

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



BRIEFING

Monitoring Supply Chain Disruptions to Critical Sectors and Key Goods

Date:	17 March 2026	Priority:	Urgent
Security classification:	Restricted	Tracking number:	0029-517

Purpose

To provide an overview of our approach to assess and monitor potential supply chain disruptions to critical sectors and key goods (excluding fuel) resulting from the Middle East crisis. These assessments will inform the Government's response to emerging challenges. Privacy of natural persons
Confidential advice to Government.

Recommended action

- a **Note** the contents of this briefing and the attached product dashboards setting out supply chain risks for critical products.

Sebastian Doelle
Manager, Trade and Supply Chains
 MBIE

___ / ___ / 2026

Hon Nicola Willis
Minister for Economic Growth

___ / ___ / 2026

Hon Chris Bishop
Minister of Transport

___ / ___ / 2026

Hon Todd McClay
Minister for Trade and Investment

___ / ___ / 2026

Hon Brooke van Velden
Minister of Internal Affairs

___ / ___ / 2026

Hon Shane Jones
Associate Minister for Energy

___ / ___ / 2026

Hon Scott Simpson
Minister of Commerce and Consumer Affairs

___ / ___ / 2026

Key messages

1. The Middle East crisis has disrupted New Zealand's supply chains for critical sectors and key goods reliant on petroleum. Petroleum is used as a transport fuel, but it is also a source of energy for industry, and a direct input into the production of downstream goods.
2. The closure of the Strait of Hormuz has created a global fuel supply shock, affecting availability of petroleum for both domestic transport and for international shipping, increasing shipping costs. You are being provided with regular dedicated advice on fuel security.
3. We are closely monitoring disruptions to non-fuel products including critical chemicals, fertiliser, pharmaceuticals and medical devices, inputs into pastoral farming, and transport and manufacturing products. New Zealand's domestic food supply is not at risk.
4. The production of essential petrochemicals in the Middle East is affected by the current conflict. **Commercial Information**
Additional advice on plastics is provided in BN 0029-308 **Confidential advice to Government**
Confidential advice to Government
5. We have developed the attached product dashboards to support targeted monitoring of supply chain risks for critical products. Our assessment of critical sectors and key goods will be refined, and products will likely be added, as the situation evolves and data becomes available. This work will help to inform any future policy response.

Critical sectors and key goods monitoring dashboards

New Zealand's critical sectors and key goods

6. New Zealand and 13 other countries developed the IPEF Supply Chain Agreement (2024), which aims to enhance resilience, transparency, and cooperation in critical supply chains.
7. The IPEF Supply Chain Agreement provides a foundation for our monitoring and assessment of New Zealand's exposure to supply chain disruptions resulting from the Middle East crisis. Within the structure of the IPEF framework, we determined initial list of key goods covering:
 - a. critical chemicals,
 - b. fertilisers,
 - c. inputs into pastoral farming,
 - d. pharmaceuticals and medical devices, and
 - e. construction materials.
8. Dashboards for these goods are provided in Annex 1.
9. Due to reporting limitations and inconsistent product identifiers across countries, some goods have been aggregated into criteria classes or sectors to provide an overall indication of supply chain conditions.

Free and frank opinions

12. All of the critical sectors and key goods represented in the monitoring dashboards are products of private sector supply chains, offering us limited visibility of stocks held.
13. We are establishing regular engagement with essential industry contacts to monitor intelligence received by importers. We have also created a dedicated inbox to facilitate communication.
14. We will provide regular dashboard updates as appropriate based on daily monitoring and in response to material domestic and international developments. Our ability to provide more frequent updates is a function of data availability. We are working across agencies to identify options to access better global trade data that might provide a clearer sense of upstream risks.
15. We are also considering the extent to which scenario analysis could be used to plan for and manage the potential risks of a longer global supply chain disruption.

New Zealand's exposure to emerging risks in plastics and fertiliser

16. At this time, there appear to be no imminent challenges with the supply of key goods. However, we have utilised the dashboards to inform further advice on emerging risks in plastics [BN 0029-308 refers] and fertiliser [BN 0029-328].

