NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

New Zealand Ministry of
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OIA 30885

1 July 2026

Requesters name redacted for proactive release

Tēnā koe Requesters name redacted for proactive release

Thank you for your email of 20 April 2026 in which you request the following under the Official Information Act 1982 (OIA):

> *"Please release all communications between New Zealand and Pacific Island countries where any assistance or potential assistance relating to fuel is mentioned.*
>
> *Please also release any documents relating to New Zealand's ability to provide fuel or fuel-related assistance to Pacific Island countries."*

On 19 May 2026, the Ministry of Foreign Affairs and Trade (the Ministry) contacted you to discuss the scope of your request because as it was originally framed it captured a significant volume of information. On the same day you agreed to refine the scope of your request to be for:

> *"Formal briefing documents to OMFA/MTI relating to New Zealand's ability to provide fuel or fuel-related assistance to Pacific Island countries since 28 February 2026."*

On 19 May 2026, the timeframes for responding to your request were extended by an additional 30 working days because responding to your request necessitated the review of a large quantity of information, and due to the consultations necessary to make a decision on your request (section 15A(1)(a) and (b) of the OIA refers).

Response to your request

Attached are the following documents in scope of your request:

1. Submission entitled 'Update on Middle East Crisis Response – Pacific' dated 17 April 2026.
2. Submission entitled 'Middle East crisis: Responding to Pacific requests for assistance' dated 27 March 2026.
3. Informal note entitled 'Implications of the Middle East conflict for the Pacific' dated 23 March 2026.

4. Background brief entitled ‘Pacific countries and the Middle East conflict’ from 16 March 2026.

5. Background brief entitled ‘Impact of the US, Israel and Iran conflict on the Pacific’ dated 12 March 2026.

Some information is withheld under the following sections of the OIA:

- 6(a): to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government;
- 6(b)(i): to protect the passing of information from another government on a confidential basis;
- 6(b)(ii): to protect the passing of information from an international organisation on a confidential basis;
- 7(b)(i)/(ii)/(iii): to avoid prejudicing relations between any of the Governments of New Zealand: the self-governing State of the Cook Islands: the self-governing State of Niue;
- 9(2)(a): to protect individuals’ privacy;
- 9(2)(ba)(i): to protect the supply of confidential information by a third party;
- 9(2)(ba)(ii): to protect confidential information that would be likely to damage public interest;
- 9(2)(g)(i): to maintain the effective conduct of public affairs through the free and frank expression of opinions; and
- 9(2)(g)(ii): to protect officers and employees from improper pressure or harassment.

Where the information has been withheld under section 9 of the OIA, no public interest in releasing the information has been identified that would override the reasons for withholding it.

One further document is withheld in full under section 6(a) of the OIA, to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government.

Please note that it is our policy to proactively release our responses to official information requests where possible. Therefore, our response to your request (with your personal information removed) may be published on the Ministry website: www.mfat.govt.nz/en/about-us/contact-us/official-information-act-responses/

If you have any questions about this decision, you can contact us by email at: DM-ESD@mfat.govt.nz. You have the right to seek an investigation and review by the Ombudsman of this decision by contacting www.ombudsman.parliament.nz or freephone 0800 802 602.

Nāku noa, nā

Sarah Corbett
for Secretary of Foreign Affairs and Trade

NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

17 April 2026

Minister of Foreign Affairs	For action by	19 April 2026

Update on Middle East Crisis Response – Pacific

BRIEFING	Decision Submission
PURPOSE	To update you on the work underway to support the Pacific under the Ministry's broader Middle East Crisis Response, with a focus on ensuring continuity of fuel supply, including interaction with New Zealand's domestic fuel planning process.

Recommended referrals

Prime Minister	For information by	20 April 2026
Minister of Finance	For information by	20 April 2026
Minister of Transport	For information by	20 April 2026
Minister for Energy	For information by	20 April 2026
Minister for Trade and Investment	For information by	20 April 2026
Minister of Internal Affairs	For information by	20 April 2026
Associate Minister for Energy	For information by	20 April 2026

Contact details

NAME	ROLE	DIVISION	WORK PHONE
s9(2)(g)(ii)		Development Economy and Prosperity	s9(2)(a)
		Development People and Planet	

Minister's Office to complete

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

Comments

Update on Middle East Crisis Response – Pacific

Key points

- With the Middle East crisis having major impacts on global supply chains – especially for fuel – understanding the effects for the Pacific has become a core pillar of the Ministry's overall response.

- As outlined in our advice of 27 March, the Pacific is exceptionally vulnerable to oil shocks given total dependence on imported fuel. Through engagement with the region and others, including Australia, the US, and International Financial Institutions, a more granular picture of risk is emerging. It is clear that regional supply chains for fuel are closely interdependent. On 17 April, Pacific Island Forum Troika Leaders activated the Biketawa Declaration to develop a regional response.

- s6(a)

- Our initial response focused on being ready to mitigate the effects of fuel price shocks through providing emergency budget support. We have identified s9(2)(g)(i) International Development Cooperation (IDC) Programme funding that could be immediately redirected for this purpose. We propose a set of principles to guide the disbursement of this financial support if required, aligned with the Government's overarching priority that any interventions be timely, targeted and temporary.

- We are now focusing on the supply-chain, with the objective of supporting existing Pacific s6(a) fuel supply chains to continue to function. A range of interventions to support supply are in progress, including technical assistance; s9(2)(g)(i) regularised information-sharing; advocacy with key suppliers to the region s9(2)(g)(i) close coordination with partners like Australia, the US and Japan, as well as International Financial Institutions; ongoing engagement with industry; and building long-term resilience through renewable energy projects.

