NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

17 April 2026

Minister for Trade and Investment — For action by — 20 April 2026

Middle East Conflict – Exporter Issues and Responses

BRIEFING — Overview Submission

PURPOSE — To provide an overview of the issues New Zealand exporters are currently facing as a result of the Middle East conflict; and the responses that have been undertaken to date, together with further steps that could be considered as the longer-term implications of the conflict become clearer.

Recommended referrals

Prime Minister	For information by	21 April 2026
Deputy Prime Minister	For information by	21 April 2026
Minister of Foreign Affairs	For information by	21 April 2026
Minister of Finance	For information by	21 April 2026
Minister for Energy	For information by	21 April 2026
Minister for Transport	For information by	21 April 2026
Associate Minister of Trade	For information by	21 April 2026
Associate Minister for Energy	For information by	21 April 2026
Associate Minister for Transport	For information by	21 April 2026

Contact details

NAME	ROLE	DIVISION	WORK PHONE
s9(2)(g)(ii)		Economic Division Trade Policy Engagement and Implementation Division	s9(2)(a)

Minister's Office to complete

☐ Approved	☐ Noted	☐ Referred
☐ Needs amendment	☐ Declined	☐ Withdrawn
☐ Overtaken by events	☐ See Minister's notes	

Comments

Middle East Conflict – Exporter Issues and Responses

Key points

- The Middle East conflict has significant implications for New Zealand exporters. This includes their ability to source key inputs, get products to market, and retain competitiveness with increasing costs to production and distribution.

- These impacts are already occurring across various sectors. The supply shock is currently most severe for those products reliant on petrochemicals and sectors particularly dependent on transport links. Plastic packaging, agri-inputs, air travel, and freight transport all have the potential to be significant pressure points.

- It is likely that all export sectors are experiencing some level of impact. Particularly affected sectors include food and beverage, agriculture, forestry, fishing, manufacturing, with services sectors such as tourism and international education also affected - though impacts differ according to market, product and, in some cases, the current stage of seasonal production or demand.

- The scale of these impacts is expected to increase, irrespective of the trajectory of the conflict, given the damage already done to global supply chains and the delayed timeline to a return to pre-conflict status quo.

- Agencies have taken action to address these concerns, with a focus on:

  (a) Supporting **trade continuity** in the short to medium term, involving:

    i) information sharing to enable better informed decision-making by businesses; and

    ii) specific problem-solving, as needed, for example technical assistance by MPI, NZ Customs and NZTE for diverted shipments, and other challenges.

  (b) Strengthening **trade resilience** in the medium to longer term, including through:

    iii) monitoring and horizon-scanning to identify future pressure points as the situation continues to evolve; and

    iv) continued work to shore up relationships with key market players (including through formal arrangements or agreements), together with regular engagement with Australian counterparts, reflecting the integrated nature of Australasian supply chains and transport networks. In addition, working with groups of countries to encourage trade openness and push back against restrictive measures, such as export restrictions.

- Additional support may well be needed as the nature and extent of impacts becomes clearer. This will differ depending on the sector, product or market concerned. Any future decisions on specific additional steps will need to be properly scoped out, including to enable informed consideration of prioritisation and resourcing implications.

- Further, more specific, detail on sectoral impacts, international cooperation mechanisms able to be utilised with trade partners, and current and potential future to build trade resilience is attached (Table 1 and Annexes A and B).

s9(2)(g)(ii)

for Secretary of Foreign Affairs and Trade

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Recommendations

It is recommended that you:

1 **Agree** to refer this submission to the Prime Minister, Deputy Prime Minister, Ministers of Foreign Affairs, Finance, Energy, Transport and Associate Ministers of Trade, Energy and Transport. **Yes / No**

Hon Todd McClay
Minister for Trade and Investment

Date: / /

Middle East Conflict – Exporter Issues and Responses Report

The Issues

Exporters are facing multiple sources of disruption and likely prolonged effects

1. The effective closure of the Strait of Hormuz due to the Middle East conflict has created a fuel crisis and significant supply chain disruption. The impact on New Zealand exporters varies across sectors, with energy intensive exporters (e.g. airlines) and those in their peak seasonal production periods (e.g. pip fruit growers and wine producers) reaching out to government early for assistance in problem solving (see Annex A for detailed sectoral impacts.)

