

Prepared by the Economic Division at the Ministry of Foreign Affairs and Trade

Regional Updates

Domestic Updates:

- New Zealand has agreed a declaration along with other members of the Organization for Economic Co-operation and Development (OECD) that commits members to working together to boost sustainable agriculture and food systems. The Declaration also commits to addressing several priority areas to achieve the economy-wide goal of net-zero greenhouse gas emissions by 2050. These include reducing agricultural emissions, increasing carbon sequestration, and reducing food loss and waste.
- The Government has asked the Productivity Commission to hold an inquiry into the resilience of the New Zealand economy to supply chain disruptions. This inquiry aims to identify ways to enhance the resilience of New Zealand's economy to persistent medium-term supply chain disruptions. Read more [here](#).
- Adrian Orr has been reappointed as Reserve Bank Governor. Under the Reserve Bank Act, the Bank's main objectives are to achieve and maintain stability in the general level of prices over the medium term, support maximum sustainable employment, and protect and promote the stability of New Zealand's financial system.

Australia and the Pacific:

- Ishmael Kalsakau was elected Prime Minister of Vanuatu unopposed on 4 November, after former Prime Minister Bob Loughman withdrew his name and supported Kalsakau. Kalsakau, who was most recently Deputy PM in Loughman's government and held the Internal Affairs portfolio (including immigration, labour mobility, and policing), attended secondary school in New Plymouth and studied law at Waikato and Victoria Universities. Kalsakau has appointed his 13-strong Cabinet, striking a balance of party and geographic representation within his governing coalition. Parliament also elected a new Speaker and four Deputy Speakers (including the sole woman MP Gloria King).
- New Zealand is working with the Government of Kiribati in the collection and export of scrap metal from South Tarawa. This activity targets light gauge metallic scrap wastes, including end of life vehicles, and shipwrecks that are a hazard to the local marine environment. Scrap metal, including from many abandoned cars, is a significant pollution issue for South Tarawa. The overall goal is to improve the health and safety of local communities through effective waste management.

Europe:

- On 2 November, less than a week after announcing that it was suspending its participation in the Black Sea Grain Initiative (the Initiative) for an "indefinite period of time", Russia returned to the Initiative effective immediately. The news follows a late night phone call between Turkish President Recep Tayyip Erdoğan and Russian President Vladimir Putin. The Initiative is due to expire on 19 November. Until Russia announced it was leaving the Initiative, it was widely expected that both countries would renew
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their participation. However, Moscow's ongoing demands relating to the export of its fertilisers are expected to make renewal more complicated.

Asia:

- Prime Minister Jacinda Ardern traveled to Cambodia to attend the annual East Asia Summit (EAS), ahead of representing New Zealand at APEC Economic Leaders Week in Thailand. Following the East Asia Summit in Cambodia and before travelling to APEC, Prime Minister Ardern, accompanied by Trade Minister Damien O'Connor, will use their time in the region to lead a business delegation to Viet Nam, visiting both Ha Noi and Ho Chi Minh City.

Americas:

- On 12 May 2022, New Zealand initiated dispute settlement proceedings against Canada under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) challenging Canada's administration of its CPTPP dairy tariff rate quotas (TRQs). After consultations in June 2022 did not resolve the matter, New Zealand submitted its request for the establishment of a panel to hear the case on 7 November 2022. This is the first dispute New Zealand has taken under a free trade agreement, and the first dispute that has been taken by any party under CPTPP. More information on the dispute is available [here](#).
- Following last Tuesday's midterm elections for the United States Congress, the Democratic Party has retained control of the Senate. The final distribution of seats in the US House of Representatives has not yet been decided. However, the Republicans appear on track to win a majority, albeit with a smaller margin than expected.
- The US and Taiwan held 'conceptual discussions' last week on the proposed bilateral Initiative on 21st Century Trade. The initiative aims to deepen bilateral trade, advance trade priorities and promote innovation and inclusive economic growth. The negotiations are also expected to discuss market distorting practices by state-owned enterprises.

Middle East and Africa:

- The UAE has announced the end of most remaining COVID restrictions on 6 November. The UAE's Covid management system had been characterised by comparatively strong restrictions and high vaccination rates, in an attempt to live with the virus in a way that protected the population while maintaining economic activity.
 - While the world faces the twin economic shocks of Covid-19 and the Ukraine conflict, Saudi Arabia is bucking the trend. The economy has recovered strongly from pandemic-induced recession, growing at a rate of 3.2% in 2021, before being supercharged in 2022 thanks to globally high oil prices. In 2022, Saudi's *Aramco* overtook *Apple* as the largest company in the world. The International Monetary Fund (IMF) expects real GDP growth to increase to 7.6% in 2022, making Saudi Arabia the fastest growing economy in the G20.
 - As the largest economy in the Middle East for the foreseeable future, Saudi Arabia is undeniably a key trading partner for Aotearoa New Zealand. New Zealand Trade and Enterprise (NZTE) notes sustainable opportunities for New Zealand business within the local production sector (including dairy, packed food, and food supplements), food and beverage products for tourism developments in the Red Sea, the Saudi resort industry, and the 'Mega' cities, as well as healthy food and beverage products sold in retailers and pharmacies.
 - Türkiye has amended its halal regulations, with changes that will come into effect in June 2023. By then,
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any commodity exported to Türkiye that is marketed or labelled as halal must have a halal certificate issued by a halal certification body that is recognised by Türkiye's Halal Accreditation Agency. Halal certification is only required if the commodity exported to Türkiye is claimed to be halal; non-halal products can continue to be exported to Türkiye. More information can be found at www.hak.gov.tr

Market reports released this week

- The previous global economic round-up can be found [here](#).
- [EU proposes new tool to prevent supply chain disruptions in future crises – November 2022](#)
- [Austria's response to the European energy crunch – November 2022](#)

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 subscribe to this weekly update, you can sign up [here](#) or email us at exports@mfat.net.

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. NZTE also provide comprehensive [market guides](#) which cover export regulations, business culture, market-entry strategies and more.
 - 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.
 - Tauranga 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 \(shinyapps.io\)](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.
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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 contact the Export Helpdesk

Email exports@mfat.net

Call 0800 824 605

Visit Tradebarriers.govt.nz

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