

Prepared by the New Zealand Commerce and Industry Office

Summary

- The Taiwan New Zealand goods trading relationship continues to grow, though at a more steady pace than in quarter one of 2020. Trade with Taiwan grew by 15.16% for quarter two and Taiwan overtook the United Kingdom to become New Zealand's sixth largest goods export market for that period. Taiwan remained New Zealand's 7th largest merchandise export market for the year ending June 2020.
- Businesses selling New Zealand products have told us that food service has been picking up, supply chains remain stable for shipping and export certificates are arriving on time.-

Report

1 Taiwan remained a strong performing market for New Zealand merchandise exports during the second quarter of 2020. New Zealand exports grew by 15.16% during this quarter. This was less than the first quarter merchandise export growth of 22.25%, but still significant. In quarter two Taiwan moved to become New Zealand's 6th largest export market for goods, overtaking the United Kingdom. Growth for the year ending June 2020 was a more modest 5.47%

2 **Importers are telling us that food service is making a bounce back** now that restrictions have been lifted in Taiwan and people are unable to travel outside the island as many do during the summer. From March to early May, food service was down 40-50%.

Meat

3 According to Global Trade Atlas statistics, **frozen beef meat exports** increased by 8.47% in quarter two by volume and 24.7% by value compared to the same quarter last year. The volume of **sheep meat exports** also went up in Q2 YoY by 12.17% in volume and 21.37% in value.

4 Frozen beef value for Q2 was worth over 52 million NZD and sheep meat was almost 30 million. This is almost 20% of the 415 million NZD of goods exported to Taiwan during this period.

5 With other markets disrupted, we understand that some exporters have found Taiwanese buyers open to buying new products when offered them at a more competitive price than previously. This might be influencing value and volume statistics for meat exports in particular. Taiwan also accepts labelling in English, which makes this market easier to export to when products need to be diverted swiftly.

6 One importer has told us that they believed there was more appetite for sheep and beef meat in the Taiwan market and that they have the frozen and chilled storage available.

Horticulture

7 **Kiwifruit continue to sell well in this market**, despite the trade statistics showing volume was down by 3.22% for Q2 compared to Q2 2019 (though the value was up by 8.5%). This is a reflection on the earlier start to the season this year.

8 Apples were up in volume by 21.64% for Q2 YoY and 36.84% by value. We understand that there is a **surplus of apples in the Taiwan market** from other markets as a result of diversion. This means turnaround has been slower than usual. The coming festivals (ghost and mid-autumn) may provide an opportunity to help clear some of the stock.

Wine

9 We reported previously that some new wine products are gaining greater traction. An importer has told us that due to food service going well and the domestic demand being up he has been **successful in getting New Zealand wines into Michelin-starred restaurants**.

Supply chains

10 The Taiwanese economy and **supply chains continue to function with minimal impact from COVID-19**, and the China Airlines Air Freight from Auckland-Taipei-Auckland [has continued](#).

11 The Taiwanese Food and Drug Administration (TFDA) and the Bureau of Animal and Plant Health Inspection and Quarantine (BAPHIQ) have **extended their temporary measures, which allow for delayed certificates to be submitted after a consignment has arrived**, until 31 December 2020.

Assessment

12 It is clear from our discussions with Taiwanese importers and the trade statistics that our trade continues to grow during the COVID-era. Taiwan's stable supply chain and open economy during the uncertainty of COVID does appear to have opened more exporters eyes to the potential of this mature market of 23 million people. However, those most successful in diverting to this market also appear to be leveraging existing established business relationships.

13 Traditionally Q3 and Q4 see lower levels of trade due to the end of the New Zealand apple and kiwifruit seasons. An increase in domestic tourism in Taiwan and a secure supply chain for sea and air freight could mean demand for non-seasonal New Zealand goods remains steady.

More reports

View full list of market reports from MFAT at <https://www.mfat.govt.nz/en/trade/mfat-market-reports>

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

To contact the Export Helpdesk

Email exports@mfat.net

Call 0800 824 605

Visit [Tradebarriers.govt.nz](https://www.mfat.govt.nz/en/trade/trade-barriers)

Disclaimer

This information released in this report aligns with the provisions of the Official Information Act 1982. The opinions and analysis expressed in this report are the author's own and do not necessarily reflect the views or official policy position of the New Zealand Government. The Ministry of Foreign Affairs and Trade and the New Zealand Government take no responsibility for the accuracy of this report.