- s6(a)

- We remain closely connected to the All-of-Government fuel response policy work led by the Ministry of Business, Innovation and Employment (MBIE), with a particular focus on having our Realm obligations reflected in the National Fuel Plan and considered in any design of Phase 3 or 4, where fuel restrictions or allocations would have impacts on the Realm s9(2)(g)(i) We propose joint MFAT-MBIE advice to the Ministerial Oversight Group to elaborate these considerations.

s9(2)(g)(ii)

for Secretary of Foreign Affairs and Trade

Update on Middle East Crisis Response – Pacific

Recommendations

It is recommended that you:

1	**Note** International Development Cooperation Programme funding for emergency budget support s6(a) s9(2)(g)(i) has been identified for disbursement if required, in line with your decisions on emergency budget support of 27 March 2026.	**Yes / No**
2	**Endorse** the set of principles set out in Annex 2, to guide bilateral discussions with Pacific governments, and to share with regional agencies and development banks.	**Yes / No**
3	**Agree** that in supporting fuel supply continuity in priority countries, our approach should aim to ensure that existing commercial and market-based arrangements are sustained, both during and beyond this crisis.	**Yes / No**
4	**Agree** that New Zealand should advocate at upcoming Pacific regional meetings for countries maintaining open trade and avoiding unnecessary export restrictions, consistent with our global advocacy on this issue.	**Yes / No**
5	s6(a)	**Yes / No**
6	**Note** the importance of having Pacific interests, particularly our Realm obligations reflected in New Zealand's National Fuel Plans.	**Yes / No**
7	**Agree** that MFAT, MBIE, and MoT prepare joint advice to the Ministerial Oversight Group on Realm and broader Pacific interests to be reflected in the National Fuel Plan.	**Yes / No**
8	**Note** that there are no additional resourcing implications from matters addressed in this submission.	**Yes / No**
9	**Refer** a copy of this submission to the Prime Minister, Minister of Finance, Minister for Energy, Associate Minister for Energy, Minister of Transport, Minister for Trade and Investment, and Minister of Internal Affairs.	**Yes / No**

Rt Hon Winston Peters
Minister of Foreign Affairs

Date: / /

Update on Middle East Crisis Response – Pacific

Report

1. Understanding the impacts of the Middle East crisis on the Pacific has become a core pillar of the Ministry's overall response. This submission updates you on the work progressed since our last update of 27 March 2026. In that submission you agreed that the Ministry develop a financial package, from existing International Development Cooperation (IDC) baselines, to enable quick delivery of emergency budget support s6(a)

   – if formally requested.

2. We have also considered how we might support continued supply of fuel s6(a) This has included engaging in broader all-of-government domestic planning led by the Ministry of Business, Innovation and Employment (MBIE) to have Pacific interests reflected in the National Fuel Plan.

The region remains highly exposed to a crisis that is expected to persist for much longer

3. The region's vulnerability to oil shocks is significant. Most Pacific countries are almost entirely dependent on imported petroleum fuels, compounded by limited storage capacity and ailing infrastructure. **Annex 1** assesses key vulnerabilities to oil price shocks s6(a) Given the high dependence on diesel for electricity generation, even short-term supply disruptions can have severe consequences for critical life-preserving services and touch on all aspects of the economy and society.

4. Through further, targeted, information-gathering, a more granular picture of risk is emerging. s6(a) , albeit at significantly higher prices. s6(a) . Rapidly escalating prices are putting extreme pressure on small budgets. s7(b)(i), s7(b)(iii) s6(a), s6(b)(i)

5. Our assessment, supported by inputs from the IMF, World Bank and the Asian Development Bank (ADB), is that the crisis could continue into next year even if the conflict ends sooner. Should fuel prices and volatility in supply remain high for an extended period, "economic scarring" is likely. s6(b)(ii)

6. Higher prices through supply shocks can be "sticky" and transmit to dependent real economy sectors and to services. The re-set price structure will pose challenges for government spending (purchasing less for the same outlay), government revenue, business planning and investment, and consumer behaviour. Given the expected persistent impacts, in providing any short-term relief, we will work with Pacific counterparts to ensure we build greater resilience to the underlying shocks in the medium-term.

7. As the impacts of uncertain supply chains and higher fuel prices are realised, other significant fiscal, structural and economic crises are coming to the fore in parallel. This includes Tuvalu's declaration of a State of Emergency on 13 April, s6(a), s6(b)(i)

   These long-term systemic issues are not caused by the Middle East crisis, and our short-term response will not address these deeper sectoral challenges or unsustainable deficit spending.

Emergency Budget Support to provide fiscal 'breathing room'

8. Following your approval to design an emergency budget support package, we have further developed our approach and undertaken an assessment across the IDC Programme to identify funding that could be prioritised for this response.

9. The proposed principles and practice for disbursing this general budget support are aligned with the Government's overarching principles for crisis management: that it be timely, targeted and temporary. We seek your endorsement of a set of principles to apply in the context of bilateral discussions with Pacific governments, and to share in discussions with regional agencies and development banks - **Annex 2** refers.

10. We have identified s9(2)(g)(i) funding that could be allocated to the response from the International Development Cooperation (IDC) programme. s6(a)

11. We are building our understanding of specific financing needs and requests through ongoing discussions with partners. At this stage, we have not determined country-specific or overall financing bids that require immediate support. They are expected, and when received we will work with your office including on any associated announcements.

12. Delivery of any support and our policy dialogue will need to be tailored to the specific domestic political settings of Pacific countries. s6(a) This country variability s6(a) reinforces the merit of a principles-based approach to support which can accommodate local specificities

13. s6(a)

Ensuring the Polynesian fuel supply chain can continue to function

Understanding regional supply chains

14. Polynesia is almost entirely reliant on fuel from Singapore. Samoa receives fuel directly from Singapore. Fiji sources from Singapore, Korea, and Malaysia and acts as a hub re-exporting fuel to Tuvalu and Tonga, while Niue gets its fuel from New Zealand. The Cook Islands receives half its fuel from New Zealand and half from Fiji. Tokelau gets its food and fuel from Samoa.

15. New Zealand and Australia are the main suppliers of food, medicines and other essentials. The shipping companies that are based in New Zealand tend to carry fuel and food at the same time. If they cannot carry fuel it would not be economic to transport the other essentials. s9(2)(g)(i)

16. Fiji and the Polynesian countries take different approaches to the level of Government intervention and control.[1] There is limited competition in most markets and price controls are widely used. s9(2)(g)(i) As well as a focus on ensuring continued supply, Pacific Governments are looking at how they can absorb at least some of the price shock. Subsidies include fuel price caps, absorbing SOE losses, cutting taxes or tariffs on fuels, and targeted social protection payments.

17. In light of the current supply arrangements in the region, the most critical issues are:
    - Singapore continuing to supply the region – prioritising the Pacific as well as New Zealand and Australia.
    - Fiji not introducing restrictions on its re-exporters meeting their wider regional supply contracts, should Fiji become constrained in meeting its domestic demand.
    - New Zealand's National Fuel Response Plan at higher Phases not constraining exports of fuel to the Pacific under existing New Zealand supply arrangements.

