

Overview of Ministry of Business, Innovation and Employment (MBIE)

April 2026

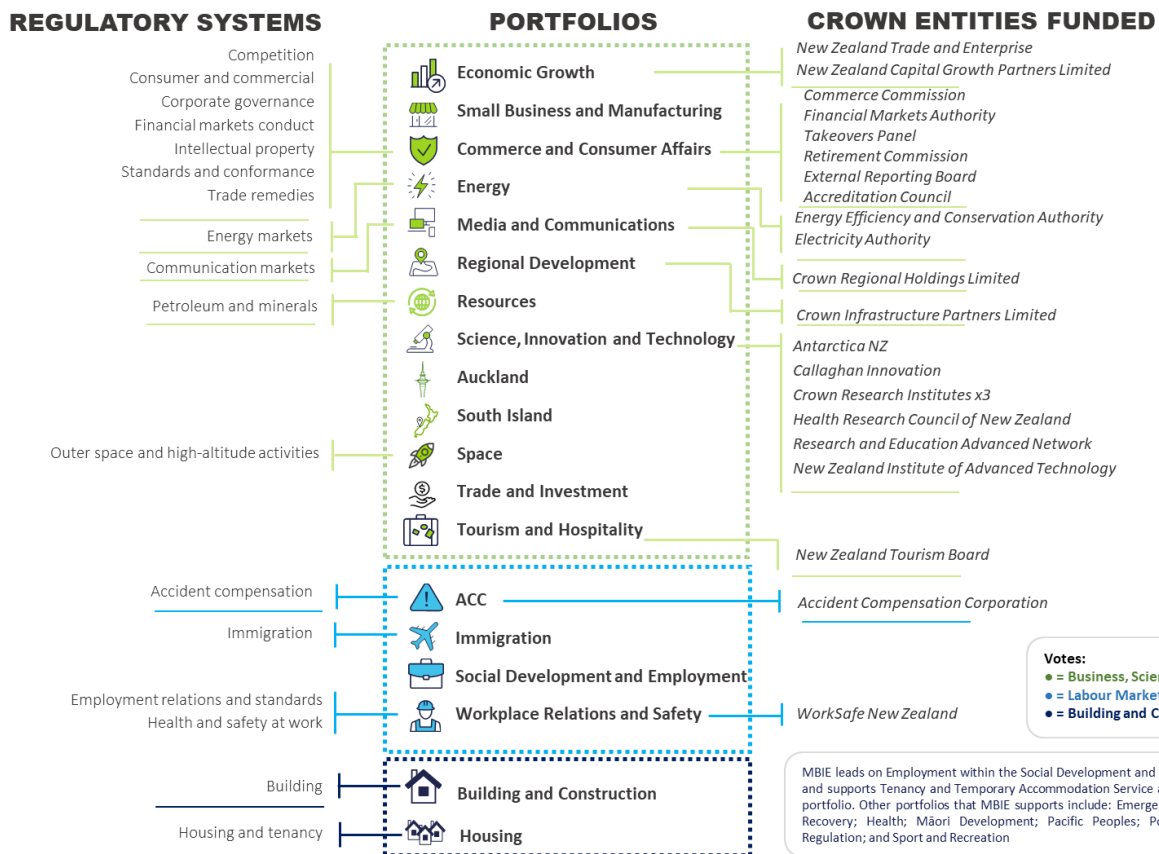


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1. Ministry of Business, Innovation and Employment

1. This briefing has been prepared to provide you with an overview of Ministry of Business, Innovation and Employment (MBIE). It should be read in conjunction with your Briefing as Incoming Minister.
2. As the lead microeconomic agency, MBIE’s responsibilities, across multiple economic portfolios and functions, are critical to delivering on the Government’s commitment to unleash New Zealand’s economic growth, to make people better off, and to create more opportunities for business.
3. MBIE has five outcomes that it is formally responsible for:
 - Prosperous and adaptable people, sectors and regions
 - Skilled people engaged in safe and productive work
 - Competitive markets with informed consumers and businesses
 - Strong and resilient economy and value derived from natural resources
 - Dynamic business environment fostering innovation and international connections.
4. MBIE’s key responsibilities span over 17 interconnected ministerial portfolios (with support for several more), plus 17 regulatory systems, and over 25 Crown entities. This overview of how the portfolios, regulatory systems and Crown Entities work together is provided below.



