



NEW ZEALAND  
FOREIGN AFFAIRS & TRADE  
Manatū Aorere

12 SEPTEMBER 2023

# Weekly Global Economic Round-up

A MARKET INTELLIGENCE REPORT

# Highlights

- New Zealand has won a trade dispute against Canada. An independent panel found that Canada's dairy quota administration is inconsistent with its obligations under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).
- The Panel found that Canada is [not administering its dairy tariff rate quotas](#) (TRQ) in a manner that allows importers the opportunity to utilise them fully, and that Canada is impermissibly limiting access to TRQ quota to its domestic dairy processors. Under CPTPP rules, Canada has a reasonable period of time to change its TRQ administration to comply with the Panel decision. This is a significant win for New Zealand primary exporters.

- New Zealand and United Arab Emirates (UAE) have launched exploratory discussions on a potential bilateral trade agreement, referred to in the UAE as a Comprehensive Economic Partnership Agreement. The announcement comes off the back of New Zealand Trade and Export Growth Minister Damien O'Connor's recent visit to UAE on 31 August where he met with the Minister of State for Foreign Trade Dr Thani Al Zeyoudi and Minister of State for International Cooperation Reem Al Hashimy.
- While overseas, Minister O'Connor also travelled to Saudi Arabia for trade-focused discussions with the Gulf Cooperation Council (GCC) General Secretary Jasem Mohamed Albudaiwi, Saudi Minister for Commerce Majid bin Abdullah Al Qasabi and Agriculture Minister Abdulrahman Al-Fadhli. During those meetings, Minister O'Connor reaffirmed New Zealand's ongoing commitment to finalising the New Zealand GCC-FTA and discussed outstanding issues in the negotiation that require resolution.

# Regional updates

## Global

- The New Zealand Government has finalised the design of the [Game Development Sector Rebate scheme](#). Budget 23 provided \$40 million per year to deliver and administer the rebate scheme. The pilot will enable eligible businesses with anticipated expenditures of \$5 million or more to submit a partial year claim for expenditure already incurred in the six months from 1 April 2023 to 30 September 2023.
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## Australia

- [New Zealand formally accepts Agreement on Fisheries Subsidies](#). Following the completion of domestic ratification procedures, New Zealand has today deposited with the World Trade Organization (WTO) an instrument formally accepting the Fisheries Subsidies Agreement (FSA). Two-thirds of the WTO's 164 Members must formally accept the FSA for it to enter into force. Around 40% of required acceptances – or 43 out of the 110 Members needed for entry into force – [have now been deposited](#).
  - Adopted by consensus at the WTO's 12th Ministerial Conference held in Geneva on 12-17 June 2022, the Agreement on Fisheries Subsidies sets new binding, multilateral rules to curb harmful subsidies. The Agreement prohibits the most egregious forms of fisheries subsidies such as support for illegal, unreported and unregulated fishing, for fishing overfished stocks, and ends subsidies for fishing on the unregulated high seas.
  - The [Supply Chain Text of the Indo-Pacific Economic Framework](#) (IPEF) has been released. The Agreement seeks to enhance supply chain transparency and information sharing between member countries to minimise disruptions and bottlenecks.
  - Leaders of the world's 20 largest economies (G20) concluded a summit in India over the weekend by issuing a [consensus statement](#). The statement formally welcomed the 55-member African Union as a permanent member of the G20, included language that all states must refrain from acquiring territory by force, and agreed to pursue tripling renewable energy capacity globally by 2030 and accepted the need to phase-down unabated coal power.
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## Pacific

- Fiji's tourism industry is booming, driving Fiji's broader economic recovery. Visitor arrivals in 2023 are expected to match 2019's pre-pandemic levels. This positive development has created some challenges however, as a persistent gap between seats on flights and accommodation available on arrival continues to put pressure on demand, driving up room prices. The relatively recent surge in demand has also exposed major skills shortages across the industry.
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## Europe

- New Zealand and Denmark have room to grow in their two-way trade relationship: New Zealand exports to Denmark were NZ\$0.21 billion YE March 2023 and Danish exports to New Zealand were NZ\$2.38 billion across the same period. Danish industries consider that opportunities for Danish exports to New Zealand lie in green technology and life sciences.
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## Asia

- Despite the various border restrictions implemented during the COVID period, China's imports of key primary sector products increased significantly from 2019 to 2022. While China's demand for some products important to New Zealand (dairy, beef, sheepmeat, forestry products) has cooled in the first half of 2023 (H1), overall imports of other primary products (soybeans, grains, fruit and fish) has continued to increase.
  - In 2023 (H1) New Zealand companies maintained market share of 50 to 54 percent of dairy imports to China (similar to the levels achieved 2019-2022). New Zealand sheepmeat also maintained its dominant market share position of 56 to 61 percent. New Zealand's share of China's total imported beef market, at eight percent, has dropped five percent from the 13 percent achieved in 2019. Some beef exporters (notably market leader Brazil, and the United States) have significantly increased their market share over this period.
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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](http://www.mfat.govt.nz/market-reports)

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