How we can respond to support supply

18. Our key tools for supporting continuity of supply s6(a) are price support (particularly through flexible use of budget support outlined above); providing technical assistance in a broad range of areas; information sharing; diplomatic engagement and advocacy; regional cooperation; and New Zealand domestic policy settings.
19. Our approach aims to ensure that existing commercial and market-based arrangements are sustained, both during and beyond this crisis. s9(2)(g)(i) s6(a), s6(b)(i) we have committed to work in close coordination on solutions. For New Zealand this means:
    - Supporting countries 'upstream' to manage the price shocks and supply uncertainty, so they can secure supply directly s6(a)
    - Engaging in domestic policy processes to ensure New Zealand's national fuel planning takes account of Pacific obligations and interests, should it become constrained.
    - s6(a)
    - Taking action to build longer term resilience and address the underlying vulnerabilities, in addition to managing the immediate crisis.
20. Specific interventions that we are undertaking to support supply include:
    - **Technical assistance:** Establishing a $1.5 million technical assistance facility which can provide strategic advice and consultancy services related to fuel security and management, in response to requests (open to all Pacific countries). An urgent Pacific Islands Forum Secretariat (PIFS) initiated regional fuel security audit may be supported through this.

[1] The key models are private importer / government price control (Cook Islands, Tonga, Tuvalu, Fiji), tendered monopoly contractor (Samoa/Petroleum Products Supplies), government SOE monopoly importer (Niue/Bulk Fuel Company via Matson NZ), and administrative importation from Samoa (Tokelau).

- **Long-term resilience**: Delivering the renewable energy projects in Niue and Tokelau as soon as possible s6(a) For example, the Niue project is anticipated to save around 816,000 litres of diesel per annum (current consumption is 2.2 million litres) starting from July 2026.
- **Increasing reserves:** Supporting increased fuel reserves and temporary storage in Realm countries for back up supply. s9(2)(g)(i)
- **Budget support:** Confirming budget support needs with priority countries to help governments stabilise their fiscal positions, absorb price volatility and costs, and secure supply should it be needed. This could support their ability to underwrite or guarantee supplies.
- **Two-way information sharing** with Pacific countries and New Zealand officials working on New Zealand's own fuel response. A briefing with the Realm countries was held on 10 April, with Samoa, Tonga and Tuvalu on 17 April, and is planned for Fiji on 24 April. s6(a) ensuring Pacific countries have robust fuel management/rationing plans in place.
- s6(a)
- Close coordination and advocacy with other development partners, particularly **Australia, the US and Japan**. s6(a)
- **Advocacy and coordination with International Financial Institutions** (ADB, World Bank, IMF) to make additional concessional resources available, expand budget support, and utilise other non-grant instruments that are more relevant to private sector supply chain interventions.
- **Ongoing engagement with fuel importers and transport companies** to understand where the supply chain risks are and identify any government interventions needed to increase supply certainty, help diversify suppliers, and ensure continuity of transport services.

Fostering regional cooperation as we look ahead to our PIF 2027 hosting year

21. Regional cooperation will be important as we respond to the crisis and consider how we can build resilience to avoid future shocks. The Pacific Islands Forum Troika (Solomon Islands, Tonga, Palau Leaders) met on 17 April. The Leaders agreed to activate the Biketawa Declaration to develop a regional response to energy security. The Biketawa Declaration provides Forum Foreign Ministers with several options to respond, including a statement; creation of a Ministerial Action Group; a fact-finding mission; convening of an ad hoc meeting of Forum Ministers. The Biketawa Declaration was last used to develop a regional response to COVID – the 'Pacific Humanitarian Pathway for COVID-19 – under which the region agreed several protocols to facilitate the movement of medical supplies and personnel in a time of border restrictions and supply chain challenges.

22. Upcoming regional meetings include the Pacific Energy and Transport Ministers' Meeting from 4-8 May 2026; and the Forum Economic Ministers' Meeting in June. Consistent with

New Zealand's advocacy globally we propose introducing language at these meetings calling for countries to maintain open trade and avoiding unnecessary export restrictions.

23. s6(a)

Engagement with All-of-Government Fuel Planning

24. Ministry officials are closely engaging with the Ministry of Business, Innovation and Employment (MBIE) and Ministry of Transport (MoT) to ensure that Pacific (and Antarctica) interests are well covered in New Zealand's National Fuel Plans. For the Pacific we are particularly focused on having New Zealand's Realm obligations reflected and ensuring that shipping and airline services transporting fuel and other critical supplies from New Zealand into the Pacific continue. MBIE has formally consulted with the Realm countries on Bands for Phases 3 and 4, which was highly appreciated by Realm partners.

25. Given the ongoing relevance of the Realm and broader Pacific to domestic policy development, we seek your approval to provide joint briefing paper(s) to the Ministerial Oversight Group on Pacific considerations for New Zealand's fuel response planning, co-authored with MBIE and potentially separately with MoT.

Resourcing

26. The costs of any support for Pacific countries (whether financial or supply) can be provided from International Development Cooperation Appropriation (Vote Foreign Affairs) baselines. This would require reprioritisation of planned expenditure. We will advise you where significant trade-offs arise.

27. The Ministry will continue to dedicate resources to the impacts of the Middle East crisis on the Pacific from within existing baselines.

Annex One: Assessing key Pacific country vulnerabilities to oil price shocks

s6(a), s6(b)(i), s7(b)(i), s7(b)(ii), s7(b)(iii), s9(2)(ba)(ii)

Annex Two: Principles for Emergency Budget Support in the Pacific

New Zealand has experience working with Pacific Governments in several kinds of budget support: reform-linked budget support, sector support, and during pandemic response. We have assessed and refined those principles and practices to the current crisis, especially aiming to alleviate fiscal stress on Pacific governments.

s6(a)

General budget support to alleviate fiscal stress should be:

- targeted (at fiscal stress),
- efficient (the most direct support for the need),
- timely (responsive to partner government requests),
- prudent (drawn from existing baselines / triennium out-years),
- time-bound (short term as a priority),
- consistent with New Zealand development policy and operations, and financial and legal obligations,
- foster fiscal prudence and realism, and
- focus on a sustainable and resilient exit from the programme.

s6(a)

NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

27 March 2026

Minister of Foreign Affairs	For approval by	30 March 2026

Middle East crisis: Responding to Pacific requests for assistance

BRIEFING Decision Submission

PURPOSE To seek your approval for the Ministry to earmark International Development Cooperation funding for emergency budget support to Pacific countries, to enable them to absorb the economic impacts of disrupted fuel supply chains and increased prices. Further work is underway on options to support supply if required. Any requests would need to be considered in the context of the National Fuel Plan.

