

OC251103

15 January 2026

Tēnā koe 

I refer to your email dated 27 November 2025, requesting the following under the Official Information Act 1982 (the Act):

- “1. A copy of the initial business case for open ocean tugs prepared by the Ministry of Transport, including any supporting analysis, costings, and risk assessments.*
- 2. A copy of the detailed business case considered by Cabinet, including all supporting analysis, updated costings, and risk assessments.*
- 3. Any Cabinet papers, ministerial briefings, or advice prepared by the Ministry of Transport regarding open ocean tug procurement, deployment, or replacement options.*
- 4. Any communications with external parties (e.g., maritime operators, ports or other agencies) that informed either business case or Cabinet consideration.”*

On 3 December 2025, the Ministry of Transport (the Ministry) partially transferred the following parts of this request to Maritime New Zealand as the initial business case and any communications with external parties were conducted by them:

- “1. A copy of the initial business case for open ocean tugs prepared by the Ministry of Transport, including any supporting analysis, costings, and risk assessments.*
- 2. A copy of the detailed business case considered by Cabinet, including all supporting analysis, updated costings, and risk assessments.*

You can expect a response from Maritime New Zealand in due course.

The Ministry’s response covers the remaining parts of your request:

- “3. Any Cabinet papers, ministerial briefings, or advice prepared by the Ministry of Transport regarding open ocean tug procurement, deployment, or replacement options.*
- 4. Any communications with external parties (e.g., maritime operators, ports or other agencies) that informed Cabinet consideration.”*

18 documents fall within the scope of your request. Of which, 15 are refused in full and 3 are released with some information withheld.

15 documents that are being refused can be found on the Ministry's website as below:

- Briefings and draft Cabinet material
<https://www.transport.govt.nz/assets/Uploads/EmergencyOceanResponseCapabilityCookStraitproject.pdf>
- Cabinet Papers and Cabinet Minutes: <https://www.transport.govt.nz/assets/Uploads/OIA-response/EmergencyOceanResponseCapabilityCabinetMaterial.pdf>
- Final Cabinet paper: https://www.transport.govt.nz/assets/Uploads/Cessation-of-Work-on-Levy-Funded-Emergency-Ocean-Response-Capability-in-the-Cook-Strait_Redacted-v2.pdf

The document schedule attached as Annex 1 outlines how the three documents that are being released have been treated under the Act. Certain information is withheld or refused under the following sections of the Act:

9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
18(d)	the information requested is or will soon be publicly available

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

Additionally, two documents contain information that has been refused under the following section of the Transport Accident Investigation Commission Act 1990:

14R	Nothing in the Official Information Act 1982 applies to a record specified in section 14B(2) or section 14C(2).
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In regard to part 4 of your request I advise that the Ministry does not hold any information in scope. I am therefore refusing this part of your request under section 18(g) of the Act- that the information requested is not held by the Ministry.

All communications with external parties occurred before cabinet consideration while the business case was being drafted by MNZ.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry's website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Natasha Rave
Manager Resilience & Security

Annex 1: Document Schedule

Doc #	Date	Title of Document	Decision on request
1	3/09/2025	OC250793 Aide Memoire: Update on Emergency Ocean Response Capability	Released with some information withheld under sections 9(2)(a) and 9(2)(b)(ii).
2	18/09/2025	OC250844 Cessation of Work on Levy Funded Emergency Ocean Response Capability in the Cook Strait	Released with some information withheld under sections 9(2)(a) and 9(2)(b)(ii). Some information has also been refused under section 14R of the Transport Accident Investigation Commission Act 1990.
3	13/10/2025	OC250844 Cessation of Work on Levy Funded Emergency Ocean Response Capability in the Cook Strait	Released with some information withheld under section 9(2)(a), refused under section 18(d) and some information refused under section 14R of the Transport Accident Investigation Commission Act 1990.

**AIDE MEMOIRE**

3 September 2025

OC250793

Hon Chris Bishop
Minister of Transport

AIDE MEMOIRE: UPDATE ON EMERGENCY OCEAN RESPONSE CAPABILITY**Summary**

- 1 Update you on matters relating to the emergency ocean response capability (EORC) to support discussion at your officials meeting on Monday 8 September. You have asked that this aide memoire includes:
 - 1.1 An overview of the work to date and what is covered in the draft Cabinet paper, *consultation on emergency ocean response capability levies* (OC250352).
 - 1.2 s 9(2)(b)(ii)
 - 1.3 An outline of possible next steps.

