

## IPEF Public Submissions Summary - June 2022

**Following Aotearoa New Zealand's participation in the launch of discussions on the Indo-Pacific Economic Framework for Prosperity (IPEF) on 23 May 2022, the Government called for submissions from New Zealand stakeholder groups, businesses, and individuals with views on New Zealand's participation in the Framework, and on entering negotiations.**

The call for submissions was made on 3 June 2022 and ran until 20 June 2022. Further to those received during this time period, ongoing opportunities for public submissions will be available on the MFAT Have Your Say website throughout the IPEF process.

Stakeholder groups, businesses, and individuals were invited to submit views on New Zealand's participation in the IPEF, which will be reflected in the advice that goes to Ministers so they can give due and inclusive consideration to the broadest possible set of interests in forming their decisions.

Thirteen submissions were received from a range of New Zealand stakeholder types, operating across a broad range of sectors. A number of submissions were made in confidence, and accordingly submitters and details which could identify particular stakeholders will not be made public.

### **What will we do with the submissions?**

The New Zealand Government will carefully consider all points expressed in the public submissions.

This information helps ensure the Government has a full picture of the specific issues that matter to New Zealand stakeholders when raised in the context of an Indo-Pacific economic initiative. It will inform the Government's approach to issues that may arise in the scoping phase of the IPEF initiative, and allow the Government to make effective decisions on participating in negotiations going forward.

### **Submission summary**

The potential impacts of IPEF on New Zealand stakeholder groups and businesses outlined below were key elements of the submissions received. The views set out below are those of the submitters and should not be taken to represent the views of the Ministry of Foreign Affairs and Trade or the New Zealand Government:

- The public submissions all recognised the **strategic importance of IPEF**, and the **value of United States (US) engagement in the region**. A number of the submissions appreciated that the US cannot easily undertake a free trade agreement (FTA) in their current domestic context, and that while IPEF is not an FTA, the initiative could be a useful focus for New Zealand in lieu of a more comprehensive trade agreement with the US.
- A key theme of all submissions was **disappointment in the absence of market access**. This connected with a wish for the US to (re)join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), with some suggesting New Zealand should still push for a comprehensive FTA with the US. A few submissions characterised the IPEF as a stepping stone towards the US joining CPTPP, not as a substitute.
- A few submitters saw the **lack of traditional market access as an opportunity** to be creative in new areas of economic cooperation, while others remained more critical of this absence.

- Some submissions noted the desire to **support existing international agreements** such as the World Trade Organisation (WTO) Trade Facilitation Agreement, International Labour Organisation (ILO) agreements, and labour chapters in the CPTPP, UK-NZ FTA, and other relevant agreements. This would involve incentivising adherence to and strengthening of existing international trade rules. Others however, expressed the wish for IPEF to go further, lifting the ambition beyond existing agreements.
- Some submitters emphasised the opportunity for **trade-restricting Non-Tariff Barriers to be addressed** through IPEF in the areas of Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT). This would include being creative in addressing trade impediments, and accelerating cooperation.
- Several submissions noted that a key focus for New Zealand would be the **Clean Energy pillar**. Supporting the goal of reaching Carbon Zero by 2050 was a key theme of these shared points, and the desire to do work in this space both on a regional scale, but also on the international stage, facilitated by IPEF. This could include support for entities with Climate Reporting requirements, the development of common approaches to carbon accounting, and investment in carbon reduction and methane reduction initiatives/projects. Furthermore, a few submissions emphasised the importance of a clean and just energy transition for Māori.
- Many submitters suggested **areas of opportunity** that could be pursued through IPEF. Some of these suggestions included potential opportunities for:
  - A multilateral air services agreement for the Pacific,
  - New commitments that support climate action by facilitating trade of lower carbon goods,
  - Incremental improvement in areas of data sovereignty and trade facilitation,
  - Resilient supply chains, with examples of opportunities in the maritime space and in construction materials, and
  - Incentivising greater private sector financing and investment.
- The **use of annexes and side agreements** was discouraged by some on the basis that issues should not be cherry-picked by partners, and the agreement should remain plurilateral. Others, though, noted that subject-specific annexes, side letters and schedules (as used in other agreements), along with sub-groups of participants, could be valuable tools.
- Multiple submissions noted a **welcome focus on workers and consumers** throughout the IPEF, in line with Aotearoa New Zealand's Trade for All principles.