Recommended referrals

Prime Minister	For information by	30 March 2026
Minister of Finance	For information by	30 March 2026
Minister of Transport	For information by	30 March 2026
Minister for Energy	For information by	30 March 2026
Minister for Trade and Investment	For information by	30 March 2026
Minister of Internal Affairs	For information by	30 March 2026
Associate Minister for Energy	For information by	30 March 2026

Contact details

NAME	ROLE	DIVISION	WORK PHONE
s9(2)(g)(ii)		Development Economy and Prosperity	s9(2)(a)
		Development Economy and Prosperity	

Minister's Office to complete

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

Comments

Middle East crisis: Responding to Pacific requests for assistance

Key points

- The conflict in the Middle East has placed significant pressure on fuel supply chains and led to a dramatic increase in prices. These disruptions are likely to worsen as the war continues, with severe impacts on Pacific Island countries who are entirely dependent on imported diesel, petrol and jet fuel for most of their electricity production, transportation, and air connectivity.
- While the need for fuel is acute, the total volume is small. Samoa, Niue, Tonga, Tuvalu, Tokelau and the Cook Islands together consume approximately the equivalent of 1.6% of New Zealand's annual diesel consumption and 1.5% of New Zealand's annual petrol consumption.
- New Zealand's statutory and constitutional obligations to the Realm countries – the Cook Islands, Niue and Tokelau – oblige us to provide economic and administrative assistance, with Niue and the Cook Islands dependent on fuel supply via New Zealand s7(b)(i), s7(b)(ii), s7(b)(iii)
- s6(a)
- s7(b)(i), s7(b)(ii), s7(b)(iii)

  Requests from others are likely.
- Emergency budget support is the preferred and most efficient modality to deliver support. We propose developing a financial package of International Development Cooperation funding earmarked for emergency budget support to Pacific countries, to enable them to absorb the economic impacts of disrupted fuel supply chains and increased prices. It would be subject to due diligence but able to be dispersed promptly.
- But, if the conflict continues to increase pressure on supply chains, and countries lose access to fuel altogether, there could be dire economic and social consequences. s9(2)(g)(i)

  New Zealand will need to consider how to manage these requests in the context of the National Fuel Plan.
- s6(a)
- The proposed budget support would be funded out of existing International Development Cooperation baselines (Vote Foreign Affairs). This would require reprioritisation.

s9(2)(g)(ii)

for Secretary of Foreign Affairs and Trade

Middle East crisis: Responding to Pacific requests for assistance

Recommendations

It is recommended that you:

1	**Note** that Pacific countries are extremely vulnerable to supply chain shocks caused by the Middle East crisis, because of their heavy reliance on imported fuel for energy and transportation.	**Yes / No**
2	**Note** that if Pacific countries' fuel constraints become acute, they are likely to make requests of New Zealand for assistance, either through direct assistance with fuel supply or emergency budget support.	**Yes / No**
3	s7(b)(i), s7(b)(ii), s7(b)(iii)	**Yes / No**
4	**Agree** that the Ministry develop a financial package to promptly respond to requests for emergency budget support from the Pacific, subject to due diligence prior to disbursement.	**Yes / No**
5	**Note** that any budget support New Zealand agrees to provide to Pacific countries could be funded through reprioritisation within International Development Cooperation Appropriation (Vote Foreign Affairs) baselines	**Yes / No**
6	s6(a)	**Yes / No**
7	**Refer** a copy of this submission to the Prime Minister, Minister of Finance, Minister for Energy, Associate Minister for Energy, Minister of Transport, Minister for Trade and Investment, and Minister of Internal Affairs.	**Yes / No**

Rt Hon Winston Peters
Minister of Foreign Affairs

Date: / /

Middle East crisis: Responding to Pacific requests for assistance

Report

1. Pacific countries are extremely vulnerable to supply chain pressures caused by the Middle East crisis, with imported fuel accounting for 80% of the region's energy mix. A fuller picture of these dependencies was outlined in the Informal Note provided to the Minister of Foreign Affairs on 23 March. All countries rely on fuel to produce electricity and for transportation. If they were to lose access to fuel supplies this would severely limit their ability to provide basic services including providing electricity to homes, schools and hospitals and would have serious humanitarian implications.

2. Supply chain disruptions and cost increases faced by transport and logistics providers mean that shortages or higher prices are likely to be felt across other critical imported products including food, plastics, fertilisers, pharmaceuticals and tourism. It is likely that the region will face more significant supply chain disruptions than New Zealand.

3. For Pacific economies, these supply disruptions feed directly into higher inflation, pressure on foreign reserves (as more US dollars are needed for fuel purchases), slower economic growth due to the impact of rising production and transport costs, additional fiscal strain from potential fuel subsidies or cash transfers, and higher electricity generation costs. Structural factors such as geographic isolation, dispersed islands, limited shipping connectivity, and small market size further amplify these impacts.

4. Officials are actively working to understand the region's needs and risks, primarily with respect to fuel supply chains, but also considering the second and third-order impacts across other critical supply chains and Pacific economies. We are engaging directly with Pacific partners, Australia, and the Pacific Islands Forum as the preeminent convening mechanism for the region.

5. s6(b)(i) Officials are also engaging with the Pacific Islands Forum Secretariat (PIFS), and with Pacific finance ministries, through the PIFS economic subcommittee and directly via our network of Posts.

6. There has been wide engagement at senior political levels, including between Prime Minister Luxon and his Samoan and Tongan counterparts in the week of 16 March, your meeting with Prime Minister Brown on 20 March and the visit of Tuvalu Prime Minister Feleti Teo on 24-25 March. A call between Prime Minister Luxon and Prime Minister Rabuka is scheduled for 27 March.

New Zealand's timely and positive response to requests will be important

7. If Pacific countries' fuel constraints become acute, we anticipate requests of New Zealand for assistance, either through emergency budget support or direct assistance with fuel supply. Pacific countries are also very interested in receiving New Zealand analysis and insights on the crisis, as well as regular updates on our domestic National Fuel Plan and associated escalations. s6(a) with detailed briefings for Realm partners to take place in the coming weeks, initiating a pattern of regular engagement on our respective domestic policy settings.

8. s7(b)(i), s7(b)(ii), s7(b)(iii)

Middle East crisis: Responding to Pacific requests for assistance

9. In addition to responding to humanitarian needs, it is in New Zealand's strategic interests to be responsive to the Pacific's asks. s6(a)

10. s6(a) All are heavily dependent on fuel for their electricity generation. s7(b)(i), s7(b)(ii), s7(b)(iii) while Tokelau purchases its fuel from Samoa. Should Samoa experience supply constraints, then New Zealand may be required to provide support to Tokelau.