Overview of EORC work

- 2 Cabinet directed the development of a business case for potential investment in EORC, with a focus on the Cook Strait. This followed recent high-profile incidents with Cook Strait ferries, and in the context of the broader Cook Strait resilience work.
- 3 Maritime NZ (MNZ) completed an Indicative Business Case in November 2024. The preferred option was a two-strike solution (local holding capability based in the Cook Strait, and a larger towing capability based elsewhere which could provide national towing coverage), with an estimated cost to the Crown in the vicinity of \$80 million over 10 years.
- 4 MNZ completed the Detailed Business Case (DBC) in March 2025, with the cost for the preferred solution revised to the vicinity of \$259 million over 10 years. While the DBC provided options to defray costs to the Crown, MNZ's preference was for the full costs to be underwritten by the Crown via full funding in Budget 2025.
- 5 Cabinet agreed to continue to explore the procurement of EORC on a predominately user-pays basis. You were invited to report back with further policy advice and a draft discussion document to test the willingness of users (public travelling on Cook Strait ferries and the maritime industry) to pay EORC-specific levies.
- 6 The draft Cabinet paper *Consultation on emergency ocean response capability levies* describes the two separate levies that would be required to procure EORC, and the amendments to the Maritime Levies Regulations 2016 necessary to bring new levies into effect. Attached to the

Cabinet paper is the draft discussion document *Funding an emergency ocean response capability*.

Commercial developments for the interim solution

7 In November 2024, Cabinet agreed to procure an interim EORC solution for the Cook Strait until December 2025. This is provided by the vessel *MMA Vision*, when it is not undertaking work in the Taranaki oil and gas fields for the company OMV. In March 2025, Cabinet agreed to extend the interim solution until June 2027 while the advice and consultation on EORC specific levies is developed.

8 In April 2025, MNZ signed the three-way contract with OMV and *MMA Vision* for the interim solution. This has been extended until July 2026, which is when the current commercial arrangements between OMV and the *MMA Vision* will expire.

9 s 9(2)(b)(ii)

10

11

Possible next steps

12 The Ministry assesses that there are two options for your consideration.

13 The first, our recommended option, is that you ask Cabinet to rescind previous decisions to undertake public consultation on EORC-specific levies, and to cancel the interim solution.

14 The Ministry's previous advice was the DBC did not support full Crown investment, or even underwriting costs while levies were introduced. The DBC did not provide a sufficient case for procurement of EORC solutions, either for the Cook Strait or as a national solution. We were concerned that there is no clear articulation of the actual risk in the Cook Strait, and that the potential benefits were overstated due to a circular form of reasoning used by the independent consultants in preparing the DBC.

15 A secondary concern for the Ministry is that it will be difficult to conduct meaningful consultation with public and industry on their willingness to pay an extra levy, when the potential benefits are intangible.

16 MNZ have advised us that there is a three-month notice period to cancel the contract with OMV and *MMA Vision*. Cancelling the contract now could result in savings of around \$3.2 million in FY25/26, and \$5.45 million in FY26/27.

17 MNZ also supports cancelling the proposed public consultation on EORC-specific levies. MNZ has several concerns: that they may not be able to procure a two-strike EORC solution in the

future even if levies have been established; that the consultation will not be well received by the maritime industry; and that this may further disincentivise the cruise industry from operating to New Zealand.

18 The second option is to bring this paper to Cabinet and seek approval to release the draft discussion document.

19 We can provide talking points and key communications messages as required.

ENDS

Contacts

Name	Telephone	First contact
Carl van der Meulen, Principal Adviser, Resilience and Security	s 9(2)(a)	✓
Dr Natasha Rave, Manager, Resilience and Security		

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982



18 September 2025

OC250844

Hon Chris Bishop

Action required by:

Minister of Transport

Monday, 22 September 2025

CESSATION OF WORK ON LEVY FUNDED EMERGENCY OCEAN RESPONSE CAPABILITY IN THE COOK STRAIT

Purpose

To provide you with the draft Cabinet paper seeking agreement to cease further work on emergency ocean response capabilities for your review and to initiate Ministerial consultation.

