

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

Highlights:

- **Prime Minister Jacinda Ardern and Australian Prime Minister Anthony Albanese today held their first bilateral meeting in Sydney on 10 June**
- **Minister O'Connor attended an Indo Pacific Economic Framework for Prosperity (IPEF) Ministerial meeting in Paris on 11 June**, chaired by **US Trade Representative Katherine Tai** and attended by **all 14 parties to the IPEF**.
- In a first in advancing the interests of women in trade, the **Organisation for Economic Cooperation and Development (OECD)** and **New Zealand** have **published a review on trade and gender in New Zealand**.

Regional Updates

Domestic Updates:

- **Minister for Trade and Export Growth Damien O'Connor** travelled to Europe last Friday for the **World Trade Organisation (WTO) Twelfth Ministerial Conference (MC12)**. While at the WTO he will meet with ministerial counterparts from other countries to discuss bilateral and regional trade and economic issues, and progress New Zealand's ongoing **EU-NZ FTA negotiations**. He will also attend an informal **Indo-Pacific Economic Framework for Prosperity (IPEF)** ministerial meeting in Paris ahead of the MC12.
- **Stats NZ** reported **New Zealand annual food price inflation of 6.8 percent in May** year-on-year, compared with 6.4 percent in April. **Fruit and vegetable prices increased 10 percent**; grocery food prices 7.4 percent; meat, poultry and fish prices 7.0 percent; and restaurant meals and ready-to-eat food prices 6.0 percent. Read the full announcement [here](#).
- The latest **New Zealand Institute of Economic Research (NZIER) Consensus Forecasts** show a revised **downward growth outlook over the medium term**. The forecast also anticipates **persistent high inflation** in the New Zealand economy. Positively, however, **strong demand for New Zealand exports** is expected. Read the full report [here](#).
- In a first in advancing the interests of women in trade, the **Organisation for Economic Cooperation and Development (OECD)** and **New Zealand** have **published a review on trade and gender in New Zealand**. The 'Trade and Gender Review of New Zealand' sheds light on the **outcomes of trade for New Zealand women in three economic roles—as workers, business leaders, and consumers**—and examines trade policy settings that affect them. The full report can be found [here](#).

Australia and the Pacific:

- **Prime Minister Jacinda Ardern and Australian Prime Minister Anthony Albanese held their first bilateral meeting in Sydney on 10 June.** The Prime Minister was the first head of government to meet with Prime Minister Albanese in Australia since he took office. In the post-talks [press conference](#), both Prime Ministers expressed a commitment to take the trans-Tasman relationship to ‘new heights’ and strengthen cooperation in the mutual interests of both our nations. In particular, they highlighted the importance of working with Pacific partners to tackle issues such as climate change and an increasingly contest strategic environment.
- **Prime Minister Jacinda Ardern had a warm and productive meeting with Samoa Prime Minister Fiamē Naomi Mata’afa in Wellington, on Tuesday 14 June.** The Prime Ministers reflected on the **close and enduring relationship the two countries** have shared in the **60 years** since the signing of the **Treaty of Friendship**, and since Samoa gained independence. The Prime Ministers **issued a Joint Statement** acknowledging the **strong cooperation on COVID-19 and vaccines**, a commitment to work together to **navigate post-pandemic economic challenges**, the importance of **regional unity**, and the **pre-eminent role of existing regional architecture**, such as the **Pacific Island Forum**.
- **Foreign Minister Nanaia Mahuta and Australian Foreign Minister Penny Wong met on 16 June for their first bilateral [Foreign Minister Consultations](#) in Wellington.** The Ministers welcomed the opportunity to meet in person for the first time and discussed the trans-Tasman relationship as well as a wide range of global issues.

Asia:

- **China has (re)-tightened COVID-19 restrictions in Beijing and Shanghai after new cases were discovered over the weekend.** The increase in case numbers comes just days after restrictions were eased in China’s two major cities.
- This year’s **ASEAN-CER Integration Partnership Forum (IPF)** will take place online on **20 June**. The IPF offers an opportunity for **New Zealand, Australia and ASEAN** to share their experiences of regional **economic integration** in an informal setting. It is a complement to the implementation (and now upgrading) of the **ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)**, offering the chance for informal exploration and sharing of best practices on topical issues. This year’s meeting will focus on **trade and sustainable development**. Speakers will be drawn from senior ranks of officialdom, academia and business in **New Zealand, Australia and ASEAN**, as well as from global thought-leaders and institutions.

Americas:

- **Minister O’Connor attended an Indo Pacific Economic Framework for Prosperity (IPEF) Ministerial meeting in Paris on 11 June**, chaired by **US Trade Representative Katherine Tai** and attended by **all 14 parties to the IPEF**. USTR Tai set out her vision for the **Trade Pillar of the Framework**, and described the IPEF as the ‘**new paradigm**’ for **globalisation** that would ensure a worker-centered framework for the **Indo-Pacific**.
- **US annual inflation surpassed expectations, reaching 8.6 percent for May as measured by the Consumer Price Index (CPI).** In response to inflation concerns, the US Federal Reserve announced a 0.75 interest rate increase on Wednesday 15 June, the central bank’s biggest rate increase since 1994.

Multilateral:

- The **Trade Ministers of the European Union, Ecuador, Kenya and New Zealand** have agreed to work jointly to forge an inclusive **Coalition of Trade Ministers on Climate**. This reflects their shared commitment to bringing the fight against climate change to the forefront of trade policy. The **Ministers** want to enhance **Ministerial-level dialogue** so trade and trade policies can support the **Paris climate goals, sustainable development, environmental sustainability** and a just transition. The co-leads will meet in **July** to decide on the next steps for the creation of this new coalition.

Market reports released this week

- The previous global economic round-up can be found [here](#).
- [Overview of the Vietnamese Food and Beverage Sector – 9 June 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.
- 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.

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

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