

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HĪKINA WHAKATUTUKI



BRIEFING

Bespoke MIQ requirements for the Major Events Fund portfolio of events

Date:	11 December 2020	Priority:	High	
Security classification:	In Confidence	Tracking number:	2021-1704	

Action sought		D	
	Action sought	Deadline	
Hon Stuart Nash Minister for Economic and Regional Development	Note that bespoke Managed Isolation and Quarantine (MIQ) requirements for up to four events in the Major Events Fund (MEF) portfolio through to December 2021 will, if approved, significantly impact on MIQ resourcing and capacity.	15 December 2020	
	Agree that officials may clearly outline to event organisers now, the high likelihood of there being capacity challenges and additional costs for MIQ requirements and bespoke MIQ solutions, which may result in event organisers deciding to cancel or postpone immediately.		
	Agree that the Rugby World Cup 2021 is the first priority in the MEF portfolio to apply for MIQ facilitation and agree to communicate to officials which other events would be prioritised within the MEF portfolio.		
	Note that more detailed information regarding cost implications for each event can be provided, with funding options available for Ministers' consideration.	1.	
	Forward this briefing to the Minister for COVID-19 Response, the Minister for Sport and Recreation and the Minister for Arts, Culture and Heritage for their information.		
Hon Chris Hipkins Minister for COVID-19 Response Hon Grant Robertson	Note that bespoke Managed Isolation and Quarantine (MIQ) requirements for up to four events in the Major Events Fund (MEF) portfolio through to December 2021 will, if approved, impact on MIQ resourcing and capacity.	15 December 2020	
Minister for Sport and Recreation Hon Carmel Sepuloni Minister for Arts, Culture	Agree that officials may clearly outline to event organisers now, the high likelihood of there being capacity challenges and additional costs for MIQ requirements and bespoke MIQ solutions, which may result in event organisers deciding to cancel or postpone immediately.		
and Heritage	Agree that the Rugby World Cup 2021 is the first priority in the MEF portfolio to apply for MIQ facilitation and agree to communicate to officials which other events would be prioritised within the MEF portfolio.		
	Note that more detailed information regarding cost implications for each event can be provided, with funding options available for Ministers' consideration.		

Contact for telephone	e discussion (if required)		
Name	Position	Telephone	1st contact
Privacy of natural persons	Manager, Major Events, Labour, Science and Enterprise, MBIE	Privacy of natural persons	~
	Manager, Supply & Allocations, MIQ Policy Unit	Privacy of natural persons	
	Senior Advisor, Major Events Labour, Science and Enterprise, MBIE		

The following departments/age	encies have been consulte	ed
MBIE Managed Isolation and Qu Ministry of Health Sport New Zealand	arantine	
Minister's office to complete:	Approved	Declined
	Noted	Needs change

Noted

🗌 Seen

See Minister's Notes

Overtaken by Events

U Withdrawn



- **Note** that over the next 12 months, four events with Major Events Fund investments are anticipated to require MIQ for international participant arrivals and all of these have indicated that they will seek bespoke MIQ solutions to enable their athletes or performers to train or rehearse during isolation, such as training fields, gyms or pool facilities.
 - with wait times expected to stretch to three months by the end of December
- Note that the additional costs and resourcing demands of bespoke MIQ solutions may С ultimately be unachievable for the either the event or the Crown to meet, and this may force events to cancel or postpone.
- Agree that officials may clearly outline to organisers now the high likelihood that there may d not be sufficient capacity to accommodate their requirements,
- Note the additional costs for MIQ requirements, including bespoke MIQ solutions, may result е in event organisers deciding to cancel or postpone immediately.
 - **Note** that these capacity and cost restraints may mean that the events within the major events portfolio to be delivered before December 2021 need to be prioritised by Ministers.

Forward this briefing to the Minister for COVID-19 Response, the Minister for Sport and g Recreation and the Minister for Arts, Culture and Heritage for their information.

