

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

Headlines

- The Government has released for consultation a proposal to reduce agricultural emissions. The Government is seeking your feedback on options to price agricultural emissions. This includes how the levy will be set, governance arrangements of the system, how farmers will report and pay for their emissions, and recognising sequestration. Read more [here](#).
- Minister of Foreign Affairs Nanaia Mahuta and Minister for Trade and Export Growth Damien O'Connor have announced a significant package of **additional sanctions and trade-related measures in response to Russia's ongoing aggression including illegal annexation of parts of Ukraine**. Comprehensive trade measures **including banning the import of Russian oil, gas and coal, banning the export of oil exploration and oil production goods, banning the export and import of luxury goods to and from Russia**, significantly expanding our export ban on strategically important products to Russia and Belarus, and **extending until 2025 New Zealand's 35% tariff on imports from Russia**.
- The Government has announced the next steps in the plan to reconnect New Zealanders to the world and fill workforce shortages, with the **resumption of selections for two residence visa categories visas that will help Kiwi businesses attract talent during the global worker shortage**. Read more [here](#).

Regional Updates

Domestic Updates:

- The Government has **nominated New Zealander Dr John Barker for Director General of the International Organisation of Vine and Wine (OIV) for the 2024-2028 period**. The OIV is an intergovernmental body that considers issues related to wine and produces resolutions covering issues such as labelling requirements and levels of winemaking additives. New Zealand's membership in the OIV gives us the opportunity to identify and influence strategic global debates in areas affecting one of New Zealand's most successful and fastest growing export industries, worth approximately NZ\$1.9 billion in the year ended June 2022.

Australia and the Pacific:

- **PRIF Week 2022 Event** - The Pacific Regional Infrastructure Facility (PRIF) is holding its second annual conference from 17-21 October on the subject of **"Private Sector Participation in Public Infrastructure Development in the Pacific Region."** This virtual event features in-person hubs in Sydney, Apia, Suva and Nuku'alofa. Like last year's event, strong attendance is expected from Pacific officials, private sector and civil society. All are invited to join sessions of interest, by registering at [PRIF Week 2022](#).
- Niue has removed its COVID-19 alert level settings, and will now manage the pandemic through public health orders and regulations. It has retained its entry requirements and travelers must still be double

vaccinated, complete a PCR test and in most cases, have travel insurance.

- On 11 October the Pacific Agreement on Closer Economic Relations (PACER) Plus entered into force for Vanuatu. Vanuatu is the tenth Party of this Free Trade Agreement alongside Australia, the Cook Islands, Kiribati, New Zealand, Niue, Samoa, Solomon Islands, Tonga and Tuvalu.

Europe:

- The EU adopted its eighth package of sanctions last week in response to Russia's escalation of the war in Ukraine, and in particular the illegal annexation of the Donetsk, Luhansk, Kherson and Zaporizhzhia oblasts in Ukraine. The new package features significant **new import restrictions (estimated to be worth some €7 billion) including machinery, steel products, plastics, vehicles, textiles, footwear, leather, ceramics, certain chemical products, and non-gold jewellery**. There are **new export restrictions**, including banning the export of coal, electronic components, chemicals and various other goods.

Asia:

- **China's economy continues to be impacted by its zero COVID policy, which has disrupted supply chains, industrial production, and domestic consumption.** Ongoing challenges in China's property market also continue to negatively impact economic growth. The World Bank's most recent [East Asia and Pacific Economic Update](#) forecasts that China will grow 2.8% in 2022, significantly below expected growth rates for the rest of the region. **This is the first time in 30 years that China is expected to be outperformed by the rest of Asia.** (China's economy grew 8.1% in 2021 after COVID-affected growth of only 2.2% in 2020.)

Americas:

- Grant Robertson departed last week with a business delegation to New York, after which he travelled to Washington DC for meetings. The **Finance Minister attended the World Bank and International Monetary Fund annual meetings in Washington DC**. He also met with the US Federal Reserve Chair Jerome Powell, senior officials from the Biden administration and Finance Ministers from around the world.

Market reports released this week

- The previous global economic round-up can be found [here](#).
- [China's Economic Scorecard ahead of the 20th Party Congress – October 2022](#)
- [US Government to Negotiate Some Drug Prices – October 2022](#)
- [MFAT – Monitoring Global Supply Chains: July-September 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.

- 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 \(shinyapps.io\)](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

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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