Key points

- You are taking a Cabinet paper to ECO on 8 October 2025. A draft of the Cabinet paper is attached for your review before Ministerial and agency consultation begins next week.
- Following our discussion with you on 8 September, we have presented your recommendation to cease further work on emergency ocean response capabilities (EORC), including consultation on establishing EORC-specific levies. This means we retain the status quo of relying on commercially available vessels of opportunity to provide towing responses.
- We have also presented a recommendation to cancel the interim solution (*MMA Vision*). The contract can be terminated with a three month notice period, with the earliest being mid-January 2026. We estimate that cancelling the interim solution will return unspent funding of at least \$8.100 million to the centre as savings made by Vote Transport for Budget 2026.

Update on the recent response

- During the last week the *MMA Vision* responded to a commercial vessel that lost steering after leaving Bluff. This response is an example of the status quo and was organised as a commercial towing arrangement between the parties. While the *MMA Vision* was based in Wellington at the time as the interim solution for the Cook Strait, this had no bearing on the response, nor does it alter the Ministry's advice.

Next steps


- The Ministry will conduct agency consultation with Treasury, the Policy Advisory Group in DPMC, and Maritime NZ in the week 22-29 September. Subject to your review, we ask that the office conducts Ministerial consultation concurrently and note the Minister of Finance is required to be consulted on Cabinet papers with financial implications.

- We will provide a final copy of the Cabinet paper to the office by midday on Tuesday 30 September to lodge for ECO on 8 October.

Recommendation

We recommend you:

- 1 **approve** that the draft Cabinet paper goes out for both departmental and Ministerial consultation Yes / No



Siobhan Routledge
 Acting Deputy Chief Executive Policy

18 / September / 2025

Hon Chris Bishop
 Minister of Transport

..... / /

Minister's office to complete:

Approved

Declined

Seen by Minister

Not seen by Minister

Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Siobhan Routledge, Acting Deputy Chief Executive Policy	s 9(2)(a)	
Natasha Rave, Manager Resilience and Security		
Carl van der Meulen, Principal Adviser Resilience and Security		✓

In Confidence

Office of the Minister of Transport

Cabinet Economic Policy Committee

Cessation of work on levy funded emergency ocean response capability in the Cook Strait

Proposal

- 1 This paper proposes ceasing any further work on procuring emergency ocean response capabilities (EORC) with a focus on the Cook Strait. I seek Cabinet's approval to:
 - 1.1 Rescind the decision to consult on EORC-specific levies (EXP-25-MIN-0020), and to agree to continue with the status quo.
 - 1.2 Rescind the decision to procure an interim EORC solution for the Cook Strait (EXP-24-MIN-0067), and to direct Maritime New Zealand (Maritime NZ) to cancel the contract for the interim solution.

Relation to government priorities

- 2 This aligns with this Government's priority to restore discipline to public spending. The advice indicates that there is no comprehensive EORC solution that will improve matters in a cost-effective way.

Background

- 3 Through Budget 2024, Cabinet directed the Ministry of Transport (the Ministry) and Maritime NZ to develop a business case that considers options to improve New Zealand's maritime emergency ocean response capability, with a focus on the Cook Strait. This work was initiated in response to a few high-profile incidents involving Cook Strait ferries, and in parallel to the Cook Strait resilience work.
- 4 Cabinet considered an Indicative Business Case (IBC) in November 2024, and a Detailed Business Case (DBC) in March 2025. The business case proposed procuring (via retainer style contracts) two separate EORC vessels: an EORC vessel based in the Cook Strait that could stabilise a stricken vessel, and a larger EORC vessel that could tow the stricken vessel to a safe harbour (a "two-strike solution").
- 5 The proposal was for full costs to be underwritten by the Crown, with some costs to be defrayed by future levies. Cabinet agreed to my proposal to first explore the appropriateness and requirements for establishing EORC-specific levies before committing to the procurement of an EORC solution.

Advice supports ceasing work on establishing EORC solutions

- 6 I have received advice from my officials describing how EORC-specific levies could be established under the Maritime Transport Act 1994. I also received a draft discussion document to test the willingness of users to pay EORC-specific levies.
- 7 I have considered this alongside the advice when the business case was submitted. Officials first best advice was that the business case did not provide a compelling case to proceed with EORC as the risk is very low, and the cost environment has become significantly more challenging. Since the original decision to explore establishing EORC-specific levies, the Cook Strait ferries procurement has progressed to a point where we have certainty about the provision of modern and safer ferries.
- 8 I recommend Cabinet agrees to cease further work on exploring the procurement of EORC solutions on a predominately user-pays basis. This means we retain the status quo of relying on commercially available vessels to provide towing responses if required, noting these might not always be available in New Zealand waters.

