



Cabinet Economic Policy Committee

Minute of Decision

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Extension of the Community Organisation Refugee Sponsorship Category Pilot

Portfolio **Immigration**

On 26 June 2024, the Cabinet Economic Policy Committee:

- 1 **noted** that in 2020, the previous government agreed to extend the Community Organisation Refugee Sponsorship category from 1 July 2021 for a further three years to gather more information on the effectiveness of the programme [CAB-20-MIN-0155.21];
- 2 **noted** that the Community Organisation Refugee Sponsorship category is a protection pathway that is additional and complementary to the Refugee Quota Programme;
- 3 **noted** that under the Community Organisation Refugee Sponsorship category, settlement costs and roles are shared between Government and society;
- 4 **noted** that current settings for the Community Organisation Refugee Sponsorship category mean that a total of 150 visas can be granted and any visas must be granted before 30 June 2024;
- 5 **noted** that there are up to an extra 51 individuals in the existing Community Organisation Refugee Sponsorship category pipeline (201 in total) who have an approved community sponsor but are unable to be granted visas;
- 6 **agreed** to extend the Community Organisation Refugee Sponsorship category until 30 June 2025 to grant visas to up to 51 individuals who were in the category's application pipeline as at 30 June 2024;
- 7 **noted** that no new Crown funding is associated with the above and minor additional costs can be managed in existing funding baselines;
- 8 **noted** that the Minister of Immigration will certify amendments to Immigration Instructions in line with the above decisions.

Rachel Clarke
Committee Secretary

Present (see over)

Present:

Rt Hon Winston Peters
Hon David Seymour
Hon Nicola Willis (Chair)
Hon Brooke van Velden
Hon Shane Jones
Hon Chris Bishop
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Judith Collins KC
Hon Simon Watts
Hon Casey Costello
Hon Chris Penk
Hon Andrew Hoggard
Hon Mark Patterson
Simon Court MP

Officials present from:

Office of the Prime Minister
Office of the Deputy Prime Minister
Office of Hon Erica Stanford
Officials Committee for ECO

Budget Sensitive

Office of the Associate Minister of Immigration

Cabinet Economic Policy Committee

Extension of the Community Organisation Refugee Sponsorship category pilot

Proposal

- 1 This paper seeks Cabinet agreement to extend the Community Organisation Refugee Sponsorship (CORS) category pilot until 30 June 2025, to enable up to 51 individuals within the existing application pipeline to be granted visas.

Relation to government priorities

- 2 The proposal in this paper demonstrates New Zealand's ongoing commitment to global responsibility sharing in response to the scale of refugee movement.

Executive Summary

- 3 The Community Organisation Refugee Sponsorship (CORS) extended pilot enables up to 150 individuals (refugees and their partner and dependent children) to be sponsored by approved community organisations. Currently, CORS is due to close on 30 June 2024. It has a cap of 150 visas granted, and visas cannot be issued past this date.
- 4 However, there are an additional 51 individuals in the application pipeline who cannot currently be approved, as this would take the total number of visas above 150. The 51 individuals have already been allocated community sponsors in New Zealand, who have been preparing to support their settlement. There is a risk of negative humanitarian and protection implications for these individuals if they are declined.
- 5 I am seeking Cabinet agreement to extend CORS for one year, up to and including 30 June 2025, to enable up to 51 individuals in the existing pipeline to be granted visas. This does not require new Crown funding and can be met within existing baselines and CORS funding until 30 June 2026.
- 6 The proposal mitigates negative humanitarian implications for the 51 individuals and enables us to remain in line with our Migration Five (M5) partners who either have a permanent community sponsorship programme or a pilot pathway.
- 7 Subject to Cabinet agreement, the Minister of Immigration will certify new immigration instructions to give effect to the decision as soon as practicable.

