



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

13 MAY 2024

Weekly Global Economic Round-up

MARKET INTELLIGENCE REPORT

Trade and economic updates

Domestic

NZ-EU FTA entered into force

- In a win for Kiwi exporters, the New Zealand-EU Free Trade Agreement (NZ-EU FTA) entered into force on May 1st. This deal secures reductions in tariffs for kiwifruit, wine, seafood, and a wide range of other products. It includes commitments on services and investment, which ensure a level playing field for New Zealand businesses in the EU market. The EU is our fourth-largest trade partner, with combined trade in goods and services exceeding \$20 billion annually (representing over 10% of our total trade). The NZ-EU FTA is expected to boost market access for Kiwi exporters, contributing to the government's goal of doubling exports within a decade. To grow the awareness of the opportunities this agreement presents, the Government will undertake an information campaign to help Kiwi businesses grow trade with the EU. For more information about the NZ-EU FTA, including how Kiwi businesses can benefit, [visit the NZ-EU FTA page on the MFAT website](#).

Te Taumata holds regional trade hui

- Te Taumata held its regional trade hui in Ngāmotu New Plymouth on 15 April, providing an important opportunity to engage with Taranaki whānui. The theme of the hui was 'Doubling Export Value in 10 Years'. The programme highlighted opportunities for the Māori economy, with a particular focus on the opportunities presented by the recently implemented free trade agreements with the United Kingdom and the European Union (EU) (including the Māori Trade and Economic Cooperation Chapters in these agreements), and upcoming trade missions. The programme also addressed challenges to export growth including outstanding trade barriers, the need to develop new and emerging sectors such as services (beyond tourism), and moving up the value chain.
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Americas

US Secretary of State and Secretary of Treasury travel to China

- US Secretary of State Antony Blinken and Treasury Secretary Janet Yellen separately travelled to China in April, the second time each of them had visited in less than a year. During Secretary Blinken's visit, he met with President Xi Jinping and his counterpart Wang Yi and discussed key priorities in the bilateral relationship and a range of regional and global issues. Secretary Yellen, during her earlier visit, conducted a series of top-level economic meetings and raised issues such as the impact of China's industrial overcapacity in sectors (including EVs and solar panels) on US and global markets. The visits reflect sustained efforts from both sides to maintain engagement through high-level meetings
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Africa and Middle East

New Zealand and United Arab Emirates commence free trade agreement negotiations

- On 7 May the Minister for Trade announced that New Zealand and the United Arab Emirates (UAE) will commence negotiations on a Comprehensive Economic Partnership Agreement (CEPA). Speaking in Dubai, Hon Todd McClay said: "The UAE is a key export destination and hub in the Gulf region, and there are significant opportunities to enhance cooperation across a range of areas, including agriculture and sustainable energy. A CEPA with the UAE would also complement our ongoing negotiations towards a free trade agreement with the Gulf Cooperation Council, and I was pleased to advance these discussions during my visit to Saudi Arabia last week and my discussions with Saudi and GCC counterparts."

For more information, including to make submission, please visit www.mfat.govt.nz/nzuaecepa or contact UAECEPA@mfat.govt.nz.

North Asia

Republic of Korea accedes to the Digital Economy Partnership Agreement

- On 3 May the Republic of Korea (Korea) officially acceded to the Digital Economy Partnership Agreement (DEPA), the first non-founding economy to do so. This was marked by a celebratory event on the side-lines of the OECD Ministerial Council Meeting in Paris attended by Minister for Trade Todd McClay. Alongside ensuring non-discriminatory treatment for their digital products, New Zealand exporters operating in Korea will no longer be required to have local data storage. [More information can be found in a joint press release](#) by New Zealand's Ministry of Foreign Trade and Affairs, Chile's Ministry of Foreign Affairs, Singapore's Ministry of Trade and Industry and Korea's Ministry of Trade, Industry and Energy.

Consumer prices continue to rise in China

- Data release by the National Bureau of Statistics on Saturday (New Zealand time) showed that consumer prices in China rose 0.3 percent from a year earlier. That compares with an increase of 0.1 percent in March and represents the third straight month of increases. However, the economy is still seeing a continued decline in industrial prices, with the Producer Price Index declining at an annual rate of 2.5 percent in April. Commentators indicate that deflationary pressure remains a concern.
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Europe

Greece bans bottom trawling

- Greece has become the first country in the European Union to announce a ban on bottom trawling in national marine parks by 2026 and in marine protected areas by 2030. Environmentalists hope this will create a domino effect for other EU countries. Bottom fishing is still practiced in 90% of European marine protected areas, despite the European Commission's recommendation to Member States to phase out this practice by 2030. Around 31% of New Zealand's EEZ is closed to [bottom trawling](#). It is also prohibited in 21% of the territorial sea. In the 2021/2022 fishing year, 70% of all fish caught commercially in New Zealand were caught using either bottom trawl gear or mid-water trawl gear within 1 metre of the seabed.
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Seeking Suggestions for Market Intelligence Report Topics

We welcome feedback from New Zealand exporters on this report, and invite requests for reporting. If there's reporting topics you believe would be beneficial to you or the New Zealand exporting community, go to our [open forum survey](#). If you would like to subscribe to this weekly update, go to our [subscription page](#) or email us at exports@mfat.net

Market reports released this week:

- Read the [previous global economic round-up](#)
 - [New South Wales Economic Report – May 2024](#)
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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.
- 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.net

To get email alerts when new reports are published, go to our [subscription page](#).

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.

To contact the Export Helpdesk

email exports@mfat.net

call 0800 824 605

visit Tradebarriers.govt.nz

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