The risk and potential benefits are not compelling

- 9 The business case states the risk in the Cook Strait is very small and does not justify the procurement of EORC. There have been 23 incidents over the last five years where ready access to EORC may have supported the response, however these were all resolved with existing capabilities and vessels of opportunity, with most occurring outside the Cook Strait area. Only the *Connemara* loss of power incident (September 2024) provides a clear example of when a Cook Strait based EORC solution would have been more suitable than the response that was provided by the Wellington Port tugs. The procurement of the new Cook Strait ferries will further minimise the risk profile of the Cook Strait.
- 10 The identified benefits are only realised in the top 1% of incidents, and only if the EORC solution is based close enough with a short enough activation and travel time to reach the scene of the incident. The vessel must also be capable enough to provide a successful response to an incident before the situation escalates to a grounding or similar outcome. The *Kaitaki* loss of power incident (January 2023) illustrates this limitation.

- 11 Section 14R of the Transport Accident Investigation Commission Act 1990

11.1

11.2

Procurement costs have significantly escalated

- 12 The indicative costs to procure the two-strike solution escalated from around \$80 million over 10 years at the IBC stage in November 2024, to over \$259 million over 10 years at the DBC stage in March 2025. While most of these costs are intended to be paid with the establishment of EORC-specific levies, there would still be significant cost pressures on the Crown to procure an EORC solution.
- 13 These costs need to be considered within the context of the current fiscal environment. It is my view that the business case does not provide a compelling case for the Crown to pay these costs. The business case also does not justify passing these costs on to users via EORC-specific levies.

There are implementation risks in proceeding with establishing EORC solutions

- 14 There are several implementation risks that would need to be addressed should Cabinet decide to proceed with procuring EORC solutions on a predominately user-pays basis.
- 15 Maritime NZ may not be able to procure a two-strike EORC solution in the future, even if EORC-specific levies have been established. The commercial case relies on providers having sufficient commercial work to defray total costs to the Crown and levy-payers. It is possible that there may not be enough commercial work available for this model to be cost-effective. I have been advised that this risk may impact the continued delivery of the interim solution (described in the next section of this paper).
- 16 Maritime NZ has advised that public consultation on establishing new maritime levies will not be well received by the maritime industry. Signalling a new EORC-specific levy may further disincentivise the cruise industry from operating in New Zealand, which would be out of step with the Tourism Growth Roadmap.

There is no clear need to continue with the interim solution

- 17 Cabinet previously made decisions (in November 2024 and March 2025) to procure the services of the vessel *MMA Vision* to provide an interim EORC solution for the Cook Strait until June 2027, while advice on EORC-specific levies was conducted.
- 18 If Cabinet agrees to my recommendation to cease work on establishing EORC solutions, then there is no longer a requirement to continue with the interim solution until June 2027. I recommend that Cabinet directs Maritime NZ to cancel the contract that procures the *MMA Vision* as an interim EORC solution for the Cook Strait.

There may be no interim solution between July 2026 and June 2027

19 I have received an update on commercial arrangements that will potentially affect the ongoing provision of the interim solution from July 2026 to June 2027. The interim solution is provided by the *MMA Vision* under a three-way contract between Maritime NZ, OMV (as operator of the Taranaki oil and gas fields), and the owner of the *MMA Vision* (which is under separate contract to provide support services to OMV). The interim solution contract is in place until July 2026, as this aligns with the contract between OMV and the *MMA Vision*.

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s 9(2)(b)(ii)

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Cost-of-living and other implications

22 This paper does not have any cost-of-living, legislative, human rights, or population implications.

Financial Implications

23 In November 2024, Cabinet agreed to establish the “Emergency Ocean Response Capability” appropriation for the procurement of the interim solution until December 2025. Funding came from a tagged operating contingency established through Budget 24. In March 2025, Cabinet agreed to extend the duration of the interim solution until June 2027 by drawing down all remaining funding from the tagged contingency. The total funding provided was \$13.400 million.

24 Maritime NZ have confirmed that the contract can be terminated at their discretion after at least six months since the commencement date, with a three month notice period. The earliest opportunity to cancel would be early-February 2026.

25 Cancelling the interim solution will return unspent funding of at least \$7.600 million to the centre as savings made by Vote Transport for Budget 2026. The final amount will be confirmed in the 2026 March Baseline Update.