Background

- 8 Complementary pathways are safe and regulated avenues for persons in need of international protection to come to a safe third country and have their protection needs met. These are additional and complementary to traditional resettlement programmes,

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such as New Zealand's Refugee Quota Programme. The Quota accepts 1,500 (+/- 10%) refugees per year who are referred from the United Nations High Commissioner for Refugees (UNHCR) and targets those with the highest protection needs.

- 9 In 2017, Cabinet agreed to a small-scale community sponsorship pilot for up to 25 refugees. Under that pilot, 24 refugees were successfully resettled and supported by four community organisations. In Budget 2020, Cabinet agreed to extend the pilot from 1 July 2021 for a further three years to gather more information on the effectiveness of this pilot programme [CAB-20-MIN-0155.21].
- 10 The objectives of CORS are to:
 - 10.1 Provide an alternative form of admission for refugees to complement New Zealand's Quota and, in doing so, demonstrate New Zealand's response to the scale of refugee movement and commitment to international responsibility sharing;
 - 10.2 Provide an opportunity for community organisations to actively engage in supporting successful refugee settlement and to build local communities that welcome refugees; and
 - 10.3 Enable sponsored refugees, with the support of community organisations, to quickly become independent and self-sufficient so that they can enter the labour market, navigate their communities and access mainstream services without requiring additional support.
- 11 Sponsored refugees and if applicable, their partner and dependent children, are provided with permanent resident visas to live, work and study in New Zealand. They are allocated to community sponsors who provide two years of support from the date of arrival. The sponsored refugee must have a basic understanding of English, a minimum of three years' work experience (or a qualification requiring at least two years' tertiary study) and be aged between 18 and 45 years old.
- 12 CORS shares the roles and costs of refugee settlement between Government and society. Under CORS, the Government is not responsible for immediate settlement support costs. Sponsors are responsible for sourcing and furnishing affordable private housing, initial settlement costs and connecting refugees with health and education providers, and employers.
- 13 The Government is responsible for travel costs to New Zealand, immigration processing, approving sponsors, funding the umbrella organisation to oversee sponsorship, and funding wider government services (such as healthcare, education, and welfare support where needed).
- 14 Cabinet recently agreed to repurpose a Crown-funded tagged operating contingency to manage refugee-related immigration system cost pressures, including a significant increase in asylum claims, the delay in CORS arrivals and for the Quota [CAB-24-MIN-0109 refers]. For CORS, this included \$0.62m for 2024/25 and \$0.55m for 2025/26 to fund the conclusion of the pilot until 30 June 2026.

The 150 places available under CORS are currently oversubscribed

- 15 In April 2024, Immigration New Zealand (INZ) advised me of an additional 51 people in the application pipeline that cannot be approved under current settings. This is because they would exceed the 150 places and the pilot is due to close on 30 June 2024, meaning visas cannot be granted after this date.
- 16 The number of applications exceeds the cap because of a lower dropout rate than anticipated. In July 2023, a third of CORS applications had been either declined or withdrawn. With the aim of filling the 150 places, sponsors were invited to nominate more refugees. However, there has since been a lower dropout rate because sponsors were more familiar with the eligibility criteria. There was also a change in September 2023 [DEV-23-MIN-0173 refers] which increased the number of individuals in the pipeline by enabling refugees to include immediate family in their applications.

Under the current settings, these individuals would need to be declined which would have negative consequences for them

- 17 Under current settings, the 51 additional individuals would need to be declined. If they are declined there is a risk of negative outcomes for these individuals, such as:
- 17.1 **Implications for their ability to access other countries' migration pathways.** If individuals are declined a New Zealand visa, they may need to declare this when applying for visas to other countries. **Free and frank opinions**
[REDACTED]
[REDACTED] A visa decline could indicate that an individual is not a genuine visitor or migrant, or that they may not comply with visa conditions. Therefore, a decline could prevent these applicants from accessing other migration pathways – including visitor and student visas.
- 17.2 **A more immediate concern for some of the applicants' mental health and humanitarian impacts of receiving a decline.** Many have been in displacement situations for many years, including a large cohort of refugees in Indonesia, who have had limited migration and resettlement options since 2014. **International relations**
[REDACTED]
[REDACTED]

