

## 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](mailto:exports@mfat.net).

## Domestic Updates

- Following the 14 April decision to ban the **export of livestock by sea** with a transition period of up to two years, Cabinet has decided the transition period to wind down trade will **end on 30 April 2023**.

## Global & Multilateral Updates

- On 16 July, Prime Minister Jacinda Ardern chaired the [Asia Pacific Economic Cooperation \(APEC\) Informal Leaders' Retreat](#), which saw APEC leaders come together to discuss the region's economic, health response and recovery. This meeting marked the first time in APEC's history that an additional meeting of APEC Leaders was held, highlighting the unprecedented nature of the economic and health crisis besetting the region. In Prime Minister Ardern's [press release](#), she noted that leaders have set strong expectations of the outcomes they want in November to support the COVID-19 recovery. These include making sure that APEC economies have lowered tariffs on vaccines moving across borders, and that economies have accelerated digitalisation of border paperwork, reducing costs on businesses.
- Rachel Taulelei, Chair of the APEC Business Advisory Council (ABAC), convened the first ever **Indigenous Business Dialogue on 7 July**, with the Minister of Foreign Affairs and the US Secretary of the Interior Debra Haaland providing opening remarks. The Ministers' presence reinforced the value of political leadership in elevating indigenous perspectives within APEC's trade and economic settings. Over 100 participants from 14 economies highlighted shared interests in business models based on shared indigenous values, the importance of data, environmental leadership and enabling indigenous communities to learn and develop their own solutions. There was unanimous support for the Statement of Priorities to be tabled at ABAC3 and for Indigenous business leaders to be involved in future ABAC meetings. Officials are planning further dialogue(s) with Indigenous business leaders to identify opportunities for closer collaboration.
- In June, MFAT concluded discussions to establish an **APEC New Zealand Māori Partnership rōpū**. This historic Partnership based on Te Tiriti/Treaty principles brings together eight entities who signed and named the arrangement "Te Rangitukupu - the words in the sky", to guide and direct the partnership. Traci Houpapa and Pita Tipene were appointed as Co-Chairs to lead the work with APEC NZ over the next six months. Their work programme includes development of an Indigenous Collaboration Arrangement with a subset of APEC economies, digital showcasing of Māori culture and economic activity, an Indigenous to Indigenous Dialogue, and Indigenous participation during APEC Leaders' Week.

## Regional Updates

### Australia and the Pacific

- American Sāmoa has joined a growing number of Pacific ports that now offer **free COVID-19 vaccinations to seafarers on vessels visiting Pago Pago**. This follows calls from the maritime shipping industry alarmed at the slow rate of global vaccination of seafarers and the potential health and safety risks to ships' crews and port workers, as well as elevated risk of disruption to maritime supply chains.
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- The Republic of Marshall Islands (RMI) has formally lodged its intention to become a party to the [Agreement on Port State Measures](#). This multilateral Agreement targets illegal, unreported, and unregulated fishing by monitoring fishing vessels coming into ports. This is a major achievement for RMI and the Pacific. RMI's port of Majuro is the world's biggest tuna transshipment hub and these efforts will make a tangible difference to the transparency of Pacific fishing operations.

### Asia

- Despite an anticipated reduction in consumer spending due to the recent spike in COVID cases, **South Korea** remains **confident** that it can **achieve its 2021 growth outlook** of 4.2%, which it raised from 3.2% in June. Optimism is based on increased government spending in the supplementary budget, designed to stimulate economic growth.

### Europe

- On 14 July the **European Commission** unveiled the **details of the 'Fit for 55'** package. Key elements of the proposed package include the introduction of a carbon border levy to be implemented from 2023, the extension of the EU Emissions Trading System (ETS) to maritime, phasing out of free allowances for the aviation sector, setting up a parallel ETS for road transport and buildings, cutting emissions from new cars to zero by 2035, and the creation of a Climate Action Transition Fund to help mitigate the social impacts of the green transition.
- As part of the 'Fit for 55' package, the European Commission also released a draft regulation proposing the gradual introduction of a [Carbon Border Adjustment Mechanism](#) (CBAM) in 2023. Intended to address the risks of carbon leakage resulting from increased EU climate ambition, the Commission presented the measure as an environmental policy tool to equalise the price of carbon emissions between domestic products and imported goods in the cement, iron and steel, aluminium, fertilisers and electricity sectors.

### Americas

- The Peruvian Congress passed the [Comprehensive and Progressive Agreement for Trans-Pacific Partnership](#) (CPTPP) ratifying legislation on 14 July by a significant majority – effectively confirming Peru as the eighth Party of the Agreement and New Zealand's newest free trade partner. As the Depositary to the CPTPP, New Zealand received Peru's formal notification of ratification on 21 July. Peru will become a full Party to the agreement on 19 September.

### Middle East and Africa

- The UAE's rejection of a Saudi Arabian-led OPEC deal highlights a rare public disagreement between the close GCC neighbours amid growing economic competition between the two largest Arab economies. **Saudi Arabia is adopting policies designed to compete with the UAE as the region's leading commercial and logistical hub.** Recent measures include the Kingdom's regional headquarters (RHQ) initiative - incentivising multinational corporations to relocate from Dubai to Riyadh - and the intention to launch a new Saudi airline to compete with Emirates and Etihad. Saudi Arabia also announced that it would apply foreign tariff rates to products coming from free zones in the GCC (which will predominantly affect the UAE's free zones, a main driver in the Emirati economy). **The potential impact on New Zealand exporters is not yet clear.**

## Market reports released this week

- The previous global economic and trade update can be found [here](#).
- A Turkey trade and economic update was prepared by the New Zealand Embassy in Ankara and can be read [here](#).

## External links

The following links may provide useful information to businesses:

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- [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

View full list of market reports from MFAT at [www.mfat.govt.nz/market-reports](http://www.mfat.govt.nz/market-reports)

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