Agree / Disagree

f

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MINISTRY OF BUSINESS. INNOVATION & EMPLOYMENT

HĪKINA WHAKATUTUKI

Bespoke MIQ requirements for the Major Events Fund portfolio of events

Date:	11 December 2020	Priority:	High	
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To outline potential impacts for Managed Isolation and Quarantine (MIQ) with specific regard to the Government's Major Events Fund (MEF) portfolio over the next 12 months, and to seek your

Purpose

agreement that the Rugby World Cup 2021 is the priority MEF portfolio event to focus on. **Recommended actions**

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

- Noted
- **Note** New Zealanders and critical workers continue to face lengthy delays for MIQ spaces, b

Noted

Noted

Noted

Noted

Disagree

Aaree



- h **Agree** to advise officials, before Christmas 2020, that Rugby World Cup 2021 is the first priority MEF portfolio event for the attention of MIQ facilitation, regardless of what type of MIQ solution is requested.
- i **Agree** to advise officials, before Christmas 2020, which other MEF portfolio events (if any from the list of four in this paper), will be your priority following consultation with your Ministerial colleagues, so that officials can prepare more information on the MIQ impacts and present options for MIQ bespoke solutions for your consideration.



Agree Disagree

j **Note** this paper only covers events in the MEF portfolio and these are likely to be a small proportion of the total event-related MIQ requests that come to the Crown through other sources, which also seek prioritisation by the Border Exceptions Ministerial Group.

Noted

Susan Sawbridge Manager, Major Events Labour, Science and Enterprise, MBIE

11 / 12 / 2020

1. John

James Johnson Manager, Supply & Allocations, MIQ Labour, Science and Enterprise, MBIE

11 / 12 / 2020

Hon Stuart Nash Minister for Economic and Regional Development

..... / /

Hon Chris Hipkins Minister for COVID-19 Response

23 / 12 / 2020

I agree with the Minister for Sport that the Olympics / Paralympics should be the other priority in addition to the Women's Rugby World Cup

Hon Grant Robertson
Minister for Sport and Recreation

..... / / D

Background

The MEF portfolio

- 1. The Ministry of Business, Innovation and Employment (MBIE), through New Zealand Major Events, has responsibility for managing the Crown's investment and support of major international events which are either:
 - a. funded by the MEF; or
 - b. Cabinet approved i.e. the FIFA Women's World Cup 2023 and the 36th America's Cup.
- In many cases, events within the MEF portfolio are confirmed several years out from the event delivery date. New Zealand currently has 18 confirmed events in the MEF portfolio up to 2025, including the FIFA Women's World Cup. More detail on New Zealand Major Events, and how events are supported, is provided in the Major Events Briefing for Incoming Minister (BR 2021-1664 refers).
- 3. All major events in the MEF portfolio are considered "Government approved events" under the current definition for border exemptions, and these major events are the sole focus of this paper. This paper does not consider event requests from other channels, some of which are expected to be significant.¹
- 4. As the COVID-19 environment could have changed considerably by 2022, we have only focused on 2021 events in this paper.

Current pressures on the MIQ system

- Demand for places in our managed isolation facilities early next year exceeds supply, with travellers now unable to secure a managed isolation voucher (in most cases) until late February. On 1 December, the average wait time for a MIQ voucher was 2 months, 9 days. As of writing this had increased to 2 months, 15 days. By the end of December, it is anticipated travellers will need to wait three months before being able to secure a voucher.
 - Legal professional privilege
- 7. Demand for MIQ also continues to mount from critical workers that are eligible to enter under present border settings. MBIE has fielded a large number of emergency allocation requests and complaints from employers concerned about timeframes for entry into New Zealand and the negative impacts of such delays for delivering projects which are reliant on overseas workers. Recent high profile requests have come in from the Tiwai smelter, Glenbrook Power Station, and the Visy glass factory, which all require workers for essential maintenance. If critical workers cannot enter New Zealand in a timely manner under current settings, this undermines the case for a further broadening of border exception categories.

MIQ for large Major Event Fund portfolio groups

8. MBIE is responsible for facilitating MIQ provisions for people entering the country. The extent of the requirement for MIQ is unknown for the mid to long term future and will be influenced by the development of vaccines or new safe operating models for MIQ. For now

6.

