

NZ-UK Free Trade Agreement: Māori Enterprise Perspectives



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Abbreviations

AHC	Asset Holding Company
BERL	Business Economic Research Limited
CEO	Chief Executive Officer
DNA	Deoxyribonucleic Acid
FTA	Free Trade Agreement
IT	Information Technology
MFAT	Ministry of Foreign Affairs and Trade
NZ	New Zealand
NZTE	New Zealand Trade and Enterprise
NZ-UK FTA	New Zealand-United Kingdom Free Trade Agreement
SME	Small and Medium Enterprise
UK	United Kingdom

SUMMARY

Scope and purpose

- This report provides insights from five Māori enterprises on the NZ-UK FTA. The enterprises include: (1) a Māori authority (forestry, kiwifruit, and dairy exporter); (2) a large global mainstream digital technologies company; (3) a Māori health provider; (4) a national Māori enterprise assistance provider; (5) a Māori entrepreneur in technology. Of the five enterprises in this report, two would be actively exporting.

Māori enterprises

- All participants identify as Māori, with their identity as Māori based on whakapapa, and expressed as pride in being Māori. Māori identity is diverse, it means engaging in Māori language and culture, sharing the benefits of Māori identity with others.
- Māori business is defined by ownership (51% stake), by kawa, tikanga, kaupapa, te ao Māori perspectives, and by seeing Māori at all levels of business, by employing Māori.

Māori entrepreneurship

- A Māori way of doing business is connected, cooperative, whānau-oriented, apparent in Māori and non-Māori enterprise, te ao Māori-informed business practice, benefit distributions, and working to intergenerational timeframes.
- Māori enterprises work in industries, sectors, and products with which they are familiar and comfortable, and are not encouraged and supported sufficiently to build capability and enter and lead new high value, high tech sectors like cybersecurity.
- Māori entrepreneurs see business and opportunity as a continuity journey balancing past, future, and present, and serving tāngata whenua and relationships.
- Normalising te ao Māori in mainstream business is one participant's mission, while others are supporting Māori social and economic success through enterprise among Māori, with other Indigenous groups and with mainstream business. One is exporting forestry, horticulture and dairy products through its own assets and its investments.

Māori enterprises and trade

- Trade experience of the Māori entrepreneurs includes in-market interaction with buyers, diplomatic and trade missions, government, and multiple sector experience.
- Reasons for trade include Māori entrepreneurship, innovation, leverage settlement assets to support tribal social and economic aims, increasing the international profile of the Māori economy and its influence in domestic policy and economics. Trade creates relationships, the sharing of values, knowledge, understanding, and establishes whānau connections.

Challenges and opportunities

- Challenges include: (1) New Zealand's focus on large commodity-based deals rather than smaller-scale opportunities; (2) negative perceptions of trade rather than seeing business as integral to community and social purposes; (3) a lack of transparency in trade negotiations and agreements inhibiting understanding and involvement.
- Opportunities include: (1) preferential visa access for Māori enterprise to the UK; (2) Indigenous trade in nations other than the UK (e.g., Asia); (3) long-term relationships.

Treaty of Waitangi and trade policy

- Māori enterprise views on the treaty and trade policy include: (1) honouring the Treaty through Māori and the Crown co-creating trade policy and trade agreements, providing for article two (rangatiratanga), not just article three (equity), and having Māori at the negotiating table; (2) embedding the treaty throughout the FTA and actively protecting Māori treaty rights; (3) enhancing Māori treaty rights and remedies; (4) doubts about the efficacy of the treaty clause.



Expectations of the FTA

- Māori expectations of the FTA are that it supports accountability to Māori social groupings, protects and provides for a Māori view and approach to the environment, sustainability, the status of Māori relationship with the UK, and that Māori enterprises are supported to engage in and benefit from trade with the UK. Ideally, Māori would like to see Māori diplomats, representing Māori in the world.
- Indigenous to Indigenous trade is important because it provides for direct relationships with indigeneity the commonality, but its relevance in the UK is uncertain. The infrastructure to facilitate, support, and enhance Indigenous trade is also not apparent.