Plastics

17. Petrochemical markets are under stress as the Middle East plays a central role in petrochemical feedstocks, chemicals and finished polymers, and the Asian markets which supply New Zealand are heavily dependent on Middle Eastern feedstocks and logistics. Specific plastics used extensively in New Zealand are Polyethylene (PE), Propylene (PP), PVC precursors, and styrenics such as polystyrene used for packaging.
18. The impact in New Zealand will primarily be on food production and packaging, medical supplies, construction materials, and a wide range of manufacturing inputs. Officials have begun targeted engagement across key sectors to understand immediate pressures, available inventory, regulatory concerns, and likely timelines for disruption. To date, these conversations have confirmed that while no business is experiencing shortages at present, they are monitoring the situation as upstream conditions deteriorate.

Confidential advice to Government

Potential policy responses

24. The purpose of monitoring and reporting is to inform supply chain management. Should supply chain challenges emerge for critical sectors and key goods, there may be a role for

^[1] 2024 Import data

government intervention. Any policy response will need to consider trade-offs and potential public benefit, tailored to supply restrictions for the specific product. This could include:

Free and frank opinions

Next steps

25. We will continue to monitor critical sectors and key goods with coordinating agencies and stakeholders. We will deliver regular dashboard updates as appropriate as further data becomes available.
26. Policy decisions may be required in response to supply chain challenges for critical sectors and key goods as the situation develops. We will prepare further advice as needed.
27. Free and frank opinions

Annexes

Annex 1: Dashboards

Critical sector and key goods: Dashboard overview

		Free and frank opinions
		Commercial Information
Fertiliser	Urea	By-product of gas refining and used widely for fertiliser but also as a diesel exhaust fluid. Commercial Information DEF is required for nearly all modern diesel engines. Mostly sourced from Saudi Arabia.
	Phosphate Rock	A critical mineral that New Zealand is entirely reliant on imports for. Is essential for superphosphate fertiliser used across dairy, sheep, and beef farming, Free and frank opinions.
	Potash	Free and frank opinions a critical fertiliser input for sustaining pasture and crop yields
	Sulphur	By-product of oil refining. No NZ manufacturing. NZ one of the world's largest consumers of sulphur per capita mostly for fertiliser. Important uses in NZ also includes fungicides, pesticides, and disinfection. Partially sourced from the Middle East.
	Ammonia	By-product of gas refining. Used widely for industrial process. Commercial Information Commercial Information. Used in multiple sectors and is a key input into fertiliser manufacturing and as a coolant.
		Free and frank opinions
		Free and frank opinions
Health	Pharmaceuticals	Te Whatu Ora and Pharmac report no supply disruptions directly linked to the Middle East conflict. Commercial Information
	Medical Devices	Same rationale as pharmaceuticals



Critical sector and key goods:

Critical Chemicals

- Goods under this criterion are likely to have significant cross-sector impacts if supply chains are disrupted due to their widespread use as inputs across multiple manufactured products.
- MBIE is continuing to receive updates from across government and industry, and this information will be updated as soon as practicable.

Goods Spotlight

New Zealand has no domestic production

Free and frank opinions

. We are continuing to monitor this product closely.

New Zealand is reliant on imported base products and limited domestic blending capability. These lubricants are essential for transport and industrial processes across the economy.

Helium supports essential services including medical imaging, AI datacentres and advanced manufacturing.

Commercial Information

AT A GLANCE INSIGHTS

17 March 2026

- Plastic - None
- Lubricant - Very Limited
- Helium - None

- Health
- Food packaging
- Pastoral farming
- Construction
- Manufacturing
- Transport

Plastics (polyethylene or PE)

Free and frank opinions



\$1235.00 ▲

(Market price USD per tonne)

Commercial Information

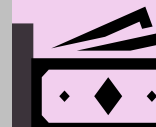


Key supply partners:

- Middle East (22%)
- Asia (excluding China) (56%)

Petroleum based lubricants

Free and frank opinions

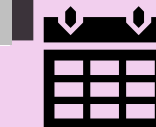


\$764.00 —

(Market price USD per tonne)

TBC

(Estimated months of supply)

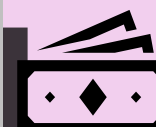


Key supply partners:

- South Korea (55.4%)
- Singapore (28.4%)
- Japan (6.9%)
- China (4.4%) & Malaysia (2.2%)

Helium

Free and frank opinions



\$152.70 ▲

(Market price USD per Cubic Meter)

Commercial Information



Key supply partners:

- Australia (49.3%)
- China (35.2%)
- United Kingdom (7.3%)
- France (4.9%) & United States (2.5%)

Free and frank opinions

Critical sector and key goods:

Fertiliser 1 of 2

- Commercial Information
- China has recently introduced restrictions on fertiliser exports.
- Commercial Information

Goods Spotlight

Urea

Commercial Information

essential for fertiliser use and diesel exhaust fluid (AdBlue), which most diesel vehicles rely on to operate in New Zealand.

Phosphate rock

Phosphate rock is a critical mineral

Commercial Information

Commercial Information It is an essential input into superphosphate fertiliser used across dairy, sheep and beef farming, making agricultural production highly exposed to international supply disruptions.

Potash

Potash is a critical fertiliser input that New Zealand is fully import dependent on, primarily sourced from a small number of overseas suppliers, and is essential for maintaining pasture and crop yields across the primary sector.

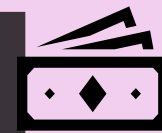
AT A GLANCE INSIGHTS

17 March 2026

- Urea – Some
- We are continuing to get insights on the other goods
- Food and Fiber
- Pastoral Farming

Urea

Free and frank opinions

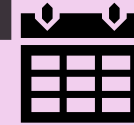


\$601.00 ▲
(Market price USD per tonne)

Commercial Information

Key supply partners:

- Saudi Arabia (58.9%)
- Malaysia (22.9%)
- Vietnam (9%) & Brunei (5%)



Phosphate rock

Free and frank opinions



\$0.20 —
(Market price USD per KG)

Commercial Information

Key supply partners:

- Morocco (29.3%)
- Australia (29%)
- Togo (22.2%)
- South Africa (11.7%) & Nauru (7%)



Potash

Free and frank opinions



\$TBC
(Market price USD per tonne)

Commercial Information

Key supply partners:

- Canada (90.9%)
- Germany (4.5%)
- Laos (2.2%)



Free and frank opinions

*All datasets are indicative estimates, reliant on information provided to MBIE and publicly available at the time of consolidation, and remain subject to revision.

Critical sector and key goods: Fertiliser 2 of 2

Key notes

- Sulphur and ammonia have been identified as relevant for monitoring purposes.
- At this stage, there is limited information and assessments are based on indicative understanding only.
- MBIE is continuing to gather information and will update this assessment as material insights emerge.

Domestic production

- Sulphur – No
- Ammonia - Limited

Impacted sectors

- Food and Fiber
- Pastoral Farming

Goods Spotlight

Sulphur

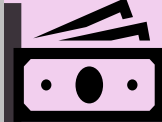
Sulphur is a critical mineral with no domestic production, sourced as a byproduct of oil refining. It is essential for fertiliser production as well as agricultural chemicals and disinfection in New Zealand.

Ammonia

Ammonia is a critical chemical used across multiple sectors, with limited domestic production at a single site. It is a key input into fertiliser manufacturing and industrial cooling in New Zealand.


Sulphur

Free and frank opinions



\$663.70 ▲
(Market price USD per tonne)

Key supply partners:




TBC
(Estimated months of supply)

- Canada (60.5%)
- Oman (18.8%)
- Republic of Korea (13.2%)
- Saudi Arabia (3.6%)
- UAE (3.3%)


Ammonia

Free and frank opinions



\$0.50 —
(Market price USD per KG)

Key supply partners:



TBC
(Estimated months of supply)

- Morocco (29.3%)
- Australia (29%)
- Togo (22.2%)
- South Africa (11.7%) & Nauru (7%)

Free and frank opinions

Critical sector and key goods:

Additional inputs into Pastoral Farming 1 of 2

AT A GLANCE INSIGHTS

17 March 2026

Key notes

- These are key inputs into pastoral farming beyond fertiliser, highlighting other critical supply chain considerations for the sector.
- Due to the high level of aggregation, pricing insights for machinery cannot be displayed.
- MBIE is continuing to receive updates from government and industry and will update relevant information as soon as practicable.
- Product stability in this category is dependent on key inputs such as fuel and plastics.