11. Samoa, Tonga and Tuvalu source fuel from the same Asian refineries as New Zealand, primarily in Singapore, s6(b)(i) Fiji's role as a regional supply hub – holding or supplying fuel to many Pacific countries – means we should also remain alert to the wider implications of supply chain failures in Fiji s6(a)

12. New Zealand has statutory and constitutional obligations to the Realm countries. The obligation in respect of Niue is set out section 7 of the Niue Constitution Act 1974, which provides that is "a continuing responsibility of the Government of New Zealand to provide necessary economic and administrative assistance to Niue". The obligation in respect of Tokelau it is contained in Article 73 of the UN Charter (the Declaration Regarding Non-Self-Governing Territories), and in the Tokelau-New Zealand Principles of Partnership in which New Zealand acknowledged "its obligations with regard to economic support for Tokelau" and commits to assisting Tokelau "in the event of emergencies beyond its control". While there is no express obligation in respect of the Cook Islands, successive New Zealand governments have recognised an obligation to respond positively to any requests for assistance.

13. Under the Samoa and New Zealand Treaty of Friendship, we have unique obligations towards Samoa, committing both parties to consult on matters of mutual interest and cooperate to enhance the welfare of the people of Samoa. Samoan Prime Minister La'aulialemalietoa has publicly expressed his hope that New Zealand would support Samoa's fuel reserves.

14. s6(b)(i) The New Zealand-Tonga Statement of Partnership commits us to working together to ensure the safety and security of Tonga and the broader Pacific region, but our longstanding, close links, and the size of the Tongan diaspora in New Zealand (more than 100,000 people) also create an expectation that New Zealand will come to Tonga's assistance in times of need.

15. s6(b)(i)

Middle East crisis: Responding to Pacific requests for assistance

s7(b)(i), s7(b)(ii), s7(b)(iii)

Responding to potential future requests

21. Emergency budget support is the preferred and most effective modality of assistance to address the economic impacts of a protracted crisis, but it cannot address a critical supply failure.

22. To enable responsiveness, we recommend requests for emergency budget support be approved through usual IDC approval processes and funded from existing IDC baselines. Accordingly, we intend to develop a financial package to be able to respond positively to requests that meet appropriate due diligence criteria. The criteria are under development in consultation with Australia and the multilateral development banks. The criteria will consider a range of factors such as the quantum being realistic to meet requirements, and

the broader fiscal and macroeconomic impacts of the crisis. Officials will provide further advice on the criteria and implementation when finalised.

23. s6(a)

Requests for supply chain support, and other options for longer-term assistance

24. While the need for fuel is acute, total volumes are small. For example, Samoa, Niue, Tonga, Tuvalu, Tokelau and the Cook Islands together consume approximately 60 million litres of diesel and 51 million litres of petrol annually. This is the equivalent of approximately 1.6% of New Zealand's annual consumption of diesel and 1.5% of our annual consumption of petrol.

25. Should Pacific governments explicitly seek supply chain support (i.e. assistance securing new supply contracts, or direct provision of fuel) this would need to be considered by an all of government process aligned with the work of the Ministerial Economic Security and Supply Chains Group, given the implications of any supply chain restrictions under New Zealand's National Fuel Plan.

26. We are engaging with relevant government agencies to alert them to the Realm and Pacific implications of our domestic response, and to ensure that any domestic settings do not cut across our wider obligations and interests. s9(2)(g)(i)

27. s9(2)(g)(i) At its core, New Zealand's IDC programme aims to support energy security in the Pacific, with a focus on strengthening countries' renewable energy infrastructure. There are significant projects in place in the Realm that will increase renewable energy supply to 80% in Niue (by mid-2026), 80-90% in Tokelau (by end of 2026), and nearly 100% in the Cook Islands (project begins 2026). s6(b)(i)

28. New Zealand regularly engages in policy dialogue and provides technical assistance to facilitate the macroeconomic stabilisation of partner countries, reducing economic volatility and enabling sustainable economic growth. In past crises this has included sharing data and economic forecasting with Pacific countries, to inform their domestic economic response. There are well-established channels for standing up – and in many cases, continuing – further technical assistance and technical dialogue alongside any budget support.

29. Other institutions such as the Asian Development Bank and the World Bank have existing support mechanisms for situations like this, for example the World Bank's Crisis Response Mechanism and the Asian Development Bank's interventions to fast-track budget support disbursements through use of the bank's Countercyclical Support Facility to help governments stabilise their economies. These institutions are engaging directly with

Middle East crisis: Responding to Pacific requests for assistance

Pacific countries on the possible options and New Zealand is ensuring we are part of that conversation.

30. Officials will provide further advice on additional options to support Pacific countries, in addition to budget support, as we increase understanding of supply channels and particular vulnerabilities. We are working closely with Australia.

Resourcing

31. The costs of any support for Pacific countries (whether financial or supply) can be provided from International Development Cooperation Appropriation (Vote Foreign Affairs) baselines. This would, however, require reprioritisation of planned expenditure. We will advise you where significant trade-offs arise.

32. The Ministry will continue to dedicate resources to the impacts of the Middle East crisis on the Pacific within existing baselines.

Informal Note — Implications of the Middle East conflict for the Pacific

Key points

- Disruptions to fuel supply will have a sharp impact in the Pacific given a heavy reliance on imported petroleum fuels, especially for electricity generation and transport. Imported fuel (diesel, petrol, jet fuel) accounts for about 80% of the region's energy mix.

- Fuel price rises are already translating into flight cancellations and higher shipping costs in the region. Supply chain disruptions to fertilisers, plastics and pharmaceuticals are likely to present further challenges. Rising food prices will add to cost-of-living pressures s6(a)

- New Zealand agencies are engaging closely with Pacific partners and regional organisations. We have been offering consular assistance to Pacific nationals and sharing information about New Zealand's response. Officials are also engaging with Australian counterparts s6(a)

- Pacific fuel reserves are often limited by lack of storage infrastructure. s6(a)

- Pacific countries' response efforts to date are focused on reducing domestic demand and consumption of fuel; and providing price relief to help households manage cost pressures. The Pacific Islands Forum Secretariat will use a series of officials' meetings this week to discuss regional impacts and potential responses.

- s6(a)

  ew Zealand will need to consider how to manage any Pacific requests in the context of the National Fuel Plan.

- s6(a)

- Emergency budget support is likely to be the preferred modality for any assistance, though it would not address a supply failure. If needed, support for Pacific countries could be provided from International Development Cooperation Appropriation (Vote Foreign Affairs) baselines. This would require reprioritisation.