Success, benefits, and risks of the FTA

- Success in the FTA would be indicated by Māori and the Crown working together to produce favourable outcomes, including market access for Māori goods and services, benefits for wider Māori communities, and where the special relationship between Māori and the British Crown via the treaty is recognised in long term relationships.
- Desirable benefits from the FTA include Māori economic growth, access to market, knowledge transfer, and access to UK education institutions for Māori, including, for example, Oxford and Cambridge universities, acceptance of a Māori view of the environment and wide sharing of the benefits of Māori trade with Māori and non-Māori.
- Risks with trade and the FTA include over reliance on trade with UK, weak protection of Māori cultural and intellectual property, the absence of an Indigenous people in the UK, impacts on Māori land and water rights. Thus, a significant focus is on protecting Māori treaty rights, mātauranga Māori (Māori knowledge), honouring the treaty, and Māori relationships with the Crown.

Māori priorities and outcomes

- Specific outcomes desired from the FTA include genuine access for Māori goods and services to UK markets, procurement targets for Māori enterprises, support for inward investment into Māori communities, facilitation of people exchanges, and Māori knowledge of the environment embedded in the environment chapter.
- General priorities for Māori from the FTA include provision for wāhine Māori, small business, co-creation of trade policy with Māori, recognising rangatiratanga in trade policy and processes, and supporting Māori engagement in trade.

PURPOSE

The purpose of this research is to provide insights into Māori enterprise perspectives on a NZ-UK FTA and trade policy generally to assist trade negotiations.

ABOUT THE MĀORI ENTREPRENEURS

#	Iwi	Role	Sector	Experience
P1	Ngāti Ruanui	Executive	Digital enterprise	Telecommunications
P2	Ngāti Kahungunu	CEO	Enterprise assistance	Former diplomat
P3	Ngāti Kahungunu	CEO	Health sector	Political advisor
P4	Ngāti Raukawa	Entrepreneur	Digital enterprise	Telecommunications
P5	Te Arawa	CEO	Forestry	Land and education

ABOUT THE MĀORI ENTERPRISES

Being Māori

P1: Identifying as Māori, engaging with te reo, proud of being Māori and sharing the benefits of who you are with others.

P2: Being Māori, it's in our DNA, being the Indigenous people of Aotearoa; Māori economy, engaging with Māori and other Indigenous peoples.

P4: Being Māori is not a separate identity, you are by whakapapa; focus is supporting Māori; who is Māori is diverse, not one view.

Definition of Māori business

P1: A Māori business is 51% Māori owned.

P3: Māori business has kawa, tikanga, and kaupapa, which reflect a te ao Māori world view. Māori are at all levels of the business (owners, leaders, beneficiaries).

P5: Māori business looks and feels Māori, it has a te ao Māori world view, kaupapa, epistemology, and employs Māori.

A Māori way of doing business

P1: Connected, cooperative, and engaged with community (whakawhanaungatanga). One-third of large digital enterprise (about 50 out of 150 employees) doing te reo.

P2: It's infusing Māori identity and knowledge into business, building relationships, face-to-face engagement; being commercially savvy, connecting, collaborating; Māori offer a unique point of difference internationally.

P3: Te ao Māori informs a Māori way of doing business, it determines what returns are sought and the timeframes, which are often intergenerational.

P4 focuses on sectors with few Māori (e.g., cybersecurity), which could be \$1bn industry for Māori, but there is no technical capability, and Māori are not supported to enter this industry at that level.

P4: Māori entrepreneurs operate in sectors in which they are comfortable and successful, but the future Māori economy is digital and tech focused. Māori need to build capability and be supported to do this, but Māori are not encouraged, there is no pathway, and this activity is poorly funded.

P4: Māori entrepreneurs see opportunities differently. They think about who has gone before and who is coming. Māori business is a continuity journey balancing both past and future and present.

P5: The Māori way of business serves tāngata whenua but also looks for connection; whakapapa is important.

Industry, sector, and business activity

P1 is a Māori business leader in a mainstream global digital services firm with 150 staff and turnover of \$178m whose mission is normalising te ao Māori with pōhiri standard practice for new employees.

P2 is a Māori business leader who has previously worked as a diplomat and is now engaged in supporting Māori enterprises.

