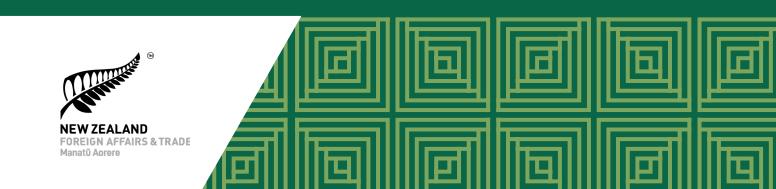
Aotearoa New Zealand's

Trade, Environment and Climate Change Framework



Context

Trade agreements are an important driver for sustainable growth in Aotearoa New Zealand and in partner countries. However, trade agreements are not ends in themselves. Aotearoa New Zealand's key aim is for trade agreements to improve standards of living for people while ensuring their environments are protected and climate outcomes achieved in partner countries, as well as across global supply chains.

In so doing recognising the sovereign right of Aotearoa New Zealand to determine its own environment and climate change priorities and policies, and to regulate in pursuit of these in line with our international obligations. Also ensuring Trade for All outcomes, including through working with Māori and other Indigenous Peoples and acknowledging the special role they play in preserving and maintaining the environment.

Trade, environment and climate change outcomes are fundamentally linked. The environment provides inputs for economic activity such as land, water and forests. The impacts of climate change and unsustainable environmental practices can reduce the productivity of Aotearoa New Zealand's primary resources, and that of our trading partners. Concurrently international environment and climate change policy and growing consumer demand for low emissions and greener goods and services can influence Aotearoa New Zealand's economic choices and those of the countries we trade with.

Trade, environment and climate change outcomes can be mutually reinforcing. Aotearoa New Zealand therefore places a high value on ensuring that ambitious and effective environment and climate change provisions in free trade agreements are pursued as part of our trade policy with the intent that this will help deliver sustainable development outcomes now and for future generations. Our framework-based approach to integrating environment and climate change issues in our free trade agreements dates from 2001 and reinforces our long-standing commitments and obligations to the World Trade Organisation (WTO).

This Framework refreshes and replaces the 2001 Framework for Integrating Environment standards into Free Trade Agreements and provides a principles-based approach for negotiators in relation to Aotearoa New Zealand's trade and environment and climate change policy and positions. The principles within the Framework are consistent with and support the Sustainable Development Goals (SDGs) 2030.

Aotearoa New Zealand's objectives for trade, environment and climate change policy

Each free trade negotiation that Aotearoa New Zealand engages in will pursue environment and climate change provisions through;

- Taking a coherent and coordinated approach to ensure that trade agreements are crafted and implemented in ways that reinforce, and do not undermine, international environmental and climate change standards and obligations;
- Working with Māori as Treaty of Waitangi/ Te Tiriti o Waitangi partners to ensure that Treaty/Tiriti obligations, rights and aspirations are supported and that Māori interests are understood, advanced and protected;
- Recognising and reflecting Māori concepts of manaakitanga and kaitiakitanga in the negotiation and implementation of free trade agreements;
- Promoting effective engagement with Māori, business and civil society partners on environment and climate change issues throughout the negotiation and implementation of free trade agreements.

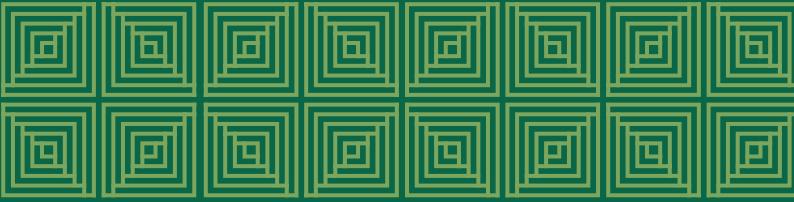
Aotearoa New Zealand's approach to environment and climate change in trade agreements

Each free trade negotiation that Aotearoa New Zealand engages on will seek to reinforce multinational environmental agreement member commitments, where appropriate, and address environment and climate change issues, including through the;

- Protection of Aotearoa New Zealand's ability to fulfil its obligations to Māori under the Treaty of Waitangi/ Te Tiriti o Waitangi;
- Recognition of Māori and other Indigenous Peoples as the kaitiaki of the environment, acknowledging the special role they play in preserving and maintaining the environment;
- Recognition and support of the objectives and commitments of the World Trade Organisation (WTO) and where appropriate multilateral environmental agreements (MEAs), including the Paris Agreement;

- Recognition that environment laws, policy and practice that aim to enhance environmental performance and address climate change should be non-discriminatory, science and evidencebased, proportionate to the environmental risk, and not used for protectionist trade purposes;
- Recognition that it is inappropriate to encourage trade or investment through weakening environmental and climate change laws and regulations, or waiving, derogating from, or failing to enforce, environment and climate change laws;
- Promotion of private standards which are transparent, non-discriminatory and evidencebased that aim to enhance environmental performance and accelerate climate change action;
- Promotion of the elimination of environmentally harmful subsidies (including agriculture, industrial, fossil fuel and fisheries subsidies) and other incentives that contribute to adverse effects on the environment and on sustainable development;

- Promotion of the use of trade policy and other policy tools to support the just transition to a low emissions, climate resilient and environmentally sustainable economy;
- Promotion of the removal of trade obstacles including tariffs and non-tariff barriers to encourage trade and investment in goods and services of particular relevance for climate change mitigation and adaptation, including climate technologies;
- Promotion of trade, environment and climate change provisions that reflect current and emerging environmental issues of mutual interest. Examples may include cooperation on carbon markets, combatting illegal, unreported and unregulated fishing and sustainable finance, amongst other emerging environment and climate change issues;
- Effective mechanisms for the resolution of any issues raised by the Parties to trade agreements over the operation of environment and climate change provisions or a failure to meet environment and climate change obligations under the trade agreement, which may include recourse to the Dispute Settlement provisions of the Agreement;
- Provision for a periodic review of environment and climate change outcomes, including engagement with Māori, business, and civil society partners and where appropriate other Indigenous Peoples;
- Provision for engagement with Māori, business and civil society partners in the operation of environment and climate change provisions of the Agreement.







MINISTRY OF FOREIGN AFFAIRS AND TRADE MANATŪ AORERE