NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

7 JULY 2026

Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

Trade and economic updates

Domestic

New Zealand–India FTA Bill passes first reading

Legislation to implement the New Zealand–India Free Trade Agreement (FTA) has passed its first reading in Parliament, marking a key step toward ratification. The agreement will reduce or eliminate tariffs on 95% of New Zealand exports to India once fully implemented, with 57% becoming tariff-free immediately. The deal will improve access to India's 1.4 billion consumers, support export growth, and strengthen opportunities in goods, services, and wine exports. The bill will now be considered by the Foreign Affairs, Defence and Trade Committee.

International

New Zealand makes a submission on USTR's section 301 findings into forced labour

On 6 July (US time), the New Zealand Government will submit a response to US Trade Representative's (USTR) findings and proposed actions following its investigation into forced labour in supply chains under Section 301 of the US Trade Act. The submission will be available on USTR's comment portal. As reported previously, USTR released its initial findings and proposed actions **including an additional 12.5% tariff on New Zealand and most other investigated economies** on 2 June. New Zealand's written submission, (which builds on an earlier submission into the investigation) outlines New Zealand's strong disagreement with the findings, and summarises the action New Zealand takes on forced labour. Changes to the proposed tariffs on New Zealand are unlikely following the consultation period, and it is expected that the US will put the new tariffs in place before the current 10% section 122 tariff expires on 24 July. We encourage exporters to prepare for this eventuality.

US announces it will not renew USMCA

On 1 July 2026, the US notified Canada and Mexico that it would not automatically renew the United States-Mexico-Canada Agreement (USMCA). USTR Jamieson Greer released a short press statement noting that the US had not agreed to renew USMCA "in its current form". While the agreement remains in force, the parties now move into a period of annual reviews until either the Agreement expires in 2036, the US agrees to renew the Agreement, or the US (or Canada/Mexico) withdraws from the Agreement. The next round of negotiations, between the US and Mexico, is due to be held on 20 July 2026.

EU-China trade tensions continue

On 1 July, the EU introduced new measures affecting low-cost imports and strengthened protections for its steel industry, reflecting concerns about market distortion, overcapacity, and the competitiveness of European manufacturers. In response, Chinese government in a media statement warned that it would “take resolute countermeasures” if the EU followed through with this approach.

Concurrently, Brussels and Beijing agreed to establish a new trade and investment consultation mechanism and intensify discussions over the coming months, with the aim of achieving tangible progress before their next high-level meeting in October. The situation highlights a broader global trend in which governments are seeking to balance the benefits of open trade with concerns about economic security, industrial policy, and supply-chain resilience.

Feedback

We welcome feedback from New Zealand exporters on this report and invite requests for reporting from New Zealand’s network of Embassies and High Commissions. If you have suggestions on a topic you would like to hear more about, or to subscribe to this weekly update, you can sign up here or email us at exports@mfat.net

External links

The following links may provide useful information to businesses:

- NZTE's website and myNZTE provide a range of insights and tools available to support New Zealand exporters.
- The Treasury releases a weekly economic update every Friday. Stats NZ has published a data portal with near real-time economic indicators.
- MBIE publishes a sector reports series which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- Business.govt.nz provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a tariff finder which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.
- The all of government Trade Barriers website can be used to register any trade barriers experienced or issues exporting to an offshore market. Queries can be sent via the website or through the MFAT Exporter Helpline 0800 824 605. Enquiries will be sent to the government agency best placed to answer.
- Tatauranga Aotearoa Stats NZ provides official data on the value of New Zealand's exports and imports of both goods and services, by commodity type via the New Zealand Trade Dashboard. This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

More info

More reports

View full list of market reports from MFAT at www.mfat.govt.nz/market-reports

If you would like to request a topic for reporting please email exports@mfat.govt.nz

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To learn more about exporting to this market, New Zealand Trade & Enterprise's comprehensive market guides cover export regulations, business culture, market-entry strategies and more.

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call 0800 824 605

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