



New Zealand's participation in the International Energy Programme

New Zealand is a member of the International Energy Agency (IEA) International Energy Programme. Membership of the IEA acts as "insurance" against disruption to international energy supplies.

On this page

[International Energy Agency\(#international-energy-agency\)](#)

[The International Energy Programme\(#the-international-energy-programme\)](#)

[New Zealand's IEA membership\(#new-zealand's-iea-membership\)](#)

[IEA review of New Zealand's energy policies\(#iea-review-of-new-zealand's-energy-policies\)](#)

International Energy Agency

The IEA is an autonomous inter-governmental agency linked to the Organization for Economic Co-operation and Development (OECD).

Established in 1974 in response to the international oil crisis, the IEA's initial role was to co-ordinate response measures during oil supply emergencies. Since then, its mandate has broadened to cover energy security, economic development, and environmental protection. The IEA has 28 member countries.

[Visit the IEA's website](http://www.iea.org/) (<http://www.iea.org/>)

The International Energy Programme

The legal basis for the IEA is the Agreement on an International Energy Programme, signed by all member countries. The Agreement enables co-ordinated and collective action. It requires IEA countries to:

- hold oil stocks equivalent to at least 90-days of net oil imports
- release stocks
- restrain demand
- switch to other fuels
- increase domestic production
- if necessary, share available oil in a timely and co-ordinated manner in the event of a significant oil supply disruption.

Activating the programme

The IEA has formally activated the International Energy Programme twice: first in 2005 in response to the disruption to oil supplies caused by Hurricane Katrina and second in 2011 in response to a prolonged disruption to Libyan oil production.

During the 1991 Gulf War, IEA members (including New Zealand) voluntarily implemented measures to restrain oil demand and boost supply. Both these actions are credited with quickly calming a volatile oil market.

New Zealand compliance with the 90-day oil stocks obligation

New Zealand meets its 90-day oil stocks obligation through domestic stocks and by tendering for "ticket" contracts. In recent years, New Zealand's commercial inventories have been insufficient to meet the 90-day requirement.

To meet New Zealand's obligations, we make up the shortfall by tendering for "ticket" contracts (an option to purchase stock in an IEA declared emergency) with major oil companies both at home and overseas.

The New Zealand Government has agreements with the governments of the United Kingdom, Japan, Denmark, Spain and the Netherlands to enable ticket contracts or stocks held in those countries to be counted towards New Zealand's IEA obligations.

Through the use of ticket contracts, New Zealand has been compliant with its obligation to hold stock covering 90 days of net import demand since 1 January 2007.

The price of ticket contracts depends on the quantity and location of stock and also on the dynamics of the oil market when we go to tender.

New Zealand's IEA membership

New Zealand's membership in the International Energy Programme allows for participation in international discussion and access to research, policy and other initiatives at a multi-lateral level.

A Wellington-based official represents New Zealand on the IEA Governing Board and attends 2-3 meetings a year.

We also employ a part-time, Paris-based energy advisor to attend and report back on most meetings of the Governing Board and its subsidiary standing committees.

Participation in IEA implementing agreements

New Zealand is an active member of 8 IEA implementing agreements. These agreements are international collaborations on energy research, development and demonstration projects.

The IEA provides a framework for more than 40 implementing agreements.

In general, we take a facilitative approach to implementing agreements. New Zealand is usually represented by a contracting party (under our auspices) representing a consortium of interested stakeholders. This approach ensures both active industry engagement and that the work undertaken is relevant to New Zealand.

A designated operating agent, who is the lead contact for the contracting party, attends executive committee meetings and other relevant meetings.

New Zealand is an active member of 6 implementing agreements:

1. Greenhouse Gas Research and Development Programme
2. Bioenergy
3. Geothermal
4. Ocean Energy Systems
5. Hydrogen
6. Building and Community Systems.

New Zealand's presence at ministerial meetings

The IEA holds meetings at ministerial level every 2 years to give ministers an opportunity to review the world energy scene, IEA policies, and exchange views.

New Zealand is usually represented at these meetings.

Use of IEA publications for policy development

Annual IEA publications, like the World Energy Outlook and Energy Technology Perspectives, reinforce the importance of the IEA as New Zealand's primary international energy relationship.

These publications provide world-leading authoritative sources of information and analysis on energy trends and forecasts, and research and development.

Credible information is of increasing importance for policy makers because of a strong link between the energy sector, security and climate change.

IEA review of New Zealand's energy policies

Every 5 years, the IEA reviews a member country's energy sector and policies against the shared goals of IEA member countries. The review aims to provide practical recommendations for future improvements. The in-depth review process also allows the IEA to share useful energy-related data and policy information among IEA member countries.

See the IEA website for reviews, articles and energy statistics on New Zealand Energy:

[New Zealand - Countries & Regions](https://www.iea.org/countries/new-zealand) (<https://www.iea.org/countries/new-zealand>) - IEA website

Last updated: 26 May 2022