

# Proactive Release

Date: 14 April 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-0060 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; and
- 6(b): to protect the passing of information from another government on a confidential basis.

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# Cabinet

## Minute of Decision

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### Report on Overseas Travel: Hon David Parker

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

On 2 March 2020, Cabinet **noted** the report from Hon David Parker under CAB-20-SUB-0060 on his travel, from 23 to 27 November 2019, to Seoul, South Korea with a business delegation on Air New Zealand's inaugural flight from Auckland to Seoul, for a series of trade and economic calls.

Michael Webster  
Secretary of the Cabinet

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**Hard-copy distribution:**

Prime Minister  
Deputy Prime Minister  
Hon David Parker

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 South Korea with a business delegation on 23-26 November, which included bilateral policy meetings, and events to highlight the increased diversity of our trading relationships, and the business and trade interests of visiting New Zealand exporters and business representatives. Discussions highlighted specific new opportunities for collaboration in high-tech and the hydrogen economy.

The trip also leveraged the recommencement of Air New Zealand's direct Auckland to Seoul route.

#### **Report**

- 1 The primary purpose of my visit was to engage with a like-minded partner in the region, (noting that s6(a) this was the first trade ministerial visit since the free trade deal (KNZFTA) was signed in 2015) while helping "open doors" for the visiting business delegation.
- 2 The visit was also designed to continue the momentum following the visit by the Minister of Foreign Affairs to Seoul in 2019 and President Moon's visit to New Zealand in 2018. I travelled with a business delegation comprising representatives of companies across a range of industries active in the Korea-New Zealand market.
- 3 Policy engagements included a telephone call with the Minister of Trade Yoo Myung-hee, the signing of a hydrogen energy Letter of Intent, a meeting with the Senior Deputy-Governor of the Bank of Korea, and a roundtable with key policy influencers. The meetings underlined our shared values and common interests in areas such as monetary policy and trade, the maintenance of a rules based system, the importance of the WTO, and the complementarity of our economies.
- 4 Korea is a G20 member and the 11<sup>th</sup> largest economy in the world, with GDP of US\$1.7 trillion. It is our sixth largest export market, seventh largest source of tourists and fourth largest source of students. Our two-way trade reached NZ\$4.9 billion in the year to June 2019. Korea is, therefore, already a significant trading partner for New Zealand, and increasingly relevant as exporters and the Government place value on diversifying markets.

5 [s6(a)]

The visit was an opportunity to highlight our [s6(a)]

[s6(a)]

close economic partnership under the KNZFTA.

6 [s6(b)(i)]

7 With the business mission I visited a number of partners and customers, including retail outlets showcasing NZ products, and promoted the potential for further collaboration especially in high-tech innovation. My messaging on these visits, as well as in policy discussions and speeches, noted the warmth and shared values between New Zealand and Korea, but also underlined the opportunity for both countries to do more together, in both the economic and political spheres. [s6(a)]

the visit highlighted the value of putting time and effort into building this relationship. The perspective of the business leaders accompanying me added focus and weight to these messages.

8 It was clear that while New Zealand's brand is already strong in Korea the business delegation saw and heard about opportunity to reset the NZ Story beyond clean and green, to be high-tech and innovative while grounded in sustainability, care for people and the environment. Korea faces a number of structural hurdles including the lowest birth rate in the developed world. [s6(a), s6(b)(i)]

9 [s6(b)(i)]

10 In my call with Korean Minister of Trade Yoo Myung-hee I reaffirmed the importance of Korea as "a very important friend in Asia, [s6(a)] our shared values and support for the rules-based system, and long-standing security ties. [s6(b)(i)]

- 11 A highlight of the visit was the signing of a Letter of Intent (LOI) to investigate the feasibility and core technology required to develop a liquid hydrogen supply chain for green hydrogen to be produced and liquefied by renewable electricity in New Zealand and imported into Korea on 25 November. The LOI was signed by Minister of Energy and Resources Hon Megan Woods the week before in New Zealand, and included signatures from a number of New Zealand and Korean companies and organisations.
- 12 Overall the visit reinforced the momentum in the NZ/Korea relationship, but highlighted that there is room to do more together on both the economic and political fronts – in defending the rules-based system, building regional organisations (like RCEP and CPTPP), and driving forward our economic agenda.

### **Proactive release**

- 13 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**

I recommend that Cabinet note this report.

Authorised for lodgement

Hon David Parker

Minister for Trade and Export Growth