

# Proactive Release

Date: 2 September 2022

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

Title	Reference
<i>Report on Overseas Travel: Hon Damien O'Connor</i>	
<i>Report on Overseas Travel: Hon Damien O'Connor</i>	CAB-22-MIN-0290

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 OIA). Where this is the case, the relevant sections of the OIA 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.

- 6(a): to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government; and
- 6(b)(i): to protect the passing of information from another government on a confidential basis.



# Cabinet

## Minute of Decision

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*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.*

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### Report on Overseas Travel: Hon Damien O'Connor

**Portfolio**                      **Trade and Export Growth**

On 1 August 2022, Cabinet **noted** the report from Hon Damien O'Connor under CAB-22-SUB-0290 on his travel, from 10 to 18 June 2022, to:

- 1        Paris, France to attend an informal Indo-Pacific Economic Framework Ministerial meeting;
- 2        Geneva, Switzerland to attend the 12<sup>th</sup> Ministerial Conference of the World Trade Organisation.

Rachel Hayward  
Acting Secretary of the Cabinet

[Restricted]

Office of the Minister for Trade and Export Growth

Chair, Cabinet

## Report on Overseas Travel: Hon Damien O'Connor

1 I recommend that Cabinet note this report on my travel to France and Switzerland from 10 June – 18 June 2022.

### Report

#### France, 11 June

2 The focus of my visit to Paris, France, was to attend an informal Indo-Pacific Economic Framework (IPEF) Ministerial Meeting which was organised by Katherine Tai, United States Trade Representative (USTR). The meeting brought together all fourteen IPEF participants, with trade ministers from Australia, Brunei, Malaysia, Singapore, South Korea and the United States, and senior officials from Fiji, India, Indonesia, Japan, The Philippines, Thailand and Vietnam.

3 IPEF contains four pillars - Trade; Supply Chain Resilience; Clean Energy, Decarbonisation, and Infrastructure; and Tax and Anti-corruption. USTR Tai used the meeting to outline the seven areas that would feature as part of the trade pillar of IPEF, with these being:

- *Trade facilitation*: accelerating implementation of the WTO Trade Facilitation Agreement;
- *Digital*: agreeing high standard rules for digital trade, including “the free flow of data”;
- *Labour*: high standard trade and labour commitments; strong corporate responsibility instruments that could be verified;
- *Environment*: meaningful environmental commitments that will ‘raise the bar’ across the region. As with labour these would need to have an active process of verification;
- *Agriculture*: regulatory cooperation and facilitating science-based regulatory exchanges;
- *Good Regulatory Practice*: enhanced transparency provisions and greater public information and engagement process to inform such practices;
- *Competition Policy*: Cooperation-focused and to share information about competitive practices and behaviours.

4 I took the opportunity to register New Zealand’s keen interest in the IPEF initiative and our wish to work with all members across all four IPEF pillars and in all seven work areas identified by USTR Tai in the trade pillar, given the alignment with our own Trade for All policies.

5 While in Paris, I also took the opportunity to meet with the new Australian Assistant Minister for Trade Senator Tim Ayres, ahead of the IPEF meeting. This was a valuable introductory chat which included discussion of New Zealand's Trade for All Agenda, s6(a)

s6(a) It was also a useful discussion ahead of the IPEF meeting, s6(a)

#### Switzerland, 11 June – 16 June

6 The focus of my visit to Switzerland was to attend the 12<sup>th</sup> Ministerial Conference (MC12) of the World Trade Organisation (WTO), which gathered Ministers from the 164-member organisation in Geneva, five years after MC11 and against the backdrop of a particularly difficult global economic and geopolitical environment.

7 I had the honour of being appointed by the WTO Director-General to act as the Minister-Facilitator of the fisheries subsidies negotiation, and was pleased to contribute to a landmark agreement on fisheries subsidies. In the role as Minister-Facilitator, working alongside the talented Ambassador Santiago Wills of Colombia, I held 67 bilateral meetings, a further 32 'confessionals', five small group meetings and a plenary session involving 75 speakers.

8 New Zealand has been at the forefront of calling for an agreement on fisheries subsidies for over twenty years, so this is a significant milestone. This agreement means that for the first time there are important prohibitions on:

- subsidies related to illegal, unreported and unregulated fishing
- subsidies regarding overfished stocks
- subsidies for fishing taking place on the unregulated high seas.

9 Unfortunately members were unable to reach agreement on prohibiting subsidies that contribute to overcapacity in fisheries and overfishing on fish stocks, however members will continue to negotiate on this and seek to reach agreement on these outstanding and important issues ahead of MC13 in 2023.

10 The fisheries subsidies agreement was in addition to other declarations and decisions on WTO reform, pandemic preparedness (including a partial TRIPS "waiver"), food security and e-commerce reached by the WTO Membership. These agreements have provided a much needed boost for multilateralism. Unfortunately for New Zealand, an agreement was not possible on the issue of agriculture reform, which continues to remain the most divisive area of negotiations at the WTO. However a small win was ensuring that there was no undermining of progress that has been made to this point on agriculture reform, which was a realistic possibility in the lead up to MC12.