Domestic production

- PKE – None
- Machinery for food – Very limited

Impacted sectors

- Pastoral Farming
- Food and Fiber

Goods Spotlight

Most commonly used as stock feed for dairy cattle farming. It is vulnerable to supply shocks due to its limited production sources. Prices closely follow global grain markets, making them sensitive to international fluctuations.

Inability to source critical spare parts during key windows could impact harvest and processing output, with long replacement lead times. This product has a dependence on AdBlue (made from urea) for modern tractors.

Palm Kernel Expeller

Free and frank opinions

\$390.00 —
(Market price NZD per tonne)

Key supply partners:

- Indonesia (55.7%)
- Malaysia (42.9%)
- India (1.4%)

Commercial Information

Machinery for food production

Free and frank opinions

N/A

Key supply partners:

- Germany (46.6%)
- Austria (12.8%)
- United Kingdom (10.5%)
- Finland (7.3%)
- France (6.7%)

Commercial Information

Free and frank opinions

Critical sector and key goods:

Additional inputs into Pastoral Farming 2 of 2

Key notes

- MBIE is continuing to receive updates from government and industry and will update relevant information as soon as practicable.
- Product stability in this category is dependent on key inputs such as fuel and plastics.

Domestic production

- Cereal for food - Limited
- Oils for food – Some
- Sugar for food – Some

Impacted sectors

- Food and Fiber
- Pastoral Farming

Goods Spotlight

Mainly used for milling into flour for bread, baked goods, pasta, and other staple foods, with milling by-products diverted into animal feed. Key good for which New Zealand appears to be fully reliant on a single country, with recent global events driving grain prices to record highs.

Oils for food production (low erucic acid rape - canola/rapeseed oil)

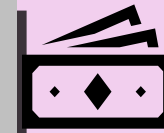
Canola/rapeseed oil is one of the most commonly used oils in the food service industry. Bulk quantities of canola/rapeseed oil are typically transported in tank containers, which are designed for liquid cargo.

Sugar for food production (Anhydrous lactose)

Anhydrous lactose is used in food production, infant formula, pharmaceuticals, and chemical sectors, including as a sugar substitute, and industrial feedstock.

Cereal for food production

Free and frank opinions



\$1061.53
(Market price NZD per tonne)

Commercial Information



Key supply partners:

- Australia (100%)

Oils for food production

Free and frank opinions



\$923.93
(Market price NZD per tonne)



TBC
(Estimated months of supply)

Key supply partners:

- Australia (77.3%)
- Malaysia (22.5%)
- Singapore (0.2%)

Sugar for food production

Free and frank opinions



\$0.51-0.55
(Market price USD per LB)



TBC
(Estimated months of supply)

Key supply partners:

- United States (56.9%)
- Germany (27.2%)
- Netherlands (7.1%)
- Denmark (6.3%) & Australia (2.3%)

Free and frank opinions

Critical sector and key goods:

Pharmaceuticals and medical devices

AT A GLANCE INSIGHTS

17 March 2026

Key notes

- Due to the high level of product aggregation, pricing and detailed insights cannot be displayed.
- MBIE is continuing to receive updates from government and industry and will update this information as soon as practicable.
- Product stability in this category is dependent on key inputs such as plastics.
- We will continue to monitor other cross-supply chain implications.

Domestic production

- Limited

Impacted sectors

- Health

Qualitative information


Insights – where numerical data is not yet available

Contractual arrangements typically provide around two months of pharmaceutical stock and three months of medical device stock in New Zealand. As at 17 March 2026, Te Whatu Ora and Pharmac report no supply disruptions directly linked to the Middle East conflict. The main risk is increased freight costs and potential shipping delays, with current stock levels providing short term resilience.

