



29 May 2025

Minister of Foreign Affairs

For approval by

3 June 2025

Israel/Palestine: Policy Settings

BRIEFING Decision Submission

PURPOSE To seek your approval to take further action with respect to the crisis in Gaza and international efforts to preserve the two-state solution.

Recommended referrals

Prime Minister	For information by	3 June 2025
Associate Minister of Foreign Affairs	For information by	3 June 2025
Minister of Defence	For information by	3 June 2025

Contact details

NAME	ROLE	DIVISION	WORK PHONE
s9(2)(g)(ii)	Divisional Manager	Middle East and Africa Division	s9(2)(a)
	Unit Manager	Middle East and Africa Division	

Key points

- The international community is facing two questions related to Israel and Palestine: how to respond to Israel's renewed offensive and humanitarian blockade; and how to ensure that a two-state solution remains viable in the face of Israel's actions.

Minister's Office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Noted	<input type="checkbox"/> Referred
<input type="checkbox"/> Needs amendment	<input type="checkbox"/> Declined	<input type="checkbox"/> Withdrawn
<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	

Comments

Israel/Palestine: Policy Settings

- The humanitarian situation in Gaza is the worst it has ever been. 80% of the population are subject to displacement orders, 94% of hospitals have been damaged or destroyed, and formal education has ceased. The UN has said that 14,000 babies will be at risk of malnutrition over the course of the year. It estimates that 70% of the 52,000 Gazans killed in the conflict have been women and children.
- s6(a) Israel's actions are undermining both regional security and the international rules on which New Zealand depends. Officials recommend signalling our concern through a range of actions, including stepped up messaging, further sanctions, humanitarian contributions, s6(a), s9(2)(g)(i)
- New Zealand's close partners (including CANZUK) are responding with increasingly robust international messaging, as are other partners in Europe. s6(a)
The UK has suspended FTA talks s6(a)
sanction extremist Israeli Ministers Smotrich and Ben-Gvir.
- At the same time, Israel is changing the facts on the ground in a way that fundamentally undermines the viability of a Palestinian state. s6(a)
s6(a), s9(2)(h)
- As a result, the international community is considering how to preserve the viability of Palestinian statehood, s6(a), s9(2)(g)(i)
This has prompted a renewed focus on recognition s6(a)
- Discussions are focused on early conferral of recognition as a step in the process *towards* a two-state solution, rather than at the conclusion of a negotiated process. New Zealand's current position is that recognition should come at the *end* of a political process.
- s6(a)
- France and Saudi Arabia believe the political moment is now. They are hosting a Two-State Solution Conference in New York from 17-20 June. President Macron is leading efforts to get key co-requisites in place by mid-June in the hope that states will make declarations of recognition then. s6(a)
- s6(a)

Israel/Palestine: Policy Settings

- s6(a)

s9(2)(g)(ii)

for Secretary of Foreign Affairs and Trade

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Israel/Palestine: Policy Settings

Recommendations

It is recommended that you:

- | | | |
|----|---|-----------------|
| 1 | Note there have been two significant developments on Israel-Palestine issues. The situation in Gaza has become dire; s6(a) and a future Palestinian state. This undermines regional stability and violates international law. | Yes / No |
| 2 | Agree it is in New Zealand's interests to signal more robustly to Israel our concern at the situation in Gaza. | Yes / No |
| 3 | Note New Zealand's close partners s6(a), s6(b)(i) are taking concrete actions in response to the situation in Gaza, including robust messaging s6(a) | Yes / No |
| 4 | Agree officials should adopt the following measures in response to the immediate situation in Gaza: <ul style="list-style-type: none">• Continue to actively raise concerns bilaterally with Israel and set out New Zealand's position in international fora.• Further extend travel bans on extremist Israeli settlers.• Convey in principle interest to s6(a) to sanction hard line Ministers Smotrich and Ben-Gvir, noting officials will revert with a more detailed statement of case for approval. | Yes / No |
| 5 | Note the Ministry is providing accompanying advice seeking support for further humanitarian and stabilisation support for Gaza and the West Bank. | Yes / No |
| 6 | Note officials will revert with further advice s6(a) | Yes / No |
| 7 | Note international discussions are now focused on early conferring of recognition as a step towards the two-state solution, rather than at the conclusion of a politically negotiated process. | Yes / No |
| 8 | Note that France and Saudi Arabia are leading s6(a) process to put co-requisites for early recognition in place in the hope that states will make formal statements of recognition in June. | Yes / No |
| 9 | s6(a) | |
| 10 | s6(a), s9(2)(g)(i) | Yes / No |
| 11 | s9(2)(g)(i) | Yes / No |

