continues to export significant numbers (3.5 million p.a.) of live sheep to Saudi Arabia, which Riyadh in turn feels, provides a basis for New Zealand to lift its ban.
- 39(2)(j)
- The live sheep trade is an extremely sensitive domestic issue in New Zealand, mainly for animal welfare reasons. It is one of the leading subjects of letters to Agriculture Minister Carter. In 2003 MAF opened negotiation on an arrangement covering the trade in live sheep as the basis of resuming the trade, but progress has been stalled in part due to the introduction of new requirements which have led to a Saudi sense of having been misled.

New Zealand Talking points

- I am aware of the issue but it is not in my direct area of responsibility
- The government is studying the issue, which of course attracts a lot of political attention within the New Zealand context
- We will be taking full account not only of our positive relationship with Saudi Arabia but of a range of factors within the domestic political environment where the issue of live sheep exports for slaughter requires the most careful consideration.

Background

2. New Zealand's policy approach to the live sheep trade with Saudi Arabia has evolved since 1991, when animal health issues emerged. The trade reached a peak of 1.5 million animals in 1990. The initial focus was on ensuring live sheep exports would not be turned away by unreasonable Saudi veterinary requirements. In the early 2000s the idea of negotiating a bilateral Arrangement to govern the trade was raised and discussions began on a text. Trade dwindled to no more than one shipment per year (c.70,000 sheep) in 2000, 2001, 2002.

3. Two Saudi investors in New Zealand (George Assaf and Hmood Al-Khalaf) have spent significant sums developing farms to produce a specific breed of sheep (Awassi) for live export to the Middle East. They have repeatedly indicated they want a resumption of the trade. They have significant high-level access to the highest levels of the Saudi Government, and both investors are very-well informed of current Saudi positions on this issue.

36(a)
Trade Negotiations/Middle East and Africa Divisions, Ministry of Foreign Affairs and Trade
February 2011

C11000016-RIY

CONFIDENTIAL
NZ EYES ONLY

FILE COPY

Your Reference:

Our Reference: SAU/NZ/1/9/2

FROM: Riyadh

C11000016-13/02/2014 04:00
RIY p.m. RIY

TO: Wellington

CC:

Routine

Routine

S 9(2)(a)

MFAT: TND, AMER, AUS, CEO, DS AMAG,
DS APEG, DS TEG, ECO, EUR, LGL,
MEA, PATP, SEA

AGENCIES: SEEMail:

Manual:

S 9(2)(a)

ATTACHMENTS: 0039780.01.doc; Letter from Al Khalaf 5 February 2011.pdf

LIVE SHEEP: CONVERSATIONS WITH AL-KHALAF (SAUDI INVESTOR) AND GCC
SECRETARIAT

Summary

Saudi investor Al-Khalaf considers little in substance to have resulted from his recent visit to New Zealand, and sends a third letter, this time to the Ambassador, reiterating his concerns in familiar terms. Ministry of Agriculture official who was present for this chance conversation confirms that Minister Balghunaim continues to follow the issue closely

S 6(a)
*Whichever approach to the live sheep issue is considered best, we would encourage early ministerial engagement, ideally a visit, to address any potential misconception that NZ is not taking Saudi concerns seriously.

S 6(a)

Pages 2 to 5 are withheld under
S 6(a)

Report

NZ EYES ONLY
CONFIDENTIAL

14/02/2011

Page 1 of 5

Hamood Al-Khalaf Trading & Transportation Group

Date: 3 February 2011 [received in the Embassy by email and fax late on 5 February 2011]

H E the Ambassador of the New Zealand Government

We would like to advise you that Awassi Express Ship needs only a little more time to be ready for work. This ship is typical for the transport of livestock and is designed for long distance. One of the priorities of this ship is to transport what the Kingdom and the Gulf countries need from New Zealand in terms of livestock including the Awassi from our project since 1995.

We've already sent through the embassy a letter to the New Zealand Prime Minister asking him to allow us to export livestock to the Kingdom as before.