2. At this stage, the primary impact on exporters relates to the rapid rise in fuel and transportation costs, with both inputs vital for the production and delivery of New Zealand goods and major services exports. Complex modern supply chains mean exporters are also at risk of potential second and third order impacts over time. For example, recent disruptions to global supplies of naphtha have caused some issues in sourcing future supply of plastic food packaging. At a high level, we have heard from exporters that they are experiencing:

   - Higher costs of production due to increases in fuel and diesel prices (of concern to the primary industries, in particular the forestry and fisheries sectors, who are highly exposed to energy prices);

   - Transport connectivity issues, including domestic freight costs (principally affecting food and beverage producers moving product from farm to processing facilities, then onwards to port), international shipping (longer transit times impacting goods exporters) and aviation (initially connections through the Middle East primarily affecting airfreight, with subsequent wider impacts now being felt due to flight consolidation, with risks for tourism and export education, as well as airfreight);

   - Other supply chain access and cost concerns, including potential downstream effects over time on fertilizer for agricultural production and plastic food packaging;

   - Reduced margins due to higher costs of inputs, production and shipping. While some exporters can partially absorb costs, many will have to pass these on to customers, though their ability to do so could well be constrained by reduced demand in key channels and heightened buyer caution; and

   - Economic impacts on demand in key export markets, particularly North and Southeast Asian markets.

3. We refer to these impacts further below in outlining actions taken by agencies to date, and in how officials are thinking about potential future responses.

Policy Responses – Current and Potential Future

4. Government responses fall into two main categories:

   - actions to support trade continuity in the short to medium term;

   - actions to continue to strengthen trade resilience over the medium to longer term.

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Actions to Support Trade Continuity

5. In addition to efforts to address fuel supplies, there have been two main sets of actions to support trade continuity in the short term: communication to support informed business decision making, and troubleshooting to address specific exporter issues.

Communication to Support Informed Business Decision Making

6. Agencies have been working to obtain and verify accurate information on key practical questions such as port and airport closures in the Middle East, transport delays and re-routing. This engagement has been at both sectoral and individual business levels. More details are provided at Annex A. The processes stood up for this include:

    - from the outset NZTE initiated regular contact with exporters to understand how they are faring, with insights being tracked through a 'traffic light' lens;
    - a weekly NZ Inc Middle East Conflict Exporter briefing attracting a high level of business participation;
    - establishment in MFAT of a specific Middle East conflict exporter helpline;
    - regular MOT engagement with industry on freight issues through a broad range of affected user and supplier organisations;
    - regular MBIE engagement with industry and monitoring of supply chain issues;
    - a series of more tailored business webinars led by NZTE, featuring specialist 'Beachhead Advisers' and Trade Commissioners;
    - a dedicated page on 'myNZTE' providing key updates, market insights and links to other NZ Inc information sources;
    - prompt engagement by MPI to facilitate redirection of impacted consignments to alternative markets and regular sectoral check-ins, briefings and information sessions held by MPI for different sectors;
    - publication of market Intelligence reports on the trade and economic implications of the conflict on the MFAT website; and
    - regular MBIE engagement with tourism industry stakeholders and monitoring of impacts on international visitor arrivals and forward bookings.

Troubleshooting to Address Specific Exporter Problems

7. The early stages of the conflict necessitated assistance from a range of agencies to address issues with product on the water having to be diverted to alternative markets due to port closures. This involved, for example, MPI working to help free stuck consignments or re-certifying product for entry into alternative markets.