Israel/Palestine: Policy Settings

- | | | |
|------|---|-----------------|
| 12 | Note that officials will revert with further advice s6(a) | Yes / No |
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 | | |
| 13 | Refer a copy of this submission to the Prime Minister, the Associate Minister of Foreign Affairs, and the Minister of Defence for their information. | Yes / No |

Rt Hon Winston Peters
Minister of Foreign Affairs

Date: / /

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Israel/Palestine: Policy Settings

Report

The immediate situation in Gaza

1. The situation in Gaza has continued to deteriorate, with renewed Israeli military action, 80% of the population displaced, and one in five people facing starvation. Severe restrictions remain on the flow of humanitarian aid following an eleven-week humanitarian blockade. Israel continues to promote a humanitarian delivery model s6(a) as well as making it inaccessible to many Gaza inhabitants by reducing the number of distribution points from over 400 to five. Qatar and the US continue to push for ceasefire negotiations.
2. Israel is obliged under customary international law to allow the rapid and unimpeded passage of humanitarian relief for civilians in need in Gaza. s9(2)(h)
3. The scale of deterioration has seen near universal condemnation of Israel's approach. UK Foreign Secretary has called it "morally unjustifiable," while the leaders of the UK, Canada, and France have deemed it "intolerable" and "unacceptable." s6(a)
4. s6(a)

President Trump has publicly stated that Gazans are starving, and the US Congress has put strong pressure on Israel to avoid famine. s6(a)
5. s6(a)

his includes concerted reframing of international messaging to condemn Israeli actions, and the extension of further sanctions against extremist Israeli settlers. s6(a) possible sanctioning of far-right Ministers Smotrich and Ben-Gvir, potentially as soon as 6 June. (See paragraph 31 below). The UK has also suspended FTA negotiations with Israel and is reviewing its 2030 roadmap for bilateral cooperation.

Longer term actions s6(a)

6. s6(a)
7. There has been a paradigm shift in Israeli society since 7 October 2023. The trauma of that event, s6(a)

Israel/Palestine: Policy Settings

8. s6(a)

- s6(a) s6(a)
 - Persistent proposals to push Gazan and West Bank populations to neighbouring states: s6(a)

All suggestions of displacement have been robustly rejected by Egypt, Jordan, Syria, and Lebanon, s6(a)
 - s6(a) Israel is 'legalising' existing settlements, expanding settlement construction, and adding to the network of Israeli-controlled roads that separate Palestinian-governed territory in the West Bank. Re-introducing Israeli land registration (previously suspended since 1968) s6(a)

An estimated 40,000 Palestinians have been displaced in the northern West Bank since January 2025. Economic activity in the West Bank is now severely constrained, and s6(a)
 - s6(a) s6(a)
 - On 19 July 2024, the ICJ delivered its advisory opinion in Legal Consequences Arising from the Policies and Practices of Israel in the Occupied Palestinian Territory, including East Jerusalem. The conclusions the Court reached are consistent with New Zealand's long-standing positions. The Court concluded that:
 - Israel's continued presence in the OPT is unlawful and Israel is under an obligation to bring this unlawful presence to an end as rapidly as possible.
 - Israel has been pursuing a policy of annexing parts of the OPT, contrary to the prohibition of the use of force and its corollary principle of non-acquisition of territory by force. The process of annexation is ongoing.
 - Israeli policies violate the right of Palestinian peoples to self-determination.
9. Global leaders have been increasingly robust in rejecting displacement, illegal settlements, and de facto annexation of the West Bank.
10. International discussions are now focused on how best to preserve the concept of a two-state solution and space for Palestinian statehood. A key question under discussion is whether those states which have not yet recognised Palestine (46 UN Member States, including New Zealand) should consider a reversal of the sequencing of recognition.
11. The core argument is that the integrity of the two-state solution is now so under threat that a new approach is required to maintain its viability. In this new context **recognition is**

Israel/Palestine: Policy Settings

therefore now being reconceptualised as a contribution towards ensuring a two-state solution, rather than its end point. Advocates of this approach argue that an earlier focus on recognition is critical to supporting current ceasefire efforts, constraining ongoing annexation, and to protecting the two-state solution as the only option to address the root causes of the decades-long crisis. New Zealand's current policy position is that recognition should follow a political negotiation.