You know our losses that have resulted from stopping the export of livestock, especially the Awassi sheep that require careful treatment, the cost of which is higher than the cost of the local sheep, and which are of a type which bear the travel and hot weather.

During our last visit to New Zealand and our meeting with Honourable Minister of Trade who welcomed us in his residence for more than one hour, we did not get from the Minister a clear answer, although he assured us of his great sympathy, and the Foreign Minister's, for our legitimate case which has not been treated fairly by the New Zealand Government as he said. He does not believe at the present time that his Government would allow exporting livestock for slaughter.

It is difficult to understand how your wise Government withdrew its decision to ban the Honourable Jewish community in New Zealand from slaughtering without an electric shock, in response to purely religious needs, requirements and privacies, while it is not ready to allow us and the six Gulf States [i.e., we assume, allow export for slaughter without pre-stunning - Ed] for the same reasons.

We would like to renew our appeal to you and to your wise Government's Prime Minister to take a fair look at our legitimate case and to give us a clear and explicit answer to our previous letters because our company in New Zealand and in the Kingdom of Saudi Arabia is exposed to large losses as a result of the embargo imposed by your fair Government on the shipment of livestock for slaughter since 2003.

Thank you and we appreciate your interest for the benefit of both countries and peoples.

Hamood Al-Ali Al-Khalaf

للتجارة والنقل



As received by fax.
مجموعة حمود الخلف

س.ت. ٢٠٩١٠٠٢٧٩ - رقم الترخيص ٢١٣٦

Hamood Al-Khalaf Trading & Transportation Group

C.R. 2050002779 - C. C. No. 2136

التاريخ: ٢٠١١/١١/٢٣

سعادة المكرم سفير حكومة نيوزلندا المحترم

تحية طيبة وبعد،،

نفيد سعادتكم أن الباكسة حواسي إكسبريس باقى عليها القليل وتكون جاهزة للعمل وهذه الباكسة هي نموذجية لنقل المواشي الحية وصنعت للمصالحات اليهودية ومن أولويات هذه الباكسة هي نقل ما تحتاجه المملكة ودول الخليج من المواشي النيوزلندية وفيها الحواسي من مشروعنا القائم منذ عام ١٩٩٥م ونحن سبق أن تقدمنا عن طريق السفارة بخطاب لرئيس وزراء نيوزلندا لندأخذ الإسماع لنا بتصدير المواشي الحية إلى المملكة مثل السابق ولا يخفى عليكم ما لحق بنا من خسائر نتيجة إيقاف تصدير المواشي الحية وبالذات الخنم الحواسي التي تحتاج إلى عناية وكلفتها أعلى من كلفة الأغنام المحلية وهي من الفصائل التي تتحمل السفر والأجواء الحارة.

أنه أثناء زيارتنا الأخيرة لنيوزلندا واجتماعنا مع معالي وزير التجارة الذي بدوره استقبلنا في منزله على مدى أكثر من ساعة ولم نحصل منه على جواب واضح، رغم أنه أكد لنا تملطفه الكبير هو ومعالي وزير الخارجية مع قضيتنا المحقة التي لم تعامل بعد من قبل الحكومة النيوزلندية كما قال معاليه وهو لا يعتقد في الوقت الحاضر أن حكومته ستسمح بتصدير المواشي الحية للإسماع، إنه من الغريب فهم كيف أن حكومتكم الحكيمة تراجعت عن قرارها بمنع الجالية اليهودية الكريمة في نيوزلندا بالذبح دون الصق الكهربائي وذلك احتراماً لحاجات ومتطلبات وخصوصيات دينية بحتة وأنها ليست مستعدة بالسماح لدول الخليج الست للأسباب ذاتها.