8. New Zealand Customs has also been utilising its network of liaison officers to address technical queries, particularly for goods diverted by transport companies. This has included working with counterpart agencies in affected markets, for example, s6(a)

9. In-market support to individual exporters has been offered on a case-by-case basis. This has included help to find alternative routes to market; and on the ground updates, e.g. those provided by NZTE and its network of private sector advisers on market conditions, buyer behaviour, government actions, and on practical issues (e.g. insurance and travel),

as well as ways to navigate specific supply chain problems, help address financial and growth-related challenges, and support business strategy planning.

Actions to Strengthen Trade Resilience (medium to longer term)

10. These fall into two main categories:

- on-going monitoring and horizon scanning to anticipate future pressure points;
- current and future potential work with key trade partners to build resilience.

On-going Monitoring & Horizon Scanning to Anticipate Future Pressure Points

11. Regular tracking of the evolution of the issues faced by exporters remains an on-going feature of the response. This is aimed at anticipating future pressure points and looking at what can be done, including with industry, to address these, including through tailored support and advice to the extent possible. Examples include:

- MOT and MBIE are undertaking work under the National Fuel Action Plan to prepare for Phase 2 and beyond. This includes improved information disclosure from fuel companies, voluntary industry coordination and readiness planning. A separate jet fuel response framework is also under development.
- MPI is engaging across its sectors on an on-going basis, including through Deputy Director-General-led sector discussions on the Fuel Response Plan (covering more than 100 primary sector organisations).
- MPI has policy workstreams looking at relevant supply chains, including at potential mitigations/alternatives for input shortages, e.g. fuel, fertiliser, plastics, RSE workers.
- MBIE is using its critical products' dashboards and sector/business engagement to track the supply situation for key inputs to New Zealand's export sectors.
- the Export Credit Office (ECO) is considering offering exporters the ability to cancel their Middle Eastern policies and apply the premium paid to policies for buyers in alternative markets. It has also been accommodating extension to the tenor of working capital support for exporters, given delays in completing transactions.
- the MFAT network continues to engage government and private sector contacts in key sectors and markets to track the situation for exporters (e.g. through dashboards for s6(a)).
- NZTE continues its regular contact with exporters and traffic light monitoring.
- MBIE Tourism Policy is tracking international visitor arrival and booking trends, with the key concern most likely to be possible impacts on the next summer season.
- an International Education group is maintaining a close watch and preparing to respond quickly if conditions change for the export education sector.

Current and Potential Future Work with Key Trade Partners to Build Resilience

12. The scale and nature of the economic impacts of this conflict have once again highlighted New Zealand's vulnerabilities in relation to crucial energy supplies and supply chains for other essential commodities. New Zealand – as a small, highly inter-connected,

geographically distant economy – is often at the end or near the end of long, and sometimes complex, supply chains making it highly dependent on other countries.

13. Given this, and the recent experience of COVID-19, efforts to build economic and trade resilience remain a focus of our trade and economic policy. This work has centred on:

- building and strengthening relationships with key economic and trade partners, such as Australia, large North Asian economies, ASEAN, India, the UK, and the EU;

- concluding strategic uplifts to our priority relationships in Southeast Asia which have included ambitious trade growth targets;

- **diversifying our trade relationships to spread risk** by opening up alternative markets and sources of supply. This has included growing and leveraging New Zealand's network of Free Trade Agreements, which cover more than 70% of our exports and a broad range of partners (e.g. the UK, the EU, CPTPP, Korea, ASEAN, the UAE and India); and

- **building specific supply chain arrangements** with key partners to underpin cooperation in times of crisis (e.g. AOTES with Singapore s6(a), s9(2)(j)

14. These established or developing relationships and arrangements (including the formal agreements outlined in Annex B) provide some potential levers for New Zealand to help address two of the main challenges exporters are facing in the current situation:

- maintaining access to fuel supplies and transport connections necessary to sustain production and get products to market; and

- shoring up supply chains for other essential inputs to production.

15. Looking ahead, we can explore further opportunities to lean into our established and growing relationships; and utilise our trade and economic architecture to support resilience over the medium to longer term (further detailed in Table 1). However, there are limits to government's role where outcomes are driven primarily by commercial decisions in international markets. In such cases, the kind of assistance sought from government may not be in building economic and trade resilience, but in providing other forms of support.