¹ For example returning New Zealand Olympians, New Zealand Rugby Sevens, touring international sides.

and in the immediate future, all international arrivals must undergo 14 days' managed isolation at a government controlled facility.

- 9. MIQ will be a constraint on all groups including major events hosted in New Zealand. There are time and cost considerations for each international arrival going through MIQ, and the cumulative impact (and uncertainty of access) of large groups of participants may lead to, in the case of major events, the organisers deciding to cancel or postpone events.
- 10. Over the next 12 months to December 2021, four of the "Government approved events" will require large groups of international arrivals to go through managed isolation on entry to the country. All four events were secured and contracted prior to the COVID-19 pandemic These events are:
 - a. New Zealand Winter Games 2021
 - b. Rugby World Cup 2021 (Women's) (RWC21)
 - c. World Surf League Challenger Series 2021
 - d. Crankworx Festival and Enduro World Series 2021

The process for getting large major event groups into New Zealand

Border exceptions for Government approved events

- 11. Currently the border is closed and any proposal to bring people into New Zealand increases the risk of importing the virus to New Zealand. The Air and Maritime Border Order provides for exceptions or class exemptions to enable people to enter the country. The MEF portfolio of events is the foundation list of government approved events created to give effect to Cabinet's earlier decision (CAB-20-MIN-0268 refers) that time-critical workers for events of national or regional significance may be granted border exemptions.
- 12. While events may be on the government approved events list, they are still required to apply for the border exception. It is not automatically granted. Arrangements for MIQ come next.

Securing vouchers for MIQ space

13. The first step in MIQ is securing vouchers for standard MIQ facilities. These are frequently booked up well in advance, and no further out than accommodation facilities for MIQ are contracted.

The process to enable teams to train whilst in MIQ

Health exemptions for training during MIQ

- 14. Section 15A of the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 (the Order) permits the Minister for COVID-19 Response to grant exemptions, with conditions, from any provision of the Order. Any exemptions would be required to either be published (for a class exemption) or notified to the individual.
- 15. The Minister for COVID-19 Response could grant an exemption from provisions of the Order to allow for (sports or cultural) teams to undertake training in bubbles under strict parameters if pre-set conditions are met. In granting an exemption to train during isolation, the Minister for COVID-19 Response needs to be satisfied that the exemption upholds the purposes of the COVID-19 Public Health Response Act 2020.
- 16. A health exemption which allows people to train whilst in managed isolation is very difficult to obtain and anyone that receives such an exemption is in a privileged position. While the

substantive MIQ rules will apply generally, the experience of those with a health exemption while in the managed isolation facility (MIF) will differ from what is required by others in MIF – as follows:

- a. An enhanced testing regime, and
- b. The ability to train in designated 'bubbles' on-site at the MIF and off-site at a special managed isolation facility (SMIF), with strict parameters, when assessed by a health practitioner as being at low risk of having or transmitting COVID-19.
- 17. All other MIF rules, including mask use, physical distancing, accessing smoking, fresh air and other areas, and not entering other people's rooms, continue to apply.

The pressures on the health system

- 18. The health workforce is already under immense pressure to provide support for MIQ as well as continue with delivery of business as usual services to their communities. In addition, they need to support the increased testing requirements established through recent amendments to the Maritime and Air Border Orders.
- 19. The additional requirements posed by managing the health needs of these four major events, let alone other sport and cultural event group requests, will exacerbate this pressure. It is very likely it will not be physically possible to provide MIQ or SMIF access for all of them.

Why events are seeking bespoke MIQ solutions

- 20. World Cup or pinnacle level events may require participants to maintain their peak level of preparedness for the competition, not just for competitiveness but also for health and safety reasons. Consequently, participants may also request to increase bubble sizes during their isolation period to enable groups to train.
- 21. Examples of this are the bespoke MIQ solutions developed to enable rugby, netball and cricket athletes to train in bubbles whilst in managed isolation². These events were not supported by the Major Events Fund, but nevertheless have now created expectations that bespoke MIQ solutions are available. MEF investment partners are looking for bespoke solutions for their own events to enable them to proceed.

