



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

29 SEPTEMBER 2026

Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

Trade and economic updates

International

New Zealand and India Ratify free trade agreement, in force next month

On Monday 21 September, New Zealand and India ratified our free trade agreement, clearing the way for entry into force next month on 20 October. Ratification confirms each country has completed legal and other domestic processes needed for the FTA to take effect.

New Zealand Prime Minister Christopher Luxon, Trade and Investment Minister Todd McClay and India High Commissioner to New Zealand, H.E. Ms Muanpuii Saiawi marked the milestone at an event attended by business leaders and media.

Ratification is the final step before entry into force when exporters can begin taking advantage of tariff cuts and other benefits in this FTA. From 20 October, 57 per cent of New Zealand exports to India will be able to enter India tariff free, including sheep meat, wool, coal, and kiwifruit within quota, as well as over 95 per cent of forestry exports. New Zealand is also the first country to secure preferential access for apples in any FTA with India. Ten weeks after entry into force, exporters will benefit from a second round of tariff cuts on 1 January 2027. Over time, 82% of New Zealand's exports to India will be able to enter duty free, and a further 13% will be subject to significant tariff cuts – meaning 95% will benefit from tariff preferences under the FTA.

Find out more at <https://www.mfat.govt.nz/indiafta>

Viet Nam launches new national AI strategy

Viet Nam has launched a new national AI strategy aimed at building domestic capability while attracting investment and partnerships from major international technology firms. By 2030, Viet Nam aims to grow its AI economy to 6% of GDP, generate US\$5 billion in AI-related exports, and rank among Southeast Asia's top three AI research and development centres. The strategy also prioritises workforce development, computing infrastructure, local-language AI models, and responsible governance. Viet Nam is actively courting global technology partners and these ambitions may create opportunities for New Zealand businesses, universities, and research institutions in specialised AI solutions, education, joint research, and technology partnerships.

Korea's dairy imports grow as domestic milk production falls

Korea's dairy imports rose 13.3% year on year in the second quarter of 2026, according to Korea Rural Economic Institute figures reported on 10 September. Imports reached 646,000 tonnes on a milk-equivalent basis, while domestic milk production fell 1.6% to 505,000 tonnes. Growth was concentrated in cheese, with imports increasing 14.7% to 41,940 tonnes, and milk and cream, up 6.6% to 24,873 tonnes. Other categories contracted: imports of skim milk powder fell 15.5%, whole milk powder 34.2% and infant formula 15.8%. Reflecting this strong import demand, New Zealand's dairy exports to Korea increased from NZ\$432.4 million to NZ\$514.1 million year on year in the second quarter of 2026.

Cook Islands Penrhyn Port Upgrade

New Zealand, the Cook Islands, and the United States have announced a shared intention to deliver a major port upgrade on the island of Penrhyn in the northern Cook Islands. New Zealand and the United States will co-fund the project. Upgrading the Penrhyn port has been a long-standing development priority for the Cook Islands Government. Upgraded port facilities will deliver safety and resilience benefits, as well as expanding transport links and economic opportunities for the northern Cook Islands. MFAT is planning to procure a multi-disciplinary engineering firm to provide design consultancy services.

New Zealand Foreign Minister Winston Peters, Cook Islands Prime Minister Mark Brown, and US Deputy Secretary of State Christopher Landau announced the project in Palau on 1 September, ahead of the Pacific Islands Forum Leaders Meeting (press statement available [here](#)).

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.
- [New Zealand Exporters' Guide](#) provides information on how to export from New Zealand.
- 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

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To contact the Export Helpdesk

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