

Proactive Release

Date: 5 May 2020

The following Cabinet paper and related Cabinet minute have been proactively released by the Minister for Trade and Export Growth:

Report on Overseas Travel: Hon David Parker

(CAB-20-MIN-0125 refers)

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction codes:

- 6(a): to avoid prejudicing the international relations of the New Zealand Government;
- 6(b): to protect the passing of information from another government on a confidential basis;
- 6(e): to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies;
- 9(2)(b)(i): protect information where the making available of the information would disclose a trade secret; and
- 9(2)(b)(ii): to avoid prejudice to the commercial position of another party.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Report on Overseas Travel: Hon David Parker

Portfolio **Trade and Export Growth**

On 23 March 2020, Cabinet **noted** the report from Hon David Parker under CAB-20-SUB-0125 on his travel, from 17 to 20 February 2020, to Dubai, United Arab Emirates to participate in the New Zealand-United Emirates Joint Economic Commission and the Gulfood Expo.

Michael Webster
Secretary of the Cabinet

Proactively released by the
Minister for Trade and Export Growth

Office of the Minister for Trade and Export Growth
Chair, Cabinet

Report on Overseas Travel: Hon David Parker

I recommend that Cabinet note this report on my travel to Dubai, United Arab Emirates from 17 to 20 February to participate in the New Zealand-United Arab Emirates (UAE) Joint Economic Commission and the Gulfood Expo.

Report

- 1 The primary purpose of my travel to Dubai was to lead New Zealand's participation in the New Zealand-United Arab Emirates (UAE) Joint Economic Commission, alongside UAE Minister of Economy, Sultan Al Mansouri. I also met with Minister of the Environment, Dr Thani Al-Zeyoudi. My visit also provided the opportunity to engage with New Zealand businesses, in-market distributors and purchasers of New Zealand products, including at the Gulfood Expo.
- 2 I had a short meeting with Minister Al Mansouri that preceded the Joint Economic Commission. Minister Al Mansouri outlined his concerns about the impact of the current outbreak of Covid-19 in China upon the global economy, during a time where geopolitical insecurity in the region had already caused uncertainty. I shared my hope for a more settled year, though New Zealand was already seeing the economic effects of Covid-19 upon student numbers and the tourism industry. Another major concern that I shared was the potential for Covid-19 to become established in a less developed country with a poor health system. We noted that China was both the UAE and New Zealand's largest trading partner and expressed an interest in continuing the conversation on how to deal with the impacts of Covid-19 upon the business community.
- 3 Minister Al Mansouri presented s6(b)(i) on the future of the New Zealand-Gulf Cooperation Council (GCC) Free Trade Agreement (FTA). s6(a), s6(b)(i)

New Zealand was ready to engage on the FTA.

- 4 During the Joint Economic Commission, Minister Al Mansouri focused in particular on the need to diversify the UAE economy and build stronger economic ties with New Zealand. s6(b)(i)

I welcomed this news and shared recent New Zealand trade policy developments, including the Trade for All Advisory Board Report, the Digital Economy Partnership Agreement and the Agreement on Climate Change, Trade and Sustainability.

- 5 I welcomed the message that the UAE was keen to invest in renewable energy projects in New Zealand. I relayed that New Zealand is looking to expand its wind power industry and that there are potentially positive rates of return for New Zealand. I added further that New Zealand was already at 80 percent renewable electricity generation, but we would need to double our total renewable electricity output by 2035 in order to meet energy demands in the transport and industry sectors.
- 6 Minister Al Mansouri and I canvassed a range of other issues during our discussion, including the workforce issues flowing from the future of automation in the economy, New Zealand's export trade supporting the UAE's strategic food security needs, and Expo 2020, where Minister Al Mansouri provided his thanks for New Zealand's early commitment and participation. Key points of the Joint Economic Committee discussions are recorded in an Agreed Minute that I signed with Minister Al Mansouri.
- 7 I also met with the UAE Minister of Climate Change and Environment, Dr Thani Al Zeyoudi. Minister Al Zeyoudi was keen to continue the discussion from when we last met in Wellington in 2018, and emphasised that the UAE saw New Zealand as a natural partner to cooperate on environment issues. As the Minister responsible for Biosecurity, Minister Al Zeyoudi also noted that agricultural trade was flowing smoothly into the UAE.
- 8 I indicated to Minister Al Zeyoudi that I saw value in expanding our commercial partnerships beyond agricultural trade. The Minister responded that he was eager to discuss other areas of cooperation and had been particularly impressed with New Zealand's contributions to projects related to date palms and forestry water usage and the development of a Crop Calculator to efficiently utilise water in the UAE horticulture sector.
- 9 I noted the interest in renewable energy projects in New Zealand that had been suggested by the UAE delegation at the JEC. Minister Al Zeyoudi recalled that we had cooperated in the Pacific and Caribbean but it was time to cooperate on a project "in New Zealand." Minister Al Zeyoudi explained he would speak with s6(e) about possible projects in wind or electric mobility in New Zealand and would discuss these directly with the New Zealand Embassy.
- 10 Turning to threats to the environment, we both acknowledged that climate change would have a significant impact upon the UAE and New Zealand's environments. Minister Al Zeyoudi explained that in the UAE, "most investments in coastal areas have been, or will be, raised one – two metres" above sea level to protect against sea level rise in the Gulf.

- 11 At the Gulfood Expo, I met with each of the New Zealand companies exhibiting at the New Zealand World, Dairy and NZ Milk Products pavilions at Gulfood. I held discussions about business prospects in the Middle East and the effectiveness of the Dubai-hub model. As the largest food and beverage exhibition worldwide, Gulfood provided an opportunity for me to support the showcasing of New Zealand product, particularly to the Middle East, South Asian and African regions in one setting. I also spoke at the Taste of New Zealand Festival, which was held in the margins of Gulfood for New Zealand companies, their local partners and distributors and was an opportunity to meet with senior New Zealanders operating in the UAE and their business partners in-market and to demonstrate the Government's support for their business operations in the region.
- 12 I also met separately with senior Fonterra representatives to discuss challenges and opportunities in the region s9(2)(b)(ii), s9(2)(b)(i)
- 13 I also engaged in a discussion session with NZTE Beachhead Advisers, who explained the various opportunities and challenges for New Zealand businesses operating in the Gulf. My subsequent meeting with Trevor McFarlane, adviser to over 200 regional chief executives on macroeconomics issues in the Middle East, s6(a)
- 14 Finally, I visited the Headquarters of Emirates Flight Catering (EKFC), where I was hosted by CEO Saeed Mohammed. The EKFC produces between 180,000-230,000 meals per day and purchases 29 products from suppliers in New Zealand. The value of these products amounted to s9(2)(b)(i) in 2019, s9(2)(b)(i) since the signing of the contract with the New Zealand Expo 2020 team to provide operations and food and beverage services for the Pavilion.
- 15 My visit to the UAE s6(a)

The willingness of UAE officials to investigate renewable energy investment potential and to share knowledge around the delivery of infrastructure projects in New Zealand s6(a)

The signing of the Agreed Minutes at Ministerial level

s6(a)

Proactive release

- 16 This paper will be proactively released as per Cabinet Office Circular CO (18) 4, on the Ministry of Foreign Affairs and Trade's website. Proactive release is subject to redaction as appropriate under the Official Information Act 1982.

Recommendation

I recommend that Cabinet note this report.

Authorised for lodgement

Hon David Parker

Minister for Trade and Export Growth

Proactively released by the
Minister for Trade and Export Growth