The impacts on MIQ

Bespoke MIQ requires sufficient planning time as it takes up considerable MIQ resource

- 22. MIQ and the Ministry of Health (MoH) need sufficient time to prepare for a bespoke MIQ. Bespoke solutions require additional facilities, and indications under the current settings are that it may not be physically possible to provide what is requested.
- 23. Any deviation from standard MIQ carries additional risk, especially if it requires training offsite and larger bubbles. This means that additional planning and resource is required to manage it safely. The learnings from providing sports teams with bespoke MIQ solutions for training have shown that it is much more resource intensive and higher risk than originally anticipated.
- 24. The demand on MIQ facilities by events in the Major Events Fund portfolio scheduled up to December 2021 requires further investigation and officials will need to undertake risk assessments on a case by case basis.

² Australian Wallabies (rugby), England Roses (netball) and Summer of Cricket (Pakistan and West indies teams)

The impacts on MEF events

MIQ will be a constraint on major events

The first pressure point is that demand may exceed capacity

25. **Annex One** shows that the numbers of international arrivals per event will be high. There is a limit to Crown's ability to provide MIQ solutions (standard or bespoke), so the number of spaces requested may exceed the operational capacity to deliver.

The second pressure point is the cost to deliver MIQ and bespoke solutions

26. Bespoke MIQ is expensive. Conservative numbers based on provisional arrival numbers and estimate rate show costs will be high (**see Table A**). Major Events will likely require additional financial support to proceed. There may be an expectation, if not a need, for Crown to contribute to or cover these costs for Major Events in the future.

Evolving MIQ and health sector costs

- 27. Following direction from Ministers at the time (BR 2021-0716 refers), officials indicated to the rugby, netball and cricket codes that they would be required to meet \$7,000 of the bespoke MIQ cost per person. That briefing noted that there may be demand from other sports codes and events for similar (and subsidised) bespoke MIQ proposals to be considered.
- 28. Actual costs of the bespoke MIQ provision for the Wallabies rugby team totalled Commercial Information (see Annex Two). Of this Commercial Information \$83,845.
- 29. Event participants have now been defined as critical workers under the MIQ Fees Regulations (BR 2021-1598 refers) and will be charged the relevant critical worker fee for standard MIQ currently \$3,100 + GST per person.
- 30. Bespoke MIQ comprises a base level critical worker MIQ fee plus conservative estimate fee to deliver the SMIF. Recent figures from MIQ suggest that bespoke MIQ costs, while differing dependent on need, are more likely to cost approximately \$10,000 + GST per person.

Funding solutions

The MEF is a logical funding source however funds are low and could not fund MIQ for all four events

31. There is currently \$4,854,642 remaining in the MEF through to June 2022. This is not sufficient to support the cost of MIQ for all four upcoming events (**see Table A**). It would also come with an opportunity cost for future events.

Table A: Estimate cost of MIQ (excluding GST) for the four MEF events to December 2021

Of the four MEF events Number of to December 2021		Standard MIQ critical worker rate \$3,100 pp ⁴	Bespoke MIQ rate \$10,000 pp	TOTAL	
Total (early estimate) forecast International arrivals (standard MIF)	2,326	\$7,210,600	-	\$7,210,600	

³ \$7,000 per person x 66 people + additional COVID-19 testing costs recovered of \$20,518.

⁴ This has been set at \$3,100+GST per person but is subject to change (BR 2021-1598 refers).

Split bespoke and standard MIQ						
Estimate number seeking training (SMIF)	1,634	-	\$16,340,000			
Estimate number not requiring training (standard MIF)	692	\$2,145,200	-	\$18,485,200		

If all four 2021 MEF events seek additional financial support from government to cover MIQ costs they will need to be prioritised

- 32. As noted the Major Events Fund could not fund MIQ for all four events therefore, a decision on which events will be supported, and which will not (noting this will likely lead to their cancellation) needs to be made.
- 33. Ideally, more time would be available to make these decisions given the fast changing nature of the COVID-19 environment, however there is a tight turnaround deadline for the Rugby World Cup 2021 rights holders, World Rugby, who require a final position from government by 12 February 2021.
- 34. Officials note that this paper considers prioritisation of Major Events in this paper, and that the applications by the events will still need to be assessed and prioritised against other class groups by the Border Exceptions Ministerial Group.