16. Longer term, the Middle East (particularly the UAE and Saudi Arabia), represents an important market for New Zealand exporters, with high potential and good growth prospects, especially in premium food and beverage, construction, tech & services sectors. The government's efforts to secure FTAs with the UAE and the Gulf Cooperation Council (GCC) reflect this. Though the duration of the conflict and its impacts on our exports to the region remain unclear, we will have an opportunity to demonstrate New Zealand's commitment to these markets and re-build customer relationships in due course. Steps to assist this might include organising business delegations, activations in-market to bring together exporters and their partners, and dedicated NZTE support to companies on market strategies.

Resourcing

17. The actions taken to date by agencies have been completed within existing financial baselines, and commensurate with the seriousness of the issue has involved significant diversion of staff and reprioritisation from other work. Some of the possible future policy initiatives identified in this paper would need to be scoped out more fully, taking into consideration feasibility and efficacy to address identified needs as these evolve, prioritisation in relation to other key areas of effort, and resourcing required.

Table 1: Current and Potential Future Work to Build Trade Resilience: What we have been doing with International Partners and Additional Steps that could be Considered

(i) Fuel

International Partner	Steps taken to date	Additional Steps that could be considered (subject to decisions on prioritisation and resourcing)
Main supply countries (Korea, Singapore, Malaysia, Japan) and raw material sources (e.g. UAE)	On access to fuel supplies, there has been active engagement across the board with government and major industry players in NZ key sources of refined fuels and petrochemical products. This has also extended – to the extent possible in current conditions – to raw material source countries too, e.g. UAE. Minister Brown to call Korean counterpart (proposed for 16 April).	s6(a), s9(2)(g)(i) (This deliberate engagement was effectively deployed during Covid-19 to secure NZ's access to vaccines.)
Singapore	The Prime Minister spoke with his Singapore counterpart on 23 March, s6(a)	s6(a), s9(2)(g)(i) The inaugural Singapore New Zealand Leadership Forum (SNZLF), 4 May, will provide a further opportunity to work with Singapore, including for business and government to hold strategic discussions about current challenges and explore opportunities to strengthen supply chains.
Australia	Given the integrated nature of Australasian fuel supply chains and freight systems, MOT, including at Chief Executive level, has continued to engage regularly with Australian counterparts on fuel resilience and freight systems impacts. Australia's Federal Government is facilitating supply of critical imports by allowing	s6(a), s9(2)(g)(i)

International Partner	Steps taken to date	Additional Steps that could be considered (subject to decisions on prioritisation and resourcing)
	Export Finance Australia to underwrite purchases of additional fuel and critical supplies exposed to supply-chain disruption.	
The UK and other partners	The UK is leading an initiative to develop a coordinated international diplomatic response in support of security, stability and freedom of navigation in the Strait of Hormuz.	s6(a), s9(2)(g)(i)
Other potential suppliers, s6(a), s9(2)(j)		Efforts could be undertaken to test the possibility of other potential suppliers of fuel and other essential goods, s6(a), s9(2)(j)
Pacific countries, including Realm partners Cook Islands, Niue, Tokelau	MFAT and MBIE officials hosted a briefing on 10 April with senior officials from the Cook Islands, Niue and Tokelau on New Zealand's national fuel planning, in keeping with the special status of these New Zealand Realm partners.	s7(b)(i), s7(b)(ii), s7(b)(iii) It is intended to replicate this with partners in Polynesia (Samoa, Tonga, Tuvalu) and Fiji (given its role as a regional supply hub). Officials will continue to coordinate closely with Australia's

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International Partner	Steps taken to date	Additional Steps that could be considered (subject to decisions on prioritisation and resourcing)
		Department of Foreign Affairs and Trade, - s6(a)
Chile, Singapore and s6(a)	Negotiations on a Green Economy Partnership Agreement (GEPA) with Chile and Singapore were launched late last year. These are still at an early stage, but the aim is to grow cooperation in sectors of the green economy, with the potential to boost investment in and access to renewable energy technologies and alternative fuels.	This initiative has already generated strong interest from others s6(a), s9(2)(g)(i)

