



New Zealand-Europe Business Council submission on a NZ-EU FTA, February 2016

The New Zealand Minister of Trade, Todd McClay, has invited public submissions on a proposed Free Trade Agreement (FTA) between New Zealand and the European Union (EU). We understand that the government's objective in asking the views of all New Zealanders with an interest in an FTA negotiation with the EU is to ensure that New Zealand negotiators have a full and up-to-date picture of the views and issues that matter to all New Zealanders with an interest in the FTA.

The New Zealand-Europe Business Council warmly welcomes the opportunity to express its full support for opening such negotiations and our short paper which represents our members' views is attached.

The New Zealand relationship with Europe is important to NZ on many levels. Historic and cultural ties make co-operation with EU particularly easy and natural.

In offering our full support for the NZ-EU FTA, and in light of recent experiences around the conclusion and signing of the TPPA, we would also make the following suggestions to the negotiators. We believe the negotiations need to be conducted in a spirit of transparency and openness emphasizing potential gains and benefits, including expected benefits for ordinary people. As a partner, the EU's approach to its negotiations with NZ is informed by the following: "It is clear Europeans want trade to deliver real economic results for consumers, workers and small companies. However, they also believe open markets do not require us to compromise on core principles, like human rights and sustainable development around the world or high quality safety and environmental regulation and public services at home. They also want to know more about trade negotiations carried out in their name." (European Commission, 2015, p. 5)¹

We believe that NZ's approach to negotiating with the EU should reflect the same commitment to openness. Minister McClay is said to be "looking to extend the consultative net when it comes to negotiating future preferential trade agreements at bilateral and regional level" (O'Sullivan, 2016²). O'Sullivan quotes Minister McClay: "I'll be looking at how the EU engages civil society," and she suggests that he believes "while New Zealand negotiators make a strong fist out of consulting with business the consultative net could be spread wider".

¹ "Trade for all: Towards a more responsible trade and investment policy", European Commission, October 2015, http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf

² "After TPP - fine-tuning to get full value", *NZ Herald*, 1 February 2016.

The New Zealand EU Business Council has many links to businesses (large and small), trade, academic, research and cultural organizations and is ready and committed to assisting in any way it can to ensure that the negotiations, consultations and any agreement with the EU are seen to set new high standards in global trade interactions. We regard the negotiations and the possibility of simpler and more open relations with EU in every aspect, including trade, as highly desirable, and in some ways overdue. We will be sending a similar message to the EU trade commissioner in Brussels.

For and on behalf of the NZEBC

Frank Olsson