Rugby World Cup 2021 is recommended by New Zealand Major Events at MBIE as the priority for 2021

- 35. All of the events in the MEF portfolio for 2021 would generate benefits for New Zealand. However, if there is a need to prioritise, New Zealand Major Event's advice is that RWC21 be the point of focus for the following reasons:
 - a. Strong alignment to the Major Events Statement of Investment Priority;
 - b. Strong alignment to sporting and social priorities;
 - c. The first of a series of women's world cups New Zealand is set to host⁵;
 - d. More dispersed economic benefit around New Zealand;
 - e. Likely to engage New Zealand audiences to a greater level and energise the nation;
 - f. Is a one-off opportunity, rather than recurring event⁶.
- 36. Sport New Zealand advised MBIE on 7 December 2020 that the Minister for Sport and Recreation also views RWC21 as a sport priority for next year⁷.
- 37. The other three events held in 2021 would, however, provide a better economic stimulus in their respective regions, each of which is suffering from a want of tourism:
 - a. Queenstown for Winter Games;
 - b. Rotorua for Crankworx; and

⁵ Including the ICC Women's Cricket World Cup 2022 and the FIFA Women's World Cup 2023.

⁶ The other three major events are recurring annual events.

⁷ The Minister also noted the Olympics/Paralympics as being a priority group.

c. Auckland for the World Surf League.

Early clarity is critical for effective event planning

- 38. Events, and particularly major events which have a long lead-time, often incur large costs in the lead-up to delivery. Certainty for international participation within a workable timeframe is critical so that events can determine those costs.
- 39. Officials believe it is preferable to be up front about the challenges and likelihood of incurring additional costs associated with securing MIQ and SMIFs for large groups, despite the uncertainty this would create.
- 40. While it is possible that events may be able to fund MIQ and bespoke MIQ themselves, it is more likely that events will have to cancel or postpone. Being clear at this stage would allow upcoming MEF events the best opportunity for informed planning.

Option one - RWC21 is a major events priority

- 41. In consideration of the points above, if Ministers agree with New Zealand Major Event's recommendation to exclusively prioritise RWC21, officials will inform the RWC21 organisers that their event is a priority. Then:
 - a. For the other three events, officials will inform them that SMIF access, and funding to support it, is extremely unlikely, if not impossible. While this news will be very disappointing, it would allow them to plan accordingly.
 - b. You should meet to consider how capacity for SMIFs might be increased;
 - c. You should meet to consider how those facilities, and the need for standard MIQ for these events, may be funded.

Option two – RWC21 and other events

- 42. Alternatively, if Ministers wish to support all four MEF events, then:
 - a. We recommend you meet to consider how capacity for SMIFs might be increased;
 - b. We recommend you consider how those facilities, and the need for standard MIQ for these events, may be funded.

These decisions would need to be made with urgency

- 43. In particular, for the RWC21, if government is unable to confirm provision of any bespoke MIQ and/or funding by the World Rugby deadline of 12 February 2021, then officials are better to know this before the end of 2020, so that we may advise them.
- 44. The risk is that delayed advice reflects badly on government and may have greater reputational consequences. This is expanded upon below.

Further considerations

Using MIQ facilities for foreign nationals impacts the capacity available for returning New Zealanders as is their right under the New Zealand Bill of Rights Act 1990

- 45. At present MIQ has an operational capacity of 4,500 rooms. MBIE's MIQ team is working with multiple agencies to gather information regarding the future pipeline of all types of group requests and how that may impact on capacity.
- 46. As noted above, this paper focusses on the MEF portfolio but does not consider the impact of other large scale events not funded by the MEF that may also seek border exceptions and

MIQ provisions, whether standard or bespoke. It also does not consider other (non-event) group arrivals into the MIQ system that will take up space and resource.

