

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 would like to be added to the weekly distribution list for this report, please also email us at exports@mfat.net.

Domestic Update

- Prime Minister Jacinda Ardern and Premier of Niue Dalton Tagelagi have issued a [joint media statement](#) announcing the **commencement** from 19 March (NZT) of **'one-way' quarantine-free entry from Niue to New Zealand**. The first flight is expected on 24 March (NZT).

Global & Multilateral Update

- On 11 March, the **World Trade Organisation (WTO)**'s [Services Trade Barometer](#) updated its results for the first quarter of 2021. The Barometer is designed to highlight turning points and changing patterns in world services trade. The latest reading of 104.7 is the strongest result ever on record since the Barometer began in 2000, and is significantly higher than the low point of 91.2 for the first quarter of 2020, during the peak of the COVID-19 lockdowns worldwide. This suggests that growth in world services trade accelerated in the fourth quarter of 2020, after reaching a low point in the second quarter and only a slight uptake in the third. However, it is unlikely for this momentum to carry across the first quarter of 2021, with global lockdown measures from second waves of the pandemic continuing to affect growth and employment in major economies.

Regional Updates

Asia

- On 26 February, the **American Chamber of Commerce in South China** released its [2021 Special Report on the State of Business in South China](#). The publication draws on studies of companies with established operations in China through random sampling to analyse the prospects for, challenges facing, and attitudes of businesses in China.
- According to [preliminary official data](#) released by the **Indian Ministry of Commerce and Industry**, the country's exports dipped by 0.25% in February after rising for three consecutive months, as foreign demand remained weak. Exporters also attributed the decline in exports to container shortages and supply disruptions due to COVID-19. Exports stood at US\$27.4 billion in February this year against US\$27.67 billion in the same month last year. Major foreign exchange earners such as petroleum, gems & jewellery and engineering goods showed negative growth. **Imports** on the other hand rose for the third consecutive month by almost 7% at US\$40.55 billion in February. Gold imports were up by 124%. The trade deficit widened to US\$12.88 billion in February as compared to US\$10.16 billion in February 2020.
- **Bangladesh** has qualified to **graduate from Least Developed Country (LDC) status** following the final evaluation by the United Nations Committee for Development Policy on 26 February. The Committee has recommended that due to the impact of COVID-19 on its economy, the country should get five years instead of three to prepare for the transition from LDC, pushing the official graduation date to 2026. Until then, Bangladesh will continue to enjoy trade benefits as an LDC.
- **Bangladesh** is expected to remain among the **fastest-growing world economies** in 2021, said the Washington-based International Institute of Finance in its latest outlook. Robust domestic demand and

competitive manufacturing sectors, coupled with rebounding exports, will be the main growth drivers this year.

Europe

- The **European Union** plans to **boost production** of its own **advanced semiconductors** to at least 20% of world production value by 2030, as part of efforts to reduce “high-risk dependencies” on technologies typically manufactured outside the bloc. Global supply chains for semiconductor chips have been disrupted by the pandemic and US-China trade tensions. The EU currently represents 10% of global production. This new target sits within the EU’s [Digital Compass 2030](#) which outlines their digital ambitions for the next decade.
- The UK Secretary of State for Northern Ireland has announced that the **UK will extend the grace period for customs checks at Northern Ireland ports** until 1 October, 6 months longer than the initial deadline of 1 April set out in the Northern Ireland Protocol. The checks relate to health certificates and other controls for agrifood products shipped from Great Britain to Northern Ireland. The European Commission criticised the move as a breach of the Northern Ireland Protocol of the Withdrawal Agreement between the EU and the UK and has begun legal action against the UK over the alleged breach of international law.
- On 23 February, New Zealand’s **High Commissioner to the UK** joined a (virtual) panel and **presented on New Zealand’s Trade for All agenda** to the All Party Parliamentary Group (APPG) for Trade & Export Growth’s second session on UK Trade Policy. It was an open session available for viewing on Facebook live (and will be posted on the APPG Trade and Export website shortly).

Americas

- The **Office of the US Trade Representative** [announced](#) the **extension** of Section 301 **tariff exclusions on imports of Chinese medical care products** essential for addressing the COVID-19 pandemic. This is now set to continue to 30 September 2021. The tariff exclusions include (but is not limited to) products like personal protective equipment, dispensers and certain parts and components for X-ray and MRI equipment. The exclusions were originally set to expire on 31 March 2021.

Market reports released this week

- The previous global economic and trade update can be found [here](#).

External links

The following links may provide useful information to businesses:

- [NZTE](#) has a website focused on providing COVID-19 information for exporters. They’ve also launched [myNZTE](#), an interactive digital portal of insights and tools available to all 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.
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More reports

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