I propose Cabinet agrees to extend CORS to 201 people by 30 June 2025

- 18 I propose that Cabinet agrees to extend CORS to allow up to 51 people to be approved until 30 June 2025 (201 in total). The extension would only apply to those who made applications as at 30 June 2024.
- 19 I considered a status quo option of resettling the 51 under the existing Quota. This would not have required additional decisions by Cabinet and is a cost-neutral option. However, this would not mitigate the negative implications of a decline to the same extent as the proposal. The UNHCR may not be able to refer all 51 individuals due to different Quota eligibility requirements and resource constraints, such as not having offices in countries where some CORS applicants are. The proposed extension enables up to 51 individuals to be eligible for a visa.

- 20 The proposal would ensure that we are able to limit the negative impacts of declines. By inviting the application, the Government provided the expectation to individuals and sponsors that they would be able to resettle here and due to this, we should commit to assessing those applications and by amending the settings.
- 21 It would also support our international reputation and enable us to remain in line with our M5 partners. Enabling more refugees to arrive in 2024/25 will help sustain the community momentum that CORS relies on, as all approved sponsors could sponsor refugees. This momentum is important for informing decisions on the future of complementary pathways in New Zealand.

An outcomes evaluation will be completed on the CORS programme in 2025 to inform its future

- 22 An evaluation of CORS is funded by Cabinet to inform decisions about the future of the programme. Interim process evaluations in 2022 and 2023 found that CORS is effective in bringing communities together to prepare to support refugees. A final outcomes evaluation is due in mid-2025 which will focus on settlement outcomes and inform future consideration of complementary pathways in New Zealand.
- 23 It is my intention to seek Cabinet's agreement to the long-term future of the CORS programme, and complementary pathways in New Zealand once the evaluation has been completed. Confidential advice to Government

Implementation

- 24 This change would require an amendment to immigration instructions.
- 25 Immigration instructions are the rules and criteria used to grant visas and entry permission to New Zealand and are set out in the INZ Operational Manual. The Immigration Act 2009 authorises the Minister of Immigration to certify instructions.

Cost-of-living Implications

- 26 I do not expect this proposal to have cost of living implications for New Zealanders.

Financial Implications

- 27 No additional Crown funding is required to support the proposals in this paper. There are minor additional costs and impacts on existing services which can be managed within existing resources.
- 28 The proposal is estimated to cost \$173,400 to cover the airfares of 51 individuals to New Zealand. This can be met from the 2024/2025 Immigration Services Multicategory Appropriation (MCA) which is \$77,172,000, specifically the Settlement and Integration of Refugees and Other Migrants Sub-Category of the MCA [BUDGET-SENSITIVE].
- 29 While it is possible that this proposal could create future cost pressures for refugee and migrant programmes, the small amount of funding required with respect to the MCA means this risk is manageable. MBIE can absorb the additional cost within the

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MCA by continuing cost-saving efforts and strengthening financial and contract management to mitigate the risk of requiring additional Crown funding.