There are contractual and reputational risks

- 47. If major events are not able to proceed due to the MIQ requirements, this could pose contractual and reputational risks for Crown.
- 48. The Crown has investment agreements with the organisations responsible for managing the delivery of each event (the Host). These agreements vary depending on the event structure, and there may be repercussions for both the Crown and the Host through their agreements with international rights holders if the event cannot take place due to a government decision around MIQ or border access.
- 49. Sport New Zealand has noted that if clear advice around arrival processes is not forthcoming, there is the risk of a potential flow-on effect with New Zealand being seen by international sporting bodies as a difficult place to come to, or providing a low level of government support.
- 50. There is a risk that terminating Crown funding agreements, if this eventuates, due to the limitations of Crown's own MIQ capacity, may lead to consequential financial, organisational and reputational impacts for the Hosts. The Hosts in turn will have their own obligations under contract with the rights holders.
- 51. The situation faced by RWC21 is detailed in **Annex Three** along with a potential response by government.

Potential for media attention

- 52. Due to the very public nature of major events, and that it is widely known that New Zealand is set to host many international major events in the coming months, there is a risk that event organisers may take issues to the media.
- 53. There is a reputational risk for the Government if it is Crown decision making processes and timeframes that cause events to cancel, rather than the border and MIQ challenges themselves.

Next steps

- 54. MBIE Major Events recommends you forward this briefing to the Minister for COVID-19 Response, the Minister for Sport and Recreation and the Minister for Arts, Culture and Heritage for their information and input to the priority of events to support.
- 55. MBIE MIQ will shortly be providing the Minister for COVID-19 Response advice on establishing a ministerial process to prioritise group demands on MBIE. If you agree with New Zealand Major Events' recommendation for prioritisation of major events, MBIE MIQ and Major Events officials will develop an application for group facilitation as part of this process.
- 56. In the interim, MBIE Major Events has requested above a decision from Ministers on the prioritisation of MEF events before the end of 2020.
 - a. If it is agreed to prioritise RWC21, both Major Events and MIQ officials will work with the local organisers on appropriate correspondence with World Rugby prior to Christmas, with a full response on tiered options to be provided by 12 February 2021. This will require further input from Ministers given the expected cost implications.
 - b. Officials will also advise the other three event organisers to be held in 2021 of the Crown's ability (or inability) to support SMIF access and financial contributions, depending on your decision.

57. Officials will also continue to work with the event organisers to further understand the bespoke MIQ requests that Major Events Fund portfolio events may require and the potential cost implications for the event and the Crown.

Annexes

Annex One: Major Event Fund forecast arrivals across border and MIQ requests

Annex Two: Actual costs of the Wallabies stay in bespoke MIQ

Annex Three: The Rugby World Cup 2021

Annex One: Major Event Fund forecast arrivals across border and MIQ requests

Event Event Date/s	Event Date/s	Number of international	internatio	akdown of nal participants eneral role	Estimated arrival date/s for international	Bespoke MIF requests	Training bubble size requests	Key deadline
		arrivals	Individuals for bespoke SMIF	Individuals for standard MIF	arrivals			
Winter Games New Zealand 2021	Aug – Sep 2021	690	Park and pipe athletes (430) Coaches (70) Support (50) Frontier athletes (40) Obsidian athletes (27)	Officials (38) Media (35)	27 July - 7 August 2021	твс	твс	Early March 2021
Rugby World Cup 2021	17 Sep – 16 Oct 2021	779	Athletes from eleven teams (429) Coaches (44) Support (44)	Management (22) Officials (97) Commentators (10) Broadcast (103) Observer programme (30)	from 25 August 2021	Yes.	Yes. #TBC	12 February 2021 ⁸
World Surf League Challenger Series 2021	1 – 7 Nov 2021	180	TBC (180)		29-31 October 2021	TBC	твс	TBC
Crankworx Festival and Enduro World Series 2021	1 – 7 Nov 2021	677	Athletes (239) Support (81)	Management (12) Staff (19) Sponsors (184) Exhibitors (18) Production (19) Media (65) VIP (40) ⁹	Aug/Sep 2021	Should know by February	Should know by February	Mid February 2021
TOTAL International	arrivals	2,326	Estimate 1,634	Estimate 692				<u>.</u>

The information below is dated December 2020 and is subject to change as more information becomes available.