إننا نجدد فدائنا لسعادتكم ونناشد رئيس وزراء حكومتكم الحكيمة أن ينظر إلى قضيتنا المحقة نظرة عادلة ويعطينا جواباً واضحاً وصريحاً على خطاباتنا السابقة لأن شركتنا في نيوزلندا وفي المملكة العربية السعودية تتعرض لخسائر كبيرة من جراء الحظر المفروض من قبل حكومتكم العادلة على شحن المواشي الحية للذبح منذ عام ٢٠٠٣م.

شاكرين ومقدرين إهتمامكم في مصلحة البلدين والشعبين والله ولي التوفيق.

حمود الطي الخلف

SAU/NE/1/2

(MEA)

From: (PATP)
 Sent: Thursday, 13 January 2011 9:32 a.m.
 To: (TND); (TND); (LGL/TLU)
 Cc: (MEA); (MEA)
 Subject: FW: Telcon George Assaf / planned meeting with Mr Groser Thursday 13 January @ 1500

[SEEMAIL] [RESTRICTED]

FYI

I spoke to S9(2)(a) in ChCh) early this morning. He had not seen this on his blackberry so I have re-sent it to him. He had spoken to last evening.

S6(a)

said that TG had approved the submission (and possibly had talked to McCully about it). He wondered whether the meeting with Assaf might have been set up at TG's initiative. We agreed that he would look at the email (assuming that it now comes to his blackberry) and he will consider whether he needs to call TG and/or fwd it to him.

2. We also agreed that we shld try for a 15 minute meeting with TG next tuesday - which may be difficult since it is cabinet day and he flies out that evening.

From: (RIY)
 Sent: Thursday, 13 January 2011 3:27 a.m.
 To: (PATP); (MEA) S9(2)(a)
 Cc: (MEA); (LGL/TLU); (TND)
 Subject: Telcon George Assaf / planned meeting with Mr Groser Thursday 13 January @ 1500

[SEEMAIL] [RESTRICTED]

Mr Assaf (mob S9(2)(a)) called me today from his home in the Hawkes Bay to advise that he and Mr Al-Khalaf, accompanied by David Brownrigg, are meeting with Mr Groser tomorrow at his home in Auckland at 3pm, and wanting to touch base before he did so. our brief telcon refers.

S9(2)(a)

Asked whether there were any updates on live sheep, I advised simply that Mr Khalaf's letter of 4 December, in translation, had been passed back soon after this date to the PM's office and that Mr Groser would almost certainly have seen a copy. In the context of certain points made by Mr Assaf below I suggested that Mr Groser's availability to meet indicated the level of seriousness he accorded to the issue. Otherwise I did not engage. This is the second substantive conversation I've had with Mr Assaf since starting the posting.

S6(a)

S6(a)

S6(a)

s 6(a)

I would add that I've had the issue raised, sometimes quite obliquely and in every case politely, in three quite disparate contexts in the past 3 weeks: an intro call
a dinner

and an intro call

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

s 6(a)

s 6(a)

From: s9(2)(a) (RIY)
 Sent: Thursday, 13 January 2011 3:36 a.m.
 To: s9(2)(a) (PATP); s9(2)(a) (MEA)
 Cc: s9(2)(a) (MEA); s9(2)(a) (LGL/TLU); s9(2)(a) (TND)
 Subject: RE: Telcon George Assaf / planned meeting with Mr Groser Thursday 13 January @ 1500

[SEEMAIL] [RESTRICTED]

Apologies, I should have added that Mr Assaf said that Mr Brownrigg "may bring some solutions to the meeting - we've done a lot of thinking about how to move forward", which took account of the related political sensitivities.

s6(a)

From: s9(2)(a) (RIY)
 Sent: Wednesday, 12 January 2011 5:27 p.m.
 To: s9(2)(a) (PATP); s9(2)(a) (MEA)
 Cc: s9(2)(a) (MEA); s9(2)(a) (LGL/TLU); s9(2)(a) (TND)
 Subject: Telcon George Assaf / planned meeting with Mr Groser Thursday 13 January @ 1500

9(2)(a)

[SEEMAIL] [RESTRICTED]

Remainder of document duplicated (2 pages)

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