11 In addition to undertaking the role as Minister-Facilitator for the fisheries subsidies negotiations, I used the opportunity of MC12 to undertake a number of bilateral meetings with key New Zealand trade partners, including the European Union and a number of EU member states, China and the United States. I also



joined new Australian Minister of Trade Don Farrell and Assistant Minister of Trade Tim Ayres in hosting a lunch with Pacific Ministers and Senior Officials, to discuss issues of shared interest for our Pacific region.

12 The bilateral meeting with the EU Commissioner for Trade Valdis Dombrovkis and EU Commissioner for Agriculture Janusz Wojciechowski provided a valuable opportunity to give some momentum to our FTA negotiations, ahead of my and the Prime Minister's respective visits to Brussels in late June. It also meant we could resolve and narrow down a number of issues ahead of the final conclusion of the FTA. In addition to this meeting, formal bilateral meetings were held with Minister Udo Philipp (Germany), Minister Leo Varadkar (Ireland), Minister Liesje Schreinemacher (Netherlands) and Minister João Gomes Cravinho (Portugal) in addition to a number of informal pull-aside discussions with other member state Ministers. These engagements provided an invaluable opportunity to lobby EU members ahead of the FTA's conclusion.

13 A bilateral meeting with China's Minister of Commerce Wang Wentao  
s6(a)

14 Under a portrait of former New Zealand Prime Minister and WTO Director-General Mike Moore and former USTR Charlene Barshefsky, I met with USTR Katherine Tai  
s6(a)  
s6(a)

15 MC12 also provided a valuable opportunity to continue to build momentum on other plurilateral trade and sustainability initiatives that New Zealand is either leading, or is a member of.

16 I chaired a productive meeting with fellow trade ministers from the Agreement on Climate Change, Trade and Sustainability (ACCTS), which includes Costa Rica, Fiji, Iceland, Norway and Switzerland. Ministers committed in a Ministerial Statement to make progress on this agreement as swiftly as possible, with the next round of negotiations set for this month and again in October at senior officials level.

17 Alongside Minister Thórdís Gylfadóttir (Iceland), Minister Leatinu'u Faumuina Wayne So'oialo (Samoa) and Vice-Minister Scappini Ricciardi (Paraguay) I chaired a briefing to the press to welcome new Members to the WTO Joint Ministerial Statement on Fossil Fuel Subsidy Reform (FFSR), and to announce the adoption of a forward work plan agreed by co-sponsors. With Paraguay and Samoa now joining the Ministerial Statement, 47 Members have signed up to the FFSR Ministerial Statement which seeks the rationalisation and phase-out of inefficient fossil fuel subsidies along a clear timeline.

18 I joined Commissioner Valdis Dombrovskis (EU), Minister Betty Maina (Kenya) and Vice Minister Daniel Legarda (Ecuador) in convening an informal Ministerial-level dialogue on the challenges and opportunities at the intersection of trade, climate change and sustainable development. Participants included the WTO

Director-General and Ministers from a wide variety of countries at different levels of development, including Australia, Colombia, Fiji, Japan, Senegal, Singapore and the United States. A joint NZ/EU/Ecuador/Kenya joint statement was published after the dialogue, announcing plans to jointly forge an inclusive Coalition of Trade Ministers on Climate. I am now working on a roadmap with Ministers from the EU, Ecuador and Kenya for taking this forward.

19 MC12 was also a useful platform for expanding the membership of the Global Trade and Gender Arrangement (GTAGA). I joined counterparts from Canada, Chile and Mexico to welcome the latest participants, Peru and Colombia to GTAGA and to highlight the opportunities to better integrate women into international trade. With Peru and Colombia joining, all Members of the Pacific Alliance (with whom New Zealand is currently negotiating a FTA) are now members of GTAGA. During the event, Argentina and Ecuador also announced their intention to join GTAGA, and Costa Rica have subsequently expressed their intention to join GTAGA, reinforcing real momentum beyond CPTPP members, where this initiative originated. I also joined counterparts from Canada, Chile and Mexico in issuing an Inclusive Trade Action Group (ITAG) Joint Ministerial Statement, with Costa Rica also subsequently expressing its interest in joining ITAG.

20 Another core feature of my programme at MC12 was taking the opportunity where possible to demonstrate support for Ukraine and condemnation of Russia. This included the following actions:

- Prior to the formal opening of MC12, attending an event with over 50 other WTO members to demonstrate support for Ukraine
- Being present for the standing ovation for the Ukrainian Vice-Minister's statement to MC12 under the topic of "Challenges to the Multilateral System"
- A small group meeting among likeminded countries (the G7 plus Australia and Norway) with Ukraine to talk about our trade actions against Russia
- Joining a joint statement at the end of MC12 to say that our engagement at MC12 does not constitute a normalising of trade relations with Russia.

### **Proactive release**

21 This paper will be proactively released as per Cabinet Office Circular CO (18) 4 on the Ministry of Foreign Affairs and Trade's website. The paper will be subject to redaction as appropriate on the grounds set out under the Official Information Act 1982.

### **Recommendation**

22 I recommend that Cabinet note this report.

Authorised for lodgement

Hon Damien O'Connor

Proactively released  
by the Minister for Trade and Export Growth