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5. MBIE receives \$1.38 billion to deliver functions and services on behalf of the government (funded through a combination of Crown revenue, as well as significant third-party revenue) and administers \$6.34 billion in non-departmental activities on behalf of the Crown (based on OBU for 2024/25).
6. MBIE leverages its span, connections, and influence to develop integrated policy and operational responses to complex issues, especially where the issues cross multiple portfolios. This is standard practice across our work, for example, having access to insights on employment, skills requirements and immigration flows allows for more aligned advice on workforce issues and options.
7. MBIE's workforce operates across more than 40 sites in 20+ locations around the country and the world. Our work and footprint enable MBIE to regularly engage with, and understand the perspectives of, business and community. Over two-thirds of our staff are focused on delivery of services to people and businesses. Our policy staff are focused on advancing the Government's priorities and New Zealand's economic growth.

2. Fuel Response

8. MBIE is the lead agency for the Fuel Response. The information below provides an update on this work.

Middle East conflict

9. Before the Middle East conflict began, around 20 per cent of the world's oil supply passed through the Strait of Hormuz. The Strait's closure has had a significant impact on the global oil market. New Zealand is highly exposed as we import almost all of our refined fuels, predominately from Asian refineries that rely on Middle Eastern crude.

10. The immediate impact for New Zealand has been sharp price increases, particularly for diesel and jet fuel. While there have been localised stockouts, these have been caused by increased fuel demand rather than supply issues. For the moment, our fuel stocks remain adequate. However, the situation is volatile, and supply could tighten if the disruption is prolonged.

New Zealand fuel stocks

11. A key pillar of New Zealand's fuel resilience policy is the minimum stockholding obligation (**MSO**), in place since 1 January 2025. The MSO requires fuel importer to hold minimum levels – effectively reserves – of petrol (28 days' cover), jet fuel (24 days') and diesel (21 days, increasing to 28 days in 2028).

12. Since the conflict commenced, MBIE has published information on our fuel stocks. This information includes:

- fuel on land and within New Zealand's EEZ (this is what is counted under our MSO regime)
- fuel on ships that are on their way but may be outside our EEZ.

13. This information is being voluntarily disclosed by fuel importers twice weekly.

14. As at midnight Sunday 29 March, New Zealand had 58.7 days' petrol, 52.2 days' diesel and 46.2 days' jet fuel.

Government response

15. The National Fuel Plan is a readiness and response framework for the fuel sector developed by MBIE and NEMA. It sets out agreed roles and responsibilities, and outlines tools that are available in a supply disruption. It established the *Fuel Sector Coordinating Entity* (**FSCE**) so government and industry can work together during disruptions. MBIE is chair and has convened the FSCE.

16. Because the National Fuel Plan was a generic document to cover a wide range of potential fuel disruptions, the Government has developed the Fuel Response Plan 2026 specifically for the Middle East conflict. It outlines 4 phases that respond proportionately to the risks to New Zealand's fuel security and are assessed separately for petrol, diesel and jet fuel to reflect their different functions and challenges. These phases are:

- *Phase 1: Watchful.* This phase is about supporting the market and ensuring New Zealanders have good information.
- *Phase 2: Precautionary.* This phase is about shoring up supply, closer coordination between Government and industry, and managing demand.
- *Phase 3: Managed.* This phase uses Government powers, implemented by industry, to protect critical services.

- *Phase 4: Protected.* This phase is about protecting critical services and making sure everyone else gets a share.

17. We are currently in Phase 1

18. The Government's focus to date is on increasing optionality for fuel importers, working with international partners, exploring options to increase supply and preparatory work in case there are significant supply disruptions.

Increasing optionality

19. Our fuel specifications have been amended to allow Australian-spec fuel to be sold in New Zealand, increasing options for fuel importers. Further work is underway to explore what other changes could be made. Cabinet has authorised the Minister of Finance and Associate Ministers of Finance can make further changes.

Working with international partners

20. New Zealand is a member country of the International Energy Agency (IEA). Membership of the IEA acts as "insurance" against disruption to international energy supplies. Already, the IEA agreed to a collective action releasing 400 million barrels of oil to help stabilise global supply.

21. Our diplomatic posts have been engaging with key countries, focusing on Australia, Singapore, South Korea and Japan to coordinate our response and to ensure they do not implement policies that would restrict the flow of fuel to New Zealand (for example, limitations or restrictions on the export of fuel).

Exploring options to increase supply

22. Cabinet has agreed to urgently progress assessment of commercial proposals with fuel importers that could procure additional fuel supply. Confidential advice to Government

[Redacted text block]

Preparatory work in case of significant supply disruptions

23. Work is underway to prepare for a significant supply disruption, which could involve rationing fuel. The *Petroleum Demand Restraint Act 1981* allows Government to restrain demand or manage distribution if supplies become insufficient. Rationing or prioritisation would be considered only as a last resort (under Phases 3 and 4) but could be needed to protect essential services and critical users. We are working up detail with industry and key frontline services to determine how this would be implemented. Measures would be lifted as soon as conditions allow.