Use of external resources

26 No external resources have been used to prepare this paper.

Consultation

27 The Ministry has consulted with [TREASURY, DPMC, MNZ].

Proactive Release

28 This Cabinet paper will be proactively released on the Ministry’s website.

Recommendations

The Minister of Transport recommends that the Committee:

- 1 **note** that in March 2025, Cabinet agreed to explore procurement of emergency ocean response capabilities on a predominately user-pays basis and invited me to report back with further advice and a draft discussion document [CAB-25-MIN-0020];
- 2 **agree** to recommend that Cabinet rescind the decision referred to in recommendation one, and instead agree to retain the status quo;
- 3 **note** that in November 2024, Cabinet agreed to direct Maritime NZ to procure the services of the *MMA Vision* as an interim emergency ocean response capability for the Cook Strait from December 2024 to December 2025 [CAB-24-MIN-0067];
- 4 **note** that in March 2025, Cabinet agreed to extend the duration of the interim emergency ocean response capability referred to in recommendation three until June 2027 [CAB-25-MIN-0020];
- 5 **agree** to recommend that Cabinet rescind the decisions referred to in recommendations three and four, and instead direct Maritime NZ to cancel the interim emergency ocean response capability for the Cook Strait;
- 6 **note** the earliest the contract can be cancelled is early-February 2026;
- 7 **approve** the following changes to appropriations to give effect to the policy decision in recommendation five above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Transport Minister of Transport	\$m – increase/(decrease)				2029/30 & Outyears
	2025/26	2026/27	2027/28	2028/29	
Non-Departmental Other Expenses:					
Emergency Ocean Response Capability	(2.150)	(5.450)	-	-	-

8 **agree** that the proposed change to appropriations for 2024/25 above be included in the 2025/26 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;

9 **note** the final funding returned may exceed amounts in recommendation seven, subject to contract exists and other operating costs, and that the

IN CONFIDENCE

Ministry of Transport will confirm the final amounts to the Minister of Finance and Minister of Transport through the 2026 March Baseline Update;

- 10 **agree** that the return of funding for the Emergency Ocean Response Capability should be counted against the savings made by Vote Transport for Budget 2026.

[TO BE Authorised for lodgement]

Hon Chris Bishop

Minister of Transport

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982



Cabinet Committee Background Information and Talking Points

Cabinet Committee: *Cabinet Economic Policy Committee (ECO)*

Paper Title: *Cessation of work on levy funded emergency ocean response capability in the Cook Strait*

Portfolio: *Transport*

Officials Attending:

- *Siobhan Routledge, DCE Policy, Ministry of Transport*
- *Natasha Rave, Manager Resilience and Security, Ministry of Transport*

My proposal:


- Today I am presenting a paper to cease work on exploring the procurement of emergency ocean response capabilities (EORC) via the introduction of new maritime levies, and to cancel the contract that provides an interim EORC solution for the Cook Strait.
- This means we stick with the status quo of relying on available commercial vessels to provide towing services to stricken ships, noting these may not always be available in New Zealand waters.

Background information:

- In March, Cabinet considered a business case that recommended the procurement of two towing vessels via retainer style contracts with Maritime New Zealand.
- This would comprise a holding vessel that could quickly reach and stabilise a stricken vessel in the Cook Strait, and a larger towing vessel that could tow a stabilised vessel to port and can operate throughout New Zealand waters.
- The expectation was that these vessels would conduct their own commercial activities in New Zealand's coastal waters and be available to assist a stricken vessel when requested by either industry or by Maritime NZ.
- This would cost at least \$259.6 million over ten years. The business case proposed using maritime levies to defray costs to the Crown down to \$104 million.
- However, the business case also proposed the Crown underwrite the full costs, \$259.6 million, in Budget 2025 before levies are considered or established. This was a significant escalation on the high-level estimate of \$80 million over ten years as presented to Cabinet at the first stage of the business case development (by Minister Brown as the then Minister for Transport in November 2024).
- Cabinet agreed to my proposal that we explore how EORC could be predominately funded by users prior to committing Crown money.

- I was invited to report back to Cabinet with further advice on the establishment of EORC-specific levies, and a draft discussion document to test the willingness of users (maritime industry and users of Cook Strait ferries) to pay these new EORC-levies.
- We also approved the procurement of an interim solution, the vessel *MMA Vision*, to be based in the Cook Strait for around 20 days each month when it was not doing commercial work in Taranaki.