⁸ Rugby World Cup Board decision on MIQ underwrite or event postponement or cancellation to be made in March. Information for Board papers due 12 February 2021. ⁹ Crankworx also provided estimates for spectators but these have been removed for consistency.

Annex Two: Actual costs of the Wallabies stay in bespoke MIQ

Cost Items	Actual Costs*
Room (occupied)	Commercial Information
Room (quarantine buffer)	
Food	
Laundry	
Hotel other	
Hotel sports set up	-
Airport Transport	
Training Facility	
MoH Testing (Day 6)*	
Staff & Support (above BAU)	
Professional Consulting	
Total Costs	

*Points to note:

- Actual costs include Commercial Information that are recoverable from Rugby New Zealand.
- Some health cost components are still being finalised, and may increase.
- Costs would have increased significantly if the fourteen day clock needed a 'reset' for any bubble breach or adverse test results.

The Wallabies were charged ^{Commercial Information} per person, 66 people). Additional costs ^{Commercial Information} will be recovered, which means the Crown absorbed the remaining \$83,845 within baselines. Business as usual costs to provide MIQ services were not factored into the above costs and were also absorbed.

Annex Three: The Rugby World Cup 2021

- 1. The most pressing need is to settle on availability of MIQ and SMIF costs for RWC21.
- 2. RWC21 has requested information from MBIE (MIQ and New Zealand Major Events), MoH and Sport New Zealand around what bespoke MIQ solutions might be available for the RWC21 teams and what the costs of these solutions might be.

What RWC21 organisers have told officials

- 3. RWC21 has advised that it and World Rugby are not in a position to pay the costs of MIQ for teams and requested that the New Zealand Government pay for MIQ to enable the teams to enter the country and train during isolation (although we believe there may be some room for negotiation on this point).
- 4. RWC21 has asked for information on whether the Government will offset these costs by 12 February 2021 before the RWC21 Board meet in March. The Board will decide at that meeting whether to either proceed with the event in 2021, postpone it, or cancel it.

MBIE's proposed approach

5. MBIE would like to communicate to RWC21 now that it will not be possible to provide any certainty of what bespoke MIQ solutions might be viable, nor the accurate costs, by their requested date.

A tiered response would allow World Rugby to make its own informed decision

- 6. By the deadline noted above of 12 February 2021, MBIE could provide a tiered response as to what levels of MIQ / SMIF access are likely to be possible, and indicative costs associated with each tier. The more time passes, the greater the certainty which can be provided. Doing so would have the advantage of outlining clearly what government can, and cannot, confirm at various stages of planning. This would allow RWC21, and World Rugby as the rights holder, to assess the risks and take a decision themselves, rather than the only option for consideration being an "all or nothing" response from government.
- 7. As an example, 400 pax arriving to New Zealand spread out over six weeks requiring only standard MIQ is almost guaranteed, but 600 pax arriving to New Zealand in the same week requiring a SMIF in addition to standard MIQ would be very challenging, if not impossible. Furthermore, MBIE would not be able to confirm any such arrangement until much closer to the proposed arrival date/s.
- 8. For each position MBIE recommends stating what the Government's contribution to the costs would be.
- 9. Provision of this information to RWC21 can be balanced with assurances that the event remains important to the Government, but must be weighed against the overarching priority to maintain New Zealand's current public health position.
- 10. MBIE would formally write this up for World Rugby's consideration.¹⁰
- 11. There is a high likelihood that information supplied by government will be passed to World Rugby, and that any uncertainty this information presents may lead to early cancellation or postponement.

¹⁰ Note that if a government decides to offset some MIQ costs for Rugby World Cup, this will likely set a precedent / expectation for other Major Events Fund portfolio events.