

Trade and Sustainable Development

We want *Trade for All* to support sustainable economic development that takes into account the impact on the environment. Find out about what we're currently doing and some ideas for our future approach. Take a look and have your say...

What is the Government's approach to sustainable development?

Key New Zealand assets should be developed and protected in a way that is sustainable and provides benefit for current and future generations. We reflect this approach in:

- our trade negotiations, where we seek commitments from our trading partners on meeting labour and environment standards, and
- initiatives we take in support of the [UN Sustainable Development Goals](#) (SDGs).

What are examples of New Zealand leading on sustainable development issues internationally?

New Zealand is at the forefront of prioritising international sustainable development issues. So far we've been:

- **Negotiating commitments on labour and environment standards in our free trade agreements (FTAs):** New Zealand seeks economic growth that boosts living standards for all people while ensuring protection for labour standards and the environment. To this end, New Zealand has sought to include treaty-level provisions on labour and environment in all FTAs since 2001. The nature and form of labour and environment provisions negotiated in and alongside FTAs has evolved over time to take account of international trends and the approaches of different trading partners. For more information on [labour and environment commitments in FTAs](#), go to www.mfat.govt.nz.
- **Addressing oceans issues, including international fisheries management:** Governments subsidise fisheries to the tune of US\$35 billion each year, which has contributed to the decline in regional and global fish stocks. World leaders have committed to addressing this issue in the SDGs and through the World Trade Organisation (WTO). New Zealand is seeking binding reform and new disciplines on fisheries subsidies through the WTO. Find more information on [our work with the WTO](#) at www.mfat.govt.nz.
- **Advocating fossil fuel subsidy reform:** New Zealand leads international advocacy efforts to reform and eliminate inefficient fossil-fuel subsidies and improve access to renewable energy. World leaders have committed to reform in the G20, Asia Pacific Economic Cooperation (APEC), UN Climate Convention and the SDGs. New Zealand led [a communique](#) on this issue in 2015 that was signed by 43 countries. We are now leading efforts to introduce fossil fuel subsidy reform to the WTO as a key trade issue. In December 2017, New Zealand delivered a statement seeking to bring fossil fuel subsidy reform to the WTO. Find out more about [our work to reform fossil fuel subsidies](#) at www.mfat.govt.nz.
- **Assisting small island developing states:** The New Zealand Aid Programme supports our Pacific neighbours and small island developing states to achieve the SDGs. Our help focuses on sustainable economic development, and investments in education, health, governance and resilience; find out more on the [New Zealand Aid Programme](#) pages at www.mfat.govt.nz.

- **Promoting the WTO and the UN SDGs:** New Zealand promotes an open, rules-based trading system under the WTO which is key to achieving the SDGs. New Zealand believes trade must contribute to global sustainability and support the WTO's work in this area, including "[Mainstreaming Trade to Attain the Sustainable Development Goals](#)". We also partner and lead on initiatives to support the achievement of the SDGs. Find out more about New Zealand's efforts on the UN Sustainable Development Knowledge platform at <https://sustainabledevelopment.un.org/memberstates/newzealand>.

What domestic policies are in place to promote sustainable development and trade?

New Zealand's domestic strategies for promoting sustainable development and trade include:

- **Tools for businesses:** There is growing awareness that sustainability can optimise financial, social and environmental capital; improve economic prosperity; develop people; and enhance our environment. To help businesses access these benefits, the Government provides [tools and tips on how to be environmentally sustainable](#). See more at www.business.govt.nz.
- **Policies to create a low-emissions, climate-resilient economy:** The New Zealand Government is working with business and communities on how we can make a just transition to a low-emissions, climate-resilient economy by 2050. See Prime Minister Ardern's press release on the Beehive website: "[Collaborative Approach Just Transition Essential](#)". This shift will require changes to the structure of our economy, but also opens up opportunities for innovation.
- **Work on the sustainable development goals:** New Zealand Government policies align closely with the SDGs, including on reducing child poverty, raising incomes for low/middle income families, increasing the supply of affordable housing and protecting the environment. Important work is also underway to:
 - adopt a well-being approach to policy and budgeting through Treasury's development of a *Living Standards Framework* (see <https://treasury.govt.nz/information-and-services/nz-economy/living-standards>); and
 - establish a comprehensive set of indicators to monitor New Zealand's social, economic and environmental progress through the proposed *Indicators Aotearoa New Zealand* led by Statistics NZ.

How could Trade for All support sustainable development?

The Trade for All initiative is an opportunity to champion sustainable development:

- **By seeking strong commitments in trade agreements:** In addition to robust labour and environment commitments from our trading partners we could also seek commitments on climate change and on subsidies that harm the environment (e.g. fish subsidies and fossil fuel subsidies). The recently concluded Comprehensive and Progressive Trans-Pacific Partnership "CPTPP", for instance, contains [the world's first set of enforceable disciplines on fish subsidies](#). Upcoming EU-NZ FTA negotiations will be a good opportunity to progress this approach.
- **Through the implementation of PACER Plus:** New Zealand has committed to investing at least 20% of its total Official Development Assistance in 'aid for trade' in the Pacific region. This commitment continues for five years from when the PACER Plus Agreement enters into force. Find more information on [PACER Plus](#) at www.mfat.govt.nz.
- **By examining the effectiveness of trade agreements:** Elements to consider include sustainable development, gender, indigenous peoples, domestic regional economic development, small and medium sized enterprises, labour rights, the environment and climate change. The recent CPTPP [Joint Declaration](#) signed by Chile, Canada, and New Zealand, and available at www.mfat.govt.nz, identifies a range of progressive and inclusive issues we want to work on.
- **By drawing on the connections and resources of New Zealand embassies offshore:** Our high commissions and embassies provide unique international insights and experience to policy-making in New Zealand on SDG-related issues such as housing, child poverty, and indigenous economies, and trade that supports well-being and living standards.

Have your say at www.haveyoursay.mfat.govt.nz or send a submission to tradeforall@mfat.govt.nz

- How might New Zealand use FTAs to enable and support a just transition to a sustainable, inclusive, low-emissions economic future?
- What role do you think trade agreements should play in helping us to achieve/progress sustainable development?
- Which of the SDGs do you think can be supported through trade agreements?