P3 is leading a Māori health provider experiencing substantial growth with potential to export its knowledge, capability, and Indigenous health model.

P4 is a Māori entrepreneur with a background in telecommunications and Indigenous trade with Canada and is focused on facilitating localised Māori innovation.

P5 is a Māori business leader managing a Māori authority exporting forest products to China, Japan, USA, and kiwifruit, berries (Miro), dairy (Waiū Dairy), and property (do you need to say to where, given you have specified where for forest products?).

MĀORI ENTERPRISE AND TRADE

Trade experience

P1: Indigenous leadership at large digital firm, tourism, and economic leadership.

P2: Former diplomat with MFAT for 10 years, including working on and around FTAs.

P3: Involved in the Māori Economic Taskforce and the ‘taniwha economy’.

In forestry, P5 has travelled to export destinations, met with buyers, and built direct relationships. In kiwifruit, focus has been around developing the ‘Māori-owned’ story.

Rationale for trade

P1: Māori engage in trade because they’re entrepreneurial and innovative.

P3: Post-settlement Māori engage in international trade to leverage their assets for revenue that is used to achieve financial and non-financial objectives.

P3: Trade also increases the profile of Māori and the Māori economy, creating opportunities for relationship building and economic activity. A stronger international profile can help improve domestic conditions (e.g., Te Māori exhibition demonstrated demand for Māori culture, experiences and products).

P5: Māori engage in international trade for the same reasons as non-Māori but also to create connection and relationships based on sharing stories, understanding, shared values, connection on whānau and personal levels.

Challenges/opportunities

P5: Explore preferential visa access for Māori enterprise to UK market.

P3: Opportunities for Māori in Asia and Southeast Asia, China, including Indigenous to indigenous opportunities.

P4: NZTE’s focus is on large commodity deals, it does not permit innovation and smaller scale opportunities for Māori.

P4: NZ’s focus on large deals impedes Māori focus on branded products, which loses the nuance of trade as a reciprocal exchange.

P4: Māori have a negative view of trade, but business is integral to community, and more enterprises have a social purpose.

P5: Long-term relationships can expand export markets; potential for collaborations, share our stories, make connections with other Indigenous peoples, establish provenance.

P5: The process of trade agreements is not transparent so is not understood well.

Treaty and trade policy

P1: Te Tiriti is honoured, Māori are co-creators with government in trade policy.

P3: Te Tiriti should be embedded throughout trade policy and agreements, not just a reservation or watered down through exceptions (e.g., biodiversity in China trade agreement). Active protection of Māori rights, a future-looking approach to possible Māori rights and remedies to create jurisprudence for te Tiriti and trade.

P3: Trade agreements should be created with Māori, and they should reflect article two of te Tiriti, not just article three.

P4: Treaty clause is not effective because officials do not treat it as something to give effect to, it's a safety clause.

P5: Te Tiriti should provide Māori with representation at the table so that Māori can engage in trade on acceptable terms.

Expectations as Māori

P1: Māori want to know who they're dealing with and are accountable to whānau, hapū, and iwi.

P2: Sustainability and environmental protections must be incorporated in the FTA.

P2: FTA should preserve present freedoms and relationship with UK.

P5: Māori view of te Tiriti has to be a genuine factor in international trade. Māori need to be full participants, leading trade negotiations and delegations.

P5: Dedicated support for Māori to take advantage of trade opportunities [P5].

Inter-indigenous trade

P1: Allows Māori to form direct relations with other Indigenous groups but relevance in the UK is uncertain.

P2: Inter-Indigenous trade is important but not so much with this FTA, more so with Australia and Canada.

P4: Te Ohu Whaiiao is a trust set up to focus on the infrastructure for inter-Indigenous business and trade.

P4: We need market intelligence on size of Indigenous economies, top Indigenous firms by sector, opportunities to invest – we can supply to them.

P5: Trade policy and negotiations are transparent to Māori.

Other comments

P1: Māori fronting international governments and commercial relationships.

Excited by the potential of a global indigenous economy, incorporating non-financial benefits, workforce development, security and sustainability [P3].