(ii) *Broader Supply Chain Issues*

International Partner	Steps taken to date	Additional Steps that could be considered (subject to decisions on prioritisation and resourcing)
Singapore	Building on cooperation developed with Singapore during COVID-19, our two countries have agreed an Agreement on Trade in Essential Supplies (AOTES), due to be signed, 4 May. It ensures we will each refrain from imposing GATT Article XI:2(a) export restrictions on specified essential goods in times of crisis. For NZ, this covers goods including petrol, diesel and jet fuels. On broader supply chain issues, including petrochemical derivative products, the MBIE supply chains team is maintaining regular contact with Singapore counterparts.	NZ's growing trade and supply chain architecture with Singapore s6(a), s9(2)(g)(i)
s6(a), s9(2)(g)(i)		s6(a), s9(2)(g)(i)

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International Partner	Steps taken to date	Additional Steps that could be considered (subject to decisions on prioritisation and resourcing)
		s6(a), s9(2)(g)(i)
Future of Investment and Trade Partnership (FIT-P), 12 members, including Chile, Singapore, Norway, Panama and the UAE.	Led by NZ twelve FIT-P members issued a joint statement on Maintaining Open and Resilient Supply Chains on 31 March. They committed to working together to identify disruptions to the trade of essential goods and exchange information on how to deal with and mitigate these, as well as to work to keep air and seaports open to support trade to flow unimpeded.	Officials are working to expand support for this initiative, s6(a), s9(2)(g)(i)
Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), including Canada, Japan, the UK, Malaysia, Viet Nam; and dialogues with the EU and ASEAN	Japan has taken the lead in proposals for enhanced cooperation on trade diversification and supply chain resilience among the 12 countries of the CPTPP; as well as the newly established CPTPP dialogues with the EU and with ASEAN.	Participation in Japan-led workshop in July, focussed on issues concerning trade diversification, trade facilitation and supply chain resilience. CPTPP-EU dialogue provides a good opportunity to work with key partners (including six G7 economies) to shore up supply chains and maintain open trade and transport connections.
China	NZ does not import large volumes of refined fuel from China (only some 3% in 2025), s6(a), s9(2)(g)(i)	s6(a), s9(2)(g)(i)

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International Partner	**Steps taken to date**	**Additional Steps that could be considered (subject to decisions on prioritisation and resourcing)**
	s6(a), s9(2)(g)(i)	s6(a), s9(2)(g)(i)
Indo-Pacific Economic Framework (IPEF) – supply chains pillar	The supply chains pillar of IPEF is focused on improving the resilience of supply chains across the region and creates institutions and emergency coordination systems.	s6(a), s9(2)(g)(i)
The US and other partners	NZ's critical minerals list, including where we have critical mineral resources to develop or trade, provides a strong foundation for NZ engagement in international efforts to improve the resilience of these supply chains.	Officials will continue work, together with interested industry players, to identify and solidify partnership opportunities for access to and supply of such critical minerals.