MFAT assessments

The Pacific is heavily reliant on fuel imports

- The conflict in the Middle East and its impacts on the global economy pose potentially severe risks for the Pacific. With no significant domestic energy resources of their own (apart from Papua New Guinea) and only limited options for clean electricity generation, most Pacific countries are almost entirely dependent on imported petroleum fuels, compounded further by limited storage capacity. Fuel imports supply about 80% of Pacific countries' energy – mainly for transport (52%) and electricity generation (37%) – while renewable sources make only a limited contribution. This dependence costs the region around NZ$10.3 billion a year.
- Pressure on fuel supply chains is already leading to higher shipping costs and a reduction in transport links across the region. s9(2)(ba)(i)

s9(2)(g)(i)

- s9(2)(ba)(i)
- For Pacific economies, supply disruptions feed directly into higher inflation, pressure on foreign reserves (as more US dollars are needed for fuel purchases), slower economic growth due to the impact of rising production and transport costs, additional fiscal strain from potential fuel subsidies or cash transfers, and higher electricity generation costs. Structural factors such as geographic isolation, limited shipping connectivity, and small market size further amplify these impacts.
- As in many island states globally, Pacific countries are often highly dependent on fossil fuels for electricity generation, which will worsen the impacts of any shortages. Tokelau is currently 100% reliant on diesel for electricity generation until late 2026 while renewable systems upgrades are taking place. Other Pacific countries are similarly dependent – eg. the Marshall Islands (98%), Palau (95%), the Solomon Islands (93%), Nauru (90%),Tonga (86%) and Tuvalu (84%).
- Most Pacific countries receive their fuel from large refineries in Asia, often through transhipments via Fiji. Singapore is the main supplying country, although product can also come from other large refining centres in Asia including South Korea, s6(a), s6(b)(i) . Among Realm countries, Niue purchases all of its supply from the New Zealand domestic fuel market (though its annual demand is very small at 2.5 million litres - less than one-fifth of daily demand in New Zealand). The Cook Islands' main supply comes from Fiji, but suppliers report about 40% of its ground fuel is imported from New Zealand. Tokelau procures its fuel from Samoa. Officials are continuing to build a picture of other Pacific countries' fuel reserves. Annex A provides an overview of Pacific

countries' current known stocks, the status of their regular supply chains, and actual or anticipated government policy responses s6(a)

Pacific leaders are responding carefully, but concerns are growing

- s6(a) Most Pacific countries are beginning to weigh policy options for the short, medium, and longer term – reflecting the region's long history of navigating external shocks.
- In the short term, Pacific policymakers are mainly considering two responses: reducing domestic demand and fuel consumption; and providing price relief to help households manage potential cost pressures — including targeted social protection payments (as in Fiji, Kiribati, Samoa), price controls on essential items (Kiribati), value added tax relief for essential goods (Fiji and Papua New Guinea), and subsidies on fuel and food (Tuvalu). Some countries, such as Fiji and Niue, have set up government taskforces to monitor the situation and consider policy options. s6(a)
- The Pacific Islands Forum Secretariat (PIFS) is focused on the impacts of the conflict and expects these to be discussed during a series of Sub-Committee meetings with the full Forum membership this week, which will be attended by New Zealand officials. A Forum Troika meeting in early April (between the leaders of Solomon Islands, Tonga, and Palau) is also likely to discuss a possible regional approach to fuel supply.
- s6(a) This will become increasingly relevant when second and third-order impacts are felt, particularly around food and pharmaceutical supply chains. Officials will remain close to PIF planning.

New Zealand is engaging closely with Pacific partners – and Australia

- New Zealand diplomatic missions are actively engaging with Pacific partners. Immediately after the breakout of the conflict, New Zealand offered consular assistance to Pacific nationals in the region and briefed Pacific partners on our foreign policy assessments. As consular demand has abated, engagements are intensifying with a focus on trade and economic impacts. New Zealand transport and emergency management officials are engaging directly with counterparts in the Cook Islands, Samoa, Niue and Tonga. To date, efforts have focused on exchanging information to develop a picture of how impacts of the crisis might play out across the region, and of Pacific countries' most pressing concerns.
- Fuel security was a focus of Prime Minister Luxon's meetings with Samoan and Tongan counterparts in the week of 16 March 2026, s6(a) There is scope to increase engagement with Pacific Ministers in the coming weeks, in line with the ongoing engagements between New Zealand Ministers and their international counterparts. The incoming visits of Tuvalu Prime Minister Teo

and Palau President Whipps offer further opportunities for Minister Peters and Prime Minister Luxon to have in-person discussions with Pacific leaders on their priorities.

- Officials are also engaging with Australian counterparts, s6(a)

s6(a)

- s6(a)

- New Zealand has particular constitutional obligations to the Cook Islands, Niue and Tokelau. Cabinet mandated in 2018 that the New Zealand Government should fulfil these obligations by providing coordinated whole of government administrative assistance to Realm partners. New Zealand has previously provided additional support to Realm partners during periods of major disruption, including during the COVID pandemic.

- s6(a)

- s6(a) Officials will work with relevant agencies to offer a briefing to all Realm partners over the coming period; ideally this would take place before any significant public announcement about New Zealand's approach to managing fuel constraints. As New Zealand's domestic response develops, New Zealand will need to consider how to manage any Pacific requests in the context of our own National Fuel Plan and in response to any other supply chain constraints. MFAT officials are engaging with MBIE and other agencies to ensure this dimension is part of considerations.

- s6(a)

Any support can be funded through the IDC programme

- If necessary, New Zealand can provide emergency budget support to Pacific partners through the International Development Cooperation (IDC) Programme from within existing baselines. This will require trade-offs. Any IDC support can be approved through the Ministry's standard approval processes.

- This financing is designed to help fund core government services and maintain partner countries' cash reserves. s6(a)

- Assistance in the form of budget support is the preferred modality, but does not address supply issues. In the event that financial support for fuel supplies is required, this is eligible to be funded through the IDC appropriation.

- In addition to budget support, New Zealand already engages in policy dialogue and provides technical assistance to facilitate the macroeconomic stabilisation of partner countries, reducing economic volatility and enabling sustainable economic growth. Further technical assistance, and mechanisms for information sharing and technical dialogue can potentially be stood up alongside budget support.

- If the conflict is prolonged, there will be increased focus on the need for improved energy security in Pacific countries. This is likely to incentivise Pacific partners beyond climate change to accelerate the renewable transition and meet their renewable targets. New Zealand has long supported the Pacific's energy security ambitions and renewables targets and is currently focused on Niue, Tokelau and Vanuatu. In some cases, New Zealand investments may ease energy pressures in the short-term – eg. new renewable energy systems in Niue are expected to be commissioned in the coming months and will reduce fuel demand significantly.