Pharmac has been notified by 14 medical device suppliers and around 33 pharmaceutical suppliers of **potential delivery delays due to the need to reroute shipments that typically transit the Middle East.**

Pharmaceuticals*


Free and frank opinions



N/A

Key supply partners:

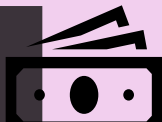
- Australia (17.7%)
- USA (12.9%)
- Germany (9.4%)
- UK (7.4%)
- Switzerland (5.6%)



2 months
(Estimated months of supply)

Medical devices*


Free and frank opinions



N/A

Key supply partners:

- USA (26.6%)
- China (13.9%)
- Australia (9.1%)
- Germany (7.1%)
- Denmark (4.1%)



3 months
(Estimated months of supply)

*Due to the widespread nature of these products, this information is highly aggregated and is an estimation of *all* pharmaceutical products and medical devices. The country of origin for these imports is highly diversified and we have displayed only the top few of New Zealand's supply partners.

Critical sector and key goods: Construction materials 1 of 2

Key notes

- Product stability in this category is dependent on key inputs such as:
 - Plastics

Domestic production

- Adhesive – None
- Machinery for food - Very limited

Impacted sectors

- Construction
- Transport

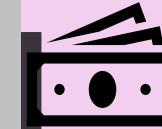
Goods Spotlight

Many adhesives have inputs derived from oil refining (olefins, aromatics, polymer). No NZ production of petroleum inputs. Resins (see below) as an import input.

By product of oil refining. No NZ manufacturer of petroleum precursors. Large number of uses including paint manufacture. Primarily used as a binder for multiple applications.

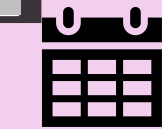
Adhesives

Free and frank opinions



\$5.15 —

(Market price USD per KG)



TBC

(Estimated months of supply)

Key supply partners:

- Australia (31.2%)
- Germany (22.3%)
- USA (19.7%)
- Italy (6.5%)
- China (4.1%)

Resins

Free and frank opinions



\$1.86 —

(Market price USD per KG)



TBC

(Estimated months of supply)

Key supply partners:

- China (75.9%)
- Republic of Korea (9.9%)
- UK (5.7%)
- Singapore (4.5%)
- India (4%)

Free and frank opinions

Critical sector and key goods: Construction materials 2 of 2

Key notes

- Product stability in this category is dependent on key inputs such as:
 - Plastics

Domestic production

- Solvent – None
- Bitumen - None

Impacted sectors

- Construction
- Transport

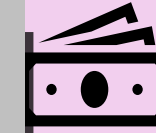
Goods Spotlight

By product of oil refining. Not manufactured in NZ. Widely used globally and used in paints and adhesives. Other petroleum solvents include xylene, naphtha, mineral spirits, etc

By product of oil refining. No NZ manufacturing. Concentrated supply in Asia. Critical for transport network.

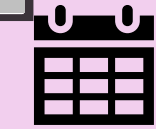
Solvent (Toluene)

Free and frank opinions



\$0.71 —

(Market price USD per KG)



TBC

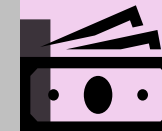
(Estimated months of supply)

Key supply partners:

- Republic of Korea (63.2%)
- Thailand (21.6%)
- Singapore (14.1%)

Bitumen (Construction)

Free and frank opinions



\$630.40 ▲

(Market price USD per tonne)



TBC

(Estimated months of supply)

Key supply partners:

- Malaysia (76.3%)
- USA (23.1%)

Free and frank opinions

Context and limitations

Information on data

- MBIE is continuing to proactively engage with relevant agencies and stakeholders and to keep information up to date.
- All datasets are indicative estimates, reliant on information provided to MBIE from industry, and publicly available at the time of consolidation.
- Given the current global environment, data is subject to sudden change.

Why data is aggregated

- Data is recorded inconsistently across countries and is often not available at a reliable product level. Where appropriate, goods have therefore been aggregated into criteria classes or sectors to provide an indicative view of overall supply chain conditions.
- MBIE is engaging with relevant stakeholders to improve visibility and will flag additional relevant goods over time where appropriate.

Financial indicators

- Due to the high level of product aggregation, some pricing and detailed insights are not available. currently be displayed.

Price changes

- Unexpected price movements of 5% or more are shown with an up or down arrow.
- Expected movements within this range (typical market fluctuations) are marked with a '-' symbol to indicate stability.

Free and frank opinions