- 30 As resident visa holders under CORS, sponsored refugees and their families are eligible to access the same Government-funded welfare and housing support, education and health services as other New Zealand residents and citizens. No agencies advised of a need for additional Crown funding.
- 31 The Ministry of Social Development (MSD) advised that the proposal is unlikely to have a large impact, if there is a need for individuals to access MSD products and services. If ongoing financial assistance is required, such as Jobseeker Support, this could add further pressure to corresponding Government targets, however it is unclear if CORS applicants would require this. MSD noted that there is high demand on the Drivers Licensing system. MSD is currently working with MBIE to understand the impact of migration on employment opportunities for New Zealanders and consider that 51 individuals are unlikely to have a large impact.
- 32 The Ministry of Health advised that the estimated cost to the wider health system would be \$236,000 per year, calculated using an individual average cost of \$4,600 per year. This includes primary healthcare (e.g., general practice visits) and can be managed within Health New Zealand's existing funding baseline and capacity, noting that specific services have not been created for CORS refugees.
- 33 The additional costs and pressures of the proposal can be managed by Health New Zealand, noting the wider systemic challenges and pressures (e.g., workforce shortages, general practices not having the capacity to enrol new patients) that are being addressed. MBIE advises that all applicants have undergone health assessments, and none of the 51 have complex health needs requiring treatment in New Zealand.
- 34 The Ministry of Education advised the cost of supporting the anticipated 18 students in the CORS pipeline (the majority of the 51 are not school age) is up to \$24,642 upfront, with up to \$53,500 of annual support if schools apply for funding to provide specific supports to these students. Students are also eligible to receive all supports available to domestic students with additional learning needs. Given the small number of students, this is unlikely to have a significant impact on overall education funding.
- 35 The Tertiary Education Commission also confirmed that there would be a minor additional cost, estimated to be a minimum of \$3,356 per learner based on reported funding for 2023 (this can change depending on provider and location of delivery) which can be managed within their existing baselines. This would support programmes for adults to engage in literacy and numeracy learning and help learners progress onto further study and employment.

Legislative Implications

- 36 There are no legislative implications resulting from the proposals in this paper.

Impact Analysis

Regulatory Impact Statement

- 37 The Ministry for Regulation has determined that this proposal is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that it has no or only minor impacts on businesses, individuals, and not-for-profit entities.

Climate Implications of Policy Assessment

- 38 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this proposal, as the threshold for significance is not met.

Population Implications

- 39 The proposal will benefit refugees and their families by enabling them to be eligible for a route to a safe third country. It will also benefit sponsors in New Zealand (including faith-based organisations, ethnic community groups, and former refugee-led organisations) who have invested in supporting successful refugee settlement.

Human Rights

- 40 MBIE considers that the proposals support meeting international human rights commitments. The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Consultation

- 41 [The Minister of Immigration has been consulted on the proposals and agreed to the lodgement of this Cabinet paper]
- 42 This paper was prepared by MBIE. The Ministries of Health, Education, Social Development, Ethnic Communities, Housing and Urban Development, the Tertiary Education Commission and the Treasury were consulted on this paper. The Department of the Prime Minister and Cabinet have been informed.

Communications

- 43 Subject to Cabinet agreement, communications material will be developed to ensure those affected are aware and updated immigration instructions will be published.

Proactive Release

- 44 This paper will be proactively released in line with the Cabinet Office circular Proactive Release of Cabinet Material: Updated Requirements [CO (18) 4].

Recommendations

The Associate Minister of Immigration recommends that the Committee:

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- 1 **note** that in 2020, Cabinet agreed to extend the Community Organisation Refugee Sponsorship category from 1 July 2021 for a further three years to gather more information on the effectiveness of the programme [CAB-20-MIN-0155.21];
- 2 **note** that the Community Organisation Refugee Sponsorship category is a protection pathway that is additional and complementary to the Refugee Quota Programme;
- 3 **note** that under the Community Organisation Refugee Sponsorship category, settlement costs and roles are shared between Government and society;
- 4 **note** that current settings for the Community Organisation Refugee Sponsorship category mean that a total of 150 visas can be granted and any visas must be granted before 30 June 2024;
- 5 **note** that there are up to an extra 51 individuals in the existing Community Organisation Refugee Sponsorship category pipeline (201 in total) who have an approved community sponsor but are unable to be granted visas;
- 6 **agree** to extend the Community Organisation Refugee Sponsorship category until 30 June 2025 to grant visas to up to 51 individuals who were in the category's application pipeline as at 30 June 2024;
- 7 **note** that no new Crown funding is associated with this proposed change and minor additional costs can be managed in existing funding baselines;
- 8 **note** that the Minister of Immigration will certify amendments to Immigration Instructions in line with the decisions taken in this paper.

[Authorised for lodgement]

Hon Casey Costello
Associate Minister of Immigration