Other crises in the region could compound risks

- Pacific countries are vulnerable to a range of concurrent risks that may require a response from New Zealand, including the effects of adverse weather, sudden onset events (such as earthquakes/tsunami) and public health emergencies (eg, dengue). The South Pacific Tropical Cyclone (TC) season runs until the end of April. Energy or supply chain shortages can compound humanitarian and other consequences for countries facing such crises, for example by raising costs and delaying shipments. New Zealand will need to maintain its ability to respond s6(a)

Next steps

- New Zealand agencies will continue to engage with Pacific partners, Australia and industry throughout the week. MFAT will continue to liaise with MBIE regarding the National Fuel Plan. s6(a)

Deputy Secretary's Office, Pacific and Development Group
Ministry of Foreign Affairs and Trade
23 March 2026

COUNTRY *(* REALM MEMBERS)*	REPORTED FUEL STOCKS AT 20/3	SUPPLY CHAIN/STATUS UPDATE	POLICY RESPONSES/REQUESTS FOR ASSISTANCE *(CURRENT OR LIKELY)*
*COOK ISLANDS	s6(a), s6(b)(i), s7(b)(i), s7(b)(ii), s7(b)(iii)		
*NIUE			
*TOKELAU			
SAMOA			
TONGA			
TUVALU			
FIJI			
SOLOMON ISLANDS			
VANUATU			
KIRIBATI			
NAURU			
PALAU			

PAPUA NEW GUINEA	s6(a), s6(b)(i)
REPUBLIC OF MARSHALL ISLANDS	
NEW CALEDONIA	
FRENCH POLYNESIA	
FEDERATED STATES OF MICRONESIA	

Pacific countries and the Middle East conflict

Implications of the crisis for the Pacific region

1. For Pacific economies, which are heavily dependent on imported fossil fuels, supply disruptions feed directly into higher inflation, pressure on foreign reserves as more US dollars are needed for fuel purchases, slower economic growth due to rising production and transport costs, additional fiscal strain from potential fuel subsidies or cash transfers, and higher electricity generation costs. Structural factors such as geographic isolation, limited shipping connectivity, and small market size further amplify these impacts, keeping transport, logistics, and energy costs persistently high.

2. Rising food prices – already climbing faster than headline CPI across many Pacific countries – add to these pressures, widening the gap between household needs and purchasing power. With modest wage growth and domestic employment opportunities limited, Pacific households have little buffer against inflation, leaving them particularly exposed to cost of living pressures.

3. The rise in oil prices is also likely to adversely affect agricultural production and food security in the Pacific, as the price of fertiliser increases along with the cost of importing food (due to increased transport costs). It is also possible that high oil prices have a dampening impact on the economies of Australia and New Zealand, the main source of tourists for the Pacific.

4. Pacific policymakers now face the difficult task of managing these energy-related economic risks with limited fiscal space and institutional capacity, while also ensuring that any policy responses – such as targeted subsidies – help ease potential cost-of-living pressures for households.

5. Most Pacific countries have adopted a "wait-and-see" approach, noting it is currently too early to gauge how long the disruption would last, but are nonetheless beginning to weigh policy options for the short, medium, and longer term – reflecting the region's long history navigating external shocks. Immediate responses also include efforts to calm consumer behaviour and reduce unnecessary strain on tight reserves.

Which Pacific economies are most vulnerable to the crisis, and what are the key drivers?

6. Pacific countries rely heavily on imported oil, which supplies about 80% of their energy – mainly for transport (52%) and electricity generation (37%) – while renewable sources make only a small contribution. This dependence costs the region around US$6 billion a year. With no significant domestic energy resources of their own (apart from **Papua New Guinea**) and only limited options for clean electricity generation - such as the hydropower plants operating in **Fiji**, **Papua New Guinea**, and **Samoa** – most

Pacific countries remain almost entirely dependent on imported oil, compounded further by limited storage capacity.

7. As shown in the Annex, electricity production from oil sources remains high across the region, though the level of dependence varies considerably by country. Several economies rely overwhelmingly on oil for power generation, including the **Marshall Islands** (98%), **Palau** (95%), the **Solomon Islands** (93%), **Nauru** (90%), **Tonga** (86%), and **Tuvalu** (84%). Others show moderate dependence, such as **Vanuatu** (75%) and **Samoa** (51%). **Fiji** (40%), **New Caledonia** (38%), and **Papua New Guinea** (33%) have comparatively lower reliance due to greater access to alternative or domestic energy sources. Despite these differences, oil remains a central part of the energy mix across the Pacific, reinforcing the region's vulnerability to global price shocks and supply disruptions.

8. Vulnerability to oil shocks in the Pacific stems not only from the high share of electricity generated from oil, but also from limited fiscal space. s6(a), s6(b)(i)

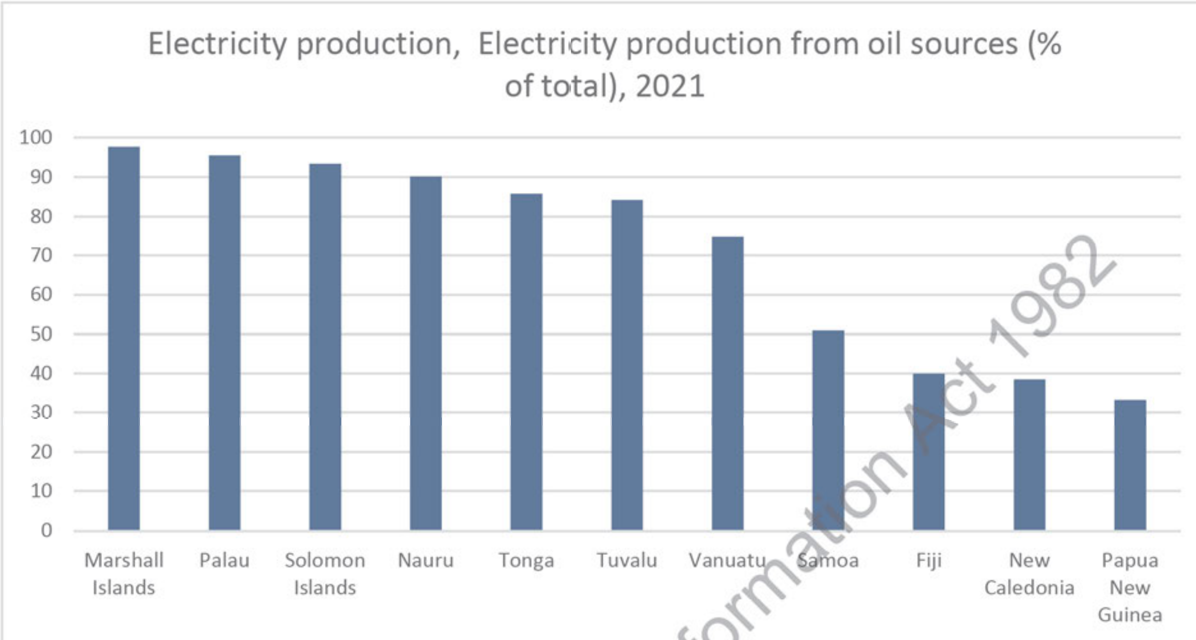
What are Pacific countries immediate needs and what is New Zealand doing to assist them?