Annex A: More Detailed Sectoral Information

Sector	Problems Facing Exporters	Actions
All Sectors	At the time of writing, 56% of NZTE clients exporting to the Middle East region are reporting disruption, constraints on operations and degrees of stress as to the impact of the conflict on their operations.	NZTE initiated regular contact with exporters at the outset of the conflict, with insights being tracked through a 'traffic light' lens. Weekly NZ Inc Middle East Conflict Exporter briefing led by MFAT, hosted by NZTE, with speakers from across relevant economic agencies, attracting several hundred business participants at each session. NZTE tailored business webinars aimed to keep exporters updated and supported in confronting challenges. Themes have included supply chain issues, cost pressures, market risk, financial resilience and communication with customers. For product disrupted in the initial stages of the conflict, MPI and Customs proactively offered support to industry for returned goods needing to re-enter NZ.
Food and Beverage	Some perishable goods have been stranded or rerouted. Chilled and temperature-controlled freight risks due to lack of cold storage containers. Revenue loss from delayed or cancelled shipments. Timing not impacting dairy and meat industry to the same extent, given no longer peak production season. Horticulture (kiwifruit, apples, viticulture) more affected as main harvest season just beginning. Concerns that higher fuel and air transport costs may impact	MPI is undertaking ongoing sector engagement to keep up-to-date and working with producers, processors and exporters to address sector-specific challenges. MPI's offshore network is also providing a useful agriculture lens on developments overseas. MPI's trade teams and offshore network are regularly engaged with counterpart agencies to assist exporters with specific issues, including export certification and re-certification, where required. MPI is ensuring system readiness to enable quick approval and listing of

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Sector	Problems Facing Exporters	Actions
	availability and cost of labour for sectors reliant on contractors and RSE workers. Airfreight a particular concern for fish/seafood (e.g. rock lobster) and poultry exporters (e.g. day-old chicks), where shipment times are critical or product particularly perishable. Concerns about future availability and price of plastic packaging. Fertiliser stocks currently sufficient, but concerns if supply constraints persist into peak production season. Fishing catch sector concerns about fuel cost and availability with peak fishing season, particularly for Hoki, coming up and possible reduced catch affecting exports.	additional storage facilities, should storage capacity constraints emerge when peak production seasons for meat and dairy resume. MPI is contributing to the National Fuel Plan policy development to support the prioritised continuation of primary production, processing and export. as much as possible. MPI continuing to provide export certification, re-certification and supporting verification/audits, laboratory testing etc, as needed. Plans being developed to ensure upcoming peak seasons, e.g. cull cow and bobby seasons, are managed to minimise disruption, optimise fuel use and manage costs across the supply chain.
Forestry and Wood Processing	Concern about fuel security and costs given the importance of fuel for logging and transport to market. If costs rise to a level where increased prices cannot be accepted by the market, then supply will reduce, with forest owners likely choosing to delay logging until their costs are lower. Large cost increases may also impact demand, with slower export demand also affecting timing of harvesting.	MOT and MBIE are working on different sector requirements, with input from other agencies, including MPI, to prepare for a possible move to Phase 2 under the National Fuel Action Plan. NZTE has worked with exporters to understand routes to market in order to meet commitments. MPI is undertaking ongoing sector engagement to ensure it remains up to date on emerging issues and is working with forest owners, processors and exporters to address sector-specific challenges. MPI is undertaking work to better understand supply chain effects on forestry and wood processing focussed on critical raw materials

Sector	Problems Facing Exporters	Actions
		(e.g. resins and adhesives in engineered timber products) and downstream uses of wood (e.g. wood fibre for energy, and in food packaging, pellets for horticulture).
Logistics	MOT assessment is that aviation remains the most fragile part of the freight system in the near term, with some scheduled services already being cancelled, having knock-on effects to belly load cargo space. Costs and uncertainty involved in suspension of services, stranded containers, and congestion in ports across the Middle East and beyond. While higher costs are being absorbed for now, sustained disruption has the potential to increasingly affect exporter's ability to reach markets on time and with certainty. Wider maritime freight risks are more likely to materialise gradually through cost, delay and reliability impacts, rather than sudden loss of service. Higher cost 'war risk' insurance premiums, increased freight rates, and extended transit times, functioning as an added burden on trade. Importance of the Cook Strait freight connection, as a vital supply route for goods in NZ and to get to port for export, has been emphasised by stakeholders, including in the context of existing vulnerabilities due to age and condition of current ships, and maintenance requirements.	Regular MOT industry engagement on freight issues, includes Freight Advisory Council (weekly), aviation stakeholders, diesel and marine fuel user groups, and airlines, shipping lines, ports, airport companies, freight forwarders and fuel suppliers. MOT developing a separate jet fuel response framework, together with industry, recognising that jet fuel allocation – rather than high prices alone – would mark a step-change to a more severe disruption with direct implications for air connectivity and freight capacity. This work is informed by scenarios to test potential trigger points, system vulnerabilities and appropriate responses at varying levels of severity and duration. Looking further ahead, MOT is considering a graduated set of options that could be activated if conditions materially deteriorate. These range from light-touch measures s9(2)(f)(iv) [redacted] through to more targeted interventions, s9(2)(f)(iv) [redacted] and principles and processes to guide a possible jet fuel response plan, should this be needed in more severe circumstances.