P4: Treaty partnership in FTAs would look like a Māori diplomatic corps, representing Māori in the world, not kawanatanga.

GENERAL NATURE OF THE FTA

Success

P1: Success is (1) Māori being able to engage directly and together with the Crown; (2) favourable outcomes in milk, meat, tourism, tech, education; (3) favourable outcomes for Māori exporters in mānuka, berries, ginseng; (4) benefits back to whānau, hapū, iwi.

P2: Protection of Māori intellectual property, government's commitment to the treaty, ensuring Māori are better off, not worse off. FTA recognises Māori identity, culture, which is embedded across the FTA, not just one part.

P3: Success is an FTA that reflects te Tiriti, acknowledging the special relationship between the British Crown and Māori and the whakapapa, heritage of so many New Zealanders. NZ having "tier 1" status, getting the best outcomes UK is willing to give.

P4: Success is (1) establish long-term relationship with the Crown because of the Treaty; (2) access to opportunities for Māori. Success is measured on Māori gaining market rather than non-market elements.

P5: Success is (1) access; (2) increased profile of Māori and the Māori story for trade; (3) reducing costs and tariffs; (4) level the playing field for Māori exporters.

Benefits

P1: Māori economic growth benefits local communities—Māori and non-Māori [P1].

Access to UK market for Māori goods and services—priority goods being food and beverage, seafood, horticulture.

P2: Knowledge transfer and service provision (e.g., access to UK education services).

P2: Recognise a Māori view of the moana and te taiao (the environment).

P4: Safety clauses in the FTA around the Treaty but it is an untested provision.

P5: Leveraging the fast-growing Māori economy, which has benefits to Māori and non-Māori; Indigenous to indigenous connections can provide opportunities that may not otherwise be accessible.

Risks

P1: Neither return to overreliance on UK nor concentration on few trading partners are wanted.

P2: Increase trade in services, including Māori cultural and intellectual property, but FTA must protect Māori rights in this.

P3: Māori do not have a strong presence or experience with the World Trade Organisation (WTO) or FTAs.

P3: There are risks but Māori have before and will again make concessions for partners.

P4: No Indigenous people in UK, so focus on market opportunity.

P4: Māori are not well supported to expand into new high value sectors. Māori exporters are locked into a narrow view of trade and Māori potential.

P5: Risks to Māori ownership and access to land and water rights.

Rights and interests

P2: Māori rights and interests are recognised and protected, and Māori feel included and can see benefits, not just for big firms.

P2: Special relationship with the UK because of the treaty; this must be recognised.

Protecting rights and interests

P1: Protect taonga and the environment.

P2: The treaty and Māori knowledge are protected in the FTA.

P3: 'Article three' type rights such as access, no tariffs or taxes additional to what UK businesses pay as well as 'article two' type rights that recognise special relationship.

P5: The FTA can ensure te Tiriti is honoured, and facilitate investment from UK to Māori as well as support greater access for SMEs.

SPECIFIC OUTCOMES OF THE FTA

Goods and services	<p>P1: Māori access is genuine with set targets for Māori participation (e.g., 5% of all procurement in trade).</p> <p>P2: Access to market for Māori goods and services.</p>
Investment	<p>P2: FTA should facilitate people exchanges and impacting investing in Māori communities.</p>
Environment	<p>P2: The holistic view Māori have of the environment must be embedded in the environment chapter.</p>

PRIORITIES

Priority for Māori	<p>P1: Wāhine Māori, small business, screen and film, tourism, co-creation of trade policy.</p> <p>P2: Ministers and officials must do better at including Māori in the FTA negotiations.</p> <p>P3: Reflection of article two rights, including first right of refusal, in the FTA.</p> <p>P3: Embedding te Tiriti throughout the FTA, not just in the exception.</p> <p>P4: How can MFAT protect Māori rights and interests when these are not specified anywhere?</p> <p>P4: The FTA reaffirms the presumption of kawanatanga as only authority when we have our own rangatiratanga.</p> <p>P5: Support with finding suitable relationships, negotiating deals, transparency around environmental issues such as emissions.</p>
Priority for firm	<p>Explicit focus on Māori/iwi outcomes (e.g., 10% targets).</p>





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