9. While officials are closely monitoring the situation, New Zealand has not received any requests for assistance at this stage. Depending on how the situation develops, we will assess what support we can provide to our Pacific partners.

10. If the conflict is prolonged there will be increased focus on the need for improved energy security, potentially accelerating the transition to renewables and support from partners to assist Pacific countries meet their renewable targets. New Zealand has long supported the Pacific's energy security ambitions and renewables targets – currently focused on Niue, Tokelau, and Vanuatu.

11. New Zealand also engages in policy dialogue, provides technical assistance, as well as budget support to help facilitate macroeconomic stabilisation of partner countries, reducing economic volatility and enabling economic growth. We will continue to provide budget support, alongside other partners, to enable economic growth and build fiscal and economic resilience.

Annex



Source: Electricity production from oil sources

Background Brief: Impact of the US, Israel and Iran conflict on the Pacific

1. The conflict in the Middle East has implications for New Zealand's Pacific partners, including trade and economic risks (especially given the region's heavy reliance on fuel imports), consular risks for Pacific citizens in the region and potentially longer-term geostrategic impacts.

Pacific countries' positioning

2. Most Pacific countries have so far refrained from commenting directly on the conflict. There is no indication that the Pacific Islands Forum (PIF) intends to make a collective statement as ASEAN has done, but the conflict may be a topic of discussion at the upcoming PIF Troika meeting in early April, particularly given potential economic impacts on the Pacific region if the conflict is protracted.
3. Samoan Prime Minister La'aulialemalietoa told media shortly after the conflict began that the issue was sensitive, the path America had taken was not an easy one and that Samoa could only pray for a better and peaceful outcome. He also stated that the Samoan Government was preparing for the potential impacts of the war.
4. s6(a), s6(b)(i)

Consular and connectivity impacts

2. Pacific partners are monitoring the implications of the conflict for their citizens in the region. s6(b)(i)

   while the UAE, as a trade and commerce hub in the Gulf, hosts Pacific missions from Fiji, Tonga, Tuvalu, Solomon Islands, Vanuatu (Consulate).
5. Foreign Minister Winston Peters has spoken publicly about New Zealand's willingness to consider Pacific countries' requests for assistance. New Zealand diplomatic missions in the Pacific have provided updates on New Zealand's consular response and offered assistance. s6(a), s6(b)(i) have expressed initial interest in any New Zealand repatriation flights.
6. Continued disruptions to flight routes are likely to impact Pacific countries' connectivity and tourism as rising jet fuel prices are passed onto air travellers. s6(a), s6(b)(i)

Trade and economic impacts

7. The conflict presents potentially significant trade and economic risks for the Pacific, as small, remote, open economies highly dependent on fuel imports. Fuel derived from oil

makes up about 80 per cent of the Pacific's total energy supply, of which 52 per cent is used for transport and 37 per cent for electricity generation. Renewable energy sources make only a limited contribution. Fuel imports cost the region US$6 billion annually, or around 5 to 15 per cent of GDP for each economy.

8. Pacific Island countries are at the end of long fuel supply chains and are particularly susceptible to fuel supply price shocks and disruption. There are historic examples of Pacific countries declaring national states of emergency in response to fuel price spikes. In extreme cases, they can lead to power supply outages and disruption to essential services including transport connectivity, particularly aviation.

Samoa and Tonga: fuel supply chain s6(a)

9. Samoa and Tonga receive their fuel from large refineries in Asia, primarily from Singapore s6(a), s6(b)(i)

10.

11.

12.

Tonga's recent experiences

13. In Tonga, fuel shortages were at crisis level throughout 2025, largely caused by operational maintenance delays, limited storage infrastructure, supply chain disruptions and breakdowns. s6(a), s6(b)(i)

14. Fuel imports, primarily diesel, represent 22 percent of Tonga's total imports, equivalent to about 9 percent of GDP. Tonga's high reliance on imported fuel, primarily for electricity generation and transport, creates significant vulnerability, where price surges directly increase inflation and strain the national budget, negatively affecting GDP growth.

15. Elevated diesel costs and supply disruptions, particularly after natural disasters, heavily impact economic activity in Tonga. s6(a)

16. In 2022 after Russia's invasion of Ukraine, Tonga paid 72% more for diesel than in previous periods, adding significant costs (NZD 41.4 million) to the budget and curbing economic growth. Tonga has responded to shocks by utilising a mix of targeted tax relief for households and businesses, international aid, and revenue reforms.

Samoa's recent experiences

17. Samoa experienced prolonged power outages in 2025, prompting a 30-day State of Emergency in April. s6(a)

18. Samoa is heavily reliant on imports, especially for food and oil, which account for 48 percent of overall imports. With a negative trade balance and a tourism and remittance-led economy, Samoa has experienced substantial pressures on imported goods and oil from previous supply chain and global shocks, including the GFC, COVID, and Russian invasion of Ukraine.

19. Samoa has historically used a combination of fiscal policy, including tax concessions and cash transfers, combined with international financial support, to manage economic shocks, such as the COVID-19 pandemic, climate-related disasters, and inflationary pressures.

Outlook and potential policy response

20. Both countries are committed to expanding renewable energy rapidly to reduce dependence on fuel imports and meet climate mitigation commitments.

3. New Zealand provides both countries with budget support to support economic resilience. During significant economic crises in Tonga and Samoa, New Zealand has provided supplementary economic support, most recently in response to the COVID pandemic.

21. s6(a)

New Zealand has long supported the Pacific's energy security ambitions and renewable energy targets – currently focused in Tokelau, Niue and Vanuatu - through the construction of renewable energy systems.

12 March 2026