There is no cost-effective solution:

- It has become clear that there is no comprehensive solution that will assist matters in a cost-effective way.
- I have considered advice from my officials on EORC-specific levies and reviewed a draft discussion document to test the willingness of users to pay these levies. I also reconsidered the advice when the business case was presented in March.
- s 9(2)(b)(ii) 
- While there are benefits in securing ready access to towing vessels in New Zealand waters, the benefits do not warrant the required level of Crown investment or passing most of the costs onto users.
- A review of incidents over the last 5 years shows there were only 23 incidents when towing vessels may have been required. These incidents were all resolved either before an intervention was required, or by commercially available towing vessels.
- Most of these incidents were outside the Cook Strait area, and only one incident would directly have benefitted from access to dedicated towing vessels (the *Connemara* loss of power incident responded to by Wellington port tugs, which disrupted port operations).
- While other incidents would have benefited from access to dedicated towing vessels, they would not have arrived on scene until after a vessel had grounded. The actuarial cost-benefit analysis in the business case relies on intervention before a stricken vessel is grounded.
- The timeline for the *Kaitaki* loss of power incident in January 2023 shows that a dedicated holding vessel in Wellington Harbour would not have arrived on scene before the vessel had grounded if its anchors did not hold. A holding vessel would have helped in stabilising the situation.

Use of savings:

- I intend to use the savings from cancelling the interim solution on other transport cost pressures. I will report back when decisions have been made that require adjustments to the 'Emergency Ocean Response Capability' appropriation.
- Any unused savings will be returned to the centre as savings against Vote Transport for Budget 26.



13 October 2025

OC250844

Hon Chris Bishop

Action required by:

Minister of Transport

Thursday, 16 October 2025

CESSATION OF WORK ON LEVY FUNDED EMERGENCY OCEAN RESPONSE CAPABILITY IN THE COOK STRAIT

Purpose

To provide you with the Cabinet paper seeking agreement to cease further work on emergency ocean response capabilities and to cancel the interim solution (*MMA Vision*) for your review and lodgement for Cabinet Committee.

Key points and summary of feedback

1. You are taking a Cabinet paper to ECO on 22 October 2025. You have previously reviewed the draft paper.
2. We have made some minor changes to the paper based on Maritime NZ's feedback and internal peer review. We have:
 - Added a recommendation for Cabinet to agree that procurement of EORC is not warranted as the low risk and high costs indicate a comprehensive solution cannot be provided in a cost-effective way.
 - [Section 14R of the Transport Accident Investigation Commission Act 1990](#)
 - Explained that while the risk profile in the Cook Strait is very small, it is not eliminated.
3. We have provided clarification to the questions from Minister Peters' Office relating to announcements and timings. As you are not intending to make an announcement on decisions to cancel EORC work, this should not impact the timing of this paper or cancelling the interim contract. We will give direction to Maritime NZ to ensure the negotiations to cancel the contract stay confidential until after the Minister for Rail has detailed the Cook Strait ferry replacement programme.
4. We anticipate there will be interest in these decisions, especially from key stakeholders in the Cook Strait area. We will work with your Office to prepare reactive Q&As.

Update to financial implications

- 5. We have amended the financial implications section and the financial recommendations.
- 6. The draft paper recommended returning unspent funding to the centre as savings against Vote Transport for Budget 26. The paper now recommends that you can reprioritise these savings to other transport priorities or cost pressures (as outlined in the recent cost pressures briefing). Treasury has been consulted on this change.
- 7. This paper offers no advice or recommendation on any of the cost pressures you may wish to target for reprioritisation.

Recommendations

We recommend you:

- 1 **agree** to lodge the Cabinet paper for ECO on 22 October 2025 Yes / No

Siobhan Routledge

 Siobhan Routledge
Acting Deputy Chief Executive Policy
 14 / October / 2025

 Hon Chris Bishop
Minister of Transport
 / /

- Minister's office to complete:**
- Approved Declined
 - Seen by Minister Not seen by Minister
 - Overtaken by events

Attached Cabinet Paper refused under Section 18(d). A copy can be viewed as part of previously released documents on the Ministry of Transport's Website here on page 12: <https://www.transport.govt.nz/assets/Uploads/OIA-response/EmergencyOceanResponseCapabilityCabinetMaterial.pdf>

Contacts

Name	Telephone	First contact
Siobhan Routledge, Acting Deputy Chief Executive Policy	s 9(2)(a)	
Natasha Rave, Manager Resilience and Security		
Carl van der Meulen, Principal Adviser Resilience and Security		✓