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Sector	Problems Facing Exporters	Actions
		In aviation, MOT closely tracking service levels and fuel pressures, particularly on thin and regional routes, where reduced frequency can quickly translate into freight and connectivity issues. MOT has worked closely with peak bodies representing major international airlines and NZ-based airports to minimise disruption to the aviation sector in the event of future jet fuel supply constraints and retain confidence in NZ as a destination. Retaining certainty for international connectivity and service is a key principle underpinning the jet fuel response framework.
Tech and Services	Digital services exporters, e.g. computer services and software, ICT, professional and business services, comparatively better off. These services comprise approx. 7% of total NZ exports. Some services providers operating in the Middle East are, however, affected by data centre outages s9(2)(b)(ii)	NZTE and MFAT are working with affected businesses and local authorities s9(2)(b)(ii)
Manufacturing	Concerns about availability and cost of metals, plastics, chemicals and resins made from resources originating in the Middle East. Some local manufacturers of plastic packaging facing increased resin costs of around 40%. One company has reported around 40 percent of an upcoming order lost due to shipping constraints.	MBIE is maintaining a close watching brief on supply chain risks for critical sectors and key goods (excluding fuel), through engagement with affected businesses and sectoral bodies. This includes several petrochemical products of importance to NZ export sectors. MBIE includes these supply chain insights in regular reporting to Ministers via its non-fuel critical product 'dashboards'.

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Sector	Problems Facing Exporters	Actions
		NZTE has held webinars & arranged access to specialist Beachhead Advisors to support exporters on scenario planning, including on supply chains, cost pressures, market risk, financial constraints.
Tourism	Peak summer season has passed, and NZ is now in shoulder season, so impact on overall visitor arrivals so far has been limited. Likely that higher airfares, weaker discretionary spending, and concerns about the reliability of long-haul travel will dampen future bookings. In response to high jet fuel prices, airlines are consolidating flights across their global networks by reducing the number of services and/or destinations served. Passengers are being rebooked on alternative services, so there has not been significant impact on international visitor arrivals so far. However, there is a risk airlines may not restore these services, reducing NZ's air connectivity. This would narrow the options for international visitors to NZ, and likely mean higher airfares, both of which could dampen demand. It would also reduce the options for air freight carried in aircraft holds.	MBIE Tourism Policy tracking international visitor arrivals and airline connectivity and engaging with the tourism sector to identify trends for forward bookings. Strategic work underway on the potential implications of the Government's Fuel Response Plan on tourism exports and impacts for the next peak season. MBIE Tourism proposes to work with relevant networks on messaging to offshore trade partners and airlines, to emphasise the strong value proposition of NZ (including its safety and reliability) given the risks and opportunities of changes to travel patterns in the period ahead.
International Education	Disruption has occurred early in the academic year, so enrolment and arrival data will take time to reflect any changes. Only limited reports of effects to date. Some in-market promotional activity affected, though, e.g. Education NZ has	Ministry of Education is staying in regular contact with agencies through the International Education Senior Official Group which includes MBIE, Immigration New Zealand, the Tertiary Education Commission, New Zealand Qualifications Authority, MFAT and ENZ to

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Sector	Problems Facing Exporters	Actions
	cancelled Gulf Co-Operation Council (GCC) events. Universities and polytechnics (who usually take up to 80% of students in semester one) are the least exposed to disruptions and cost pressures. English language schools (40% enrol in semester one), private training establishments and schools (60%) are more exposed. Main near-term risk is reduced air connectivity and higher costs. If long-haul services are reduced, this could affect staff travel, visiting teaching, and student travel for block courses and placements.	respond quickly if conditions change for providers and students. Work under way to identify the types of programmes most exposed if diesel or jet fuel supply constrained, particularly trades and other practical programmes, aviation-related and land-based training, etc. Options to deal with this include encouraging providers to consolidate practical delivery into fewer sites or fewer days if possible and use short periods of remote delivery for theory components.

