

The Questions

The \$4 million up front cash payment:

- Why was Cabinet approval to the \$4 million cash payment not sought?
- Why was the \$4 million cash payment made?
- Why was there no regular business case?
- Why did the Minister direct that the contract not refer to compensation so as to avoid “a plethora of lawyers and bureaucrats”?
- Why was there no valuation of what New Zealand received for the \$4 million?
- Why did the \$4 million contract not go through a normal competitive procurement process?
- Why was the \$4 million payment never acknowledged publicly until May this year?
- Is there any evidence that the ban on the export of live sheep for slaughter, or its extension, was illegal?
- Was the Khalaf group legally due any compensation?
- If cabinet was told the \$4 million was partly to settle a legal risk, why did the contract (or any other document) not include provision that all claims were settled by the payment?
- What legal cause of action did the Khalaf group ever have, and was there any legal advice that considered how real this really was?
- How could the Khalaf group have any legal right to compensation after more than 6 years had elapsed?
- Was the true motivation for the payment to advance trade relations with Saudi Arabia and other Gulf States?
- Was it a facilitation payment?
- Was this within appropriation?
- Is there a breach of the Public Finance Act?
- Was this transaction proper, even if legal?
- What role did non-departmental advice play, including from Michelle Boag?

- What role did Minister McCully have in the appointment of the officials who negotiated the arrangements with the Khalaf group and/or the Saudi government?
- What communication did Minister McCully have with the officials negotiating the arrangements with the Khalaf group and/or the Saudi government?
- Was this proper or wise?
- Were Treasury and the Auditor General supplied with all relevant documents, and if not why not?
- Why was the role of the Auditor General misrepresented by MFAT and more recently by Ministers?
- Did MFAT deal appropriately with concerns raised by the Treasury, the Auditor General and NZTE?
- Does this transaction meet the high standards of probity and fair dealing that New Zealand traditionally upholds?
- Is there any precedent for a transaction like this?

The \$6 million model farm:

- Why was an irregular business case accepted?
- Was Cabinet appropriately informed?
- Was Cabinet's direction that Treasury procurement guidelines be followed adhered to?
- Were all tenderers treated equally and fairly?
- Was the true motivation for the contract to advance trade relations with Saudi Arabia and other Gulf States?
- Was the contract in expected form?

The \$1million plus spent on flying sheep:

- Why was an irregular business case accepted?
- Was Cabinet approval necessary and obtained?
- Was Cabinet appropriately informed?
- Were all proper processes followed?