12. s6(a) accept this argument and have now adopted this reversed sequencing. Support for this idea was clearly signalled in the joint UK/France/Canada Leaders' statement of 20 May, which stated that "we are committed to recognising a Palestinian state as a *contribution* [our emphasis] to achieving a two-state solution". Australia made similar comments in a statement in New York on 23 May.

13. Discussions are therefore rapidly turning to *when* to deploy recognition, and what conditions - or co-requisites - would need to be in place to ensure that recognition prior to a political settlement would shift the dial and deliver meaningful change.

14. France and Saudi Arabia s6(a) will be hosting a Two-State Solution Conference in New York from 17-20 June. **French President Macron has publicly stated that his aim is to push for recognition of Palestinian statehood at the June Conference.**

15. To try to achieve this, s6(a), s6(b)(i)

These include:

- Guarantees to ensure democratically robust Palestinian political leadership: s6(a), s9(2)(f)(iv)
- Concrete steps to build economic viability: s6(a), s9(2)(f)(iv)
- Regional commitments to engagement and integration: s6(a), s9(2)(f)(iv)
- Security guarantees for Israel:
- The greatest possible company to recognise simultaneously, to maximise impact.

16. s6(a) s6(a)

17. s6(a)

Israel/Palestine: Policy Settings

18. s6(a), s6(b)(i)

19. Malta's Prime Minister is the first state to announce any intention to recognise Palestinian statehood on 20 June following the Conference. Of the 46 states who currently do not recognise Palestine, there will be s6(a) which we do not expect to move under any circumstances.

New Zealand position on recognition and the June conference

20. New Zealand is guided by a longstanding set of principles when taking decisions with respect to the Middle East Peace Process. These are:

- Support for a comprehensive and sustainable two-state solution, with secure and recognised borders for both Israel and Palestine (based on 1967 lines);
- Support for Israel's right to exist in peace and security;
- Support for the right of the Palestinian people to self-determination;
- Recognition that direct negotiations between the parties are the only way to achieve a sustainable agreement, and a call for a return to such negotiations; and
- Respect for international law.

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

s6(a)

s6(d)

22. s9(2)(f)(iv)

Israel/Palestine: Policy Settings

23. s6(a)

s9(2)(g)(i)

Proposed New Zealand response

24. Taking these two developments into account, officials recommend that New Zealand respond with a range of concrete actions.

Actions in response to the immediate situation in Gaza

A. Continuation of existing engagement

25. Further amplify our concerns with Israel: s6(a), s9(2)(g)(i)

s6(d)

26. Keep using all available opportunities to set out New Zealand's position in international fora, including statements at the UN and other relevant multilateral meetings.

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

27.

B. I

28.

29. s9(2)(f)(iv)

s6(d)

C. Travel bans

30. Continue imposing travel bans on further extremist Israeli settlers: s6(a)

Officials will continue to revert with advice on tranches of travel bans as appropriate.

31. s6(a) in sanctioning extremist Israeli Ministers: As noted above, s6(a)

to impose sanctions against hardline Israeli Ministers Smotrich and Ben-Gvir. s6(a) has returned to this proposal on the basis that Smotrich and Ben-Gvir continue to incite violence across the West Bank. s6(a)

officials recommend that we convey in principle interest s6(a) Officials will revert with a more detailed statement of

Israel/Palestine: Policy Settings

case for your consideration after further discussions with partners. ^{s6(a)}

D. Further humanitarian and stabilisation support

32. Continue to support the humanitarian response to the conflict through credible financial contributions and advocacy, as set out in the accompanying submission: A further contribution of humanitarian support coupled with complementary stabilisation contributions would be a practical demonstration of New Zealand's support for the international response, principled humanitarian action, and international law. It would also support agencies to scale up when conditions allow and respond to sustained New Zealand public interest in the response.

E. ^{s6(a)}

33

Actions in response to Israel undermining the two-state solution

^{s6(a)}

36. ^{s9(2)(f)(iv)}

, ^{s6(a)}

37. Revert with further advice ^{s6(a), s9(2)(f)(iv)}

^{s6(a), s9(2)(f)(iv)}

Resourcing

38. The policy options could be met from within existing baselines and do not require a reprioritisation of work. There are no people implications.