Annex B: Trade Resilience: International Cooperation Mechanisms

Forum/ Instrument	Explanation
New Zealand-Singapore Agreement on Trade in Essential Supplies (AOTES)	A dedicated, legally binding, agreement to facilitate trade in essential goods, expected to be signed in May 2026.
Singapore New Zealand Leadership Forum (SNZLF)	The inaugural SNZLF will take place on 4 May. It will provide an opportunity for dialogue between the two governments and private sector representatives, as well as for recommendations on possible further cooperation on supply chain and fuel policy issues.
Supply Chain Declaration by Future of Trade and Investment Partnership (FIT-P) members – Brunei, Chile, Costa Rica, Iceland, Liechtenstein, Malaysia, New Zealand, Norway, Panama, Singapore, Switzerland, the UAE, Uruguay	Concluded in November by 13 members of the FIT-P, participants have undertaken to, inter alia, endeavor to reduce or eliminate customs duties on essential goods, refrain from applying unnecessary export prohibitions, and intensify consultations to remove non-tariff barriers on essential goods. The Declaration was given complemented on 31 March by a 12-member statement supporting cooperation to keep supply chains open and functional in the current Middle East conflict situation.
Green Economy Partnership Agreement (GEPA) – a new agreement under negotiation with Singapore, Chile s6(a)	s6(a)
APEC – 22 member economies from the Asia-Pacific region.	Supply Chain Connectivity Framework Action Plan (SCFAP 2022-2026). APEC has continued to undertake a range of work on supply chain issues and connectivity choke points. s6(a)
Indo-Pacific Economic Framework (IPEF) Prosperity Agreement Relating to Supply Chain Resilience – covering 13 countries in the Indo-Pacific (including Australia, Brunei, Fiji, India, Indonesia, Japan, Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand and Viet Nam)	This agreement was initiated under the former US administration and aimed at strengthening resilience, transparency and coordination of supply chains in the Indo-Pacific. (s6(a) it does create institutions and systems

Forum/ Instrument	Explanation
	that could be useful in other crises, eg an IPEF Supply Chain Crisis Response Network (Art 7).

Free Trade Agreement Provisions Relevant to Supply Chains

FTA	Article	Explanation
Most NZ FTAs	Customs Cooperation Provisions	Almost all NZ FTAs include general customs cooperation provisions providing for work to further facilitate legitimate trade, simplify border procedures as much as possible, allow for rapid release of goods etc.
AANZFTA - Australia, New Zealand and ASEAN	Trade in Goods – Chapter 2, Article 14	Parties agree that in a humanitarian crisis, epidemic or pandemic, which adversely impact parties on a substantial scale, they will share information on non-tariff measures on essential goods and refrain from introducing such measures unless necessary.
CPTPP - 12 members of the Comprehensive and Progressive Trans-Pacific Partnership	Competitiveness and Business Facilitation – Chap 22 CPTPP-EU Dialogue CPTPP-ASEAN Dialogue	The main focus of chapter 22 is on work to examine ways to promote the development and strengthening of supply chains within the CPTPP. The third pillar of the dialogue with the EU focuses on trade facilitation, supply chain resilience, and economic integration. It includes a proposed work programme on building reliable and resilient supply chains through increased CPTPP-EU trade flows. s6(a), s9(2)(g)(i)
NZ-UAE CEPA	Article 17.3	This contains a normative acknowledgement of the importance of global supply chains in strengthening economic relations between NZ and UAE.