

# 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
NGO	Non-government organisations
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

## Purpose and scope

- This report provides insights from five Māori enterprises on the NZ-UK FTA. Whakapapa is the key determinant of being a Māori business. Interviewees acknowledge a myriad of arrangements such as joint ventures. Kaupapa Māori is being committed to the aspirations of Māori and not just economic enterprise—putting the people first. Employment aspirations and connections with Māori resources (e.g. whenua).

## Māori entrepreneurship

- While Māori are participants in all sectors or industries, there are a few larger entities such as Wakatū Incorporation that have led the way in Māori entrepreneurship.
- The seafood industry has always been export focussed, and it is the largest export sector (to China) for Māori enterprises.

## Māori enterprises and trade

- Trade experiences of Māori businesses include Māori-led trade missions, trade missions, government, and multiple sector experience.
- Reasons for trade include knowledge acquisition from alternative markets, alignment of values where possible, as well as the potential to position an Indigenous brand into a high value part of the market.

## Challenges and opportunities

- Challenges for Māori enterprise and trade include: (1) scale—cost of market research; (2) access to an overseas market that can make it easier to trade domestically; (3) loss of sovereignty and rights, particularly with large multi-nationals that subsume competitors and can take lower margins; and (4) bad publicity from the Trans-Pacific Partnership Agreement (TTPPA) protests, particularly for Māori worried about their Treaty rights.

- Opportunities include: (1) forming collectives and leveraging scale of other Māori businesses; (2) diversification away from China, noting that crayfish could not get to market because of Covid-19; and (3) mutually beneficial knowledge sharing.

## Treaty of Waitangi and trade policy

- Māori enterprise views on the Treaty and trade policy include: (1) the Treaty is paramount and should be the foundation document for any trade negotiations; (2) the Treaty was originally with the Crown, and Māori have a desire to see this being honoured by the UK, rather than them delegating their responsibilities to the New Zealand government; and (3) doubts about the effectiveness of the Treaty clause, particularly because Wai 262 has not yet been resolved.

## Expectations of the FTA

- Māori need to be at the table, so Māori interests are not subsumed in the wider agreement. Typically, the treaty or the Māori clause is a 'tack-on' that provides no real recognition for Māori.
- Indigenous to Indigenous trade is important; however, apart from the Welsh language revitalisation programme there is limited applicability.
- Indigenous to Indigenous trade could rise in prominence if there was a way to include other Indigenous peoples in the Commonwealth.



## Success, benefits, and risks of the FTA

- An indicator of success in the FTA would be Māori and the Crown working together to ensure that Māori can promote or market their goods and services in the UK as a Māori business, rather than being subsumed as part of a 'NZ Story'. Provenance is important for markets, as is brand story.
- Desirable benefits from the FTA include building a relationship between Māori and the UK, with the hope of learning how to best work together. The FTA should be a relationship document whereby trust can be built.
- Since the UK has a similar constitutional makeup, and the UK machinery of government is compatible, there is an opportunity to further align intellectual property regimes.
- Access to more product channels, product recognition, and increased Māori brand recognition. The market, its size, and the historical association, which we could leverage.
- Geographic indicators are important. To achieve commercial success on the global stage, it is important that Māori operators and producers are empowered to maximise geographical indicators. The mānuka saga has Māori on edge as it appears it should be a straight-forward solution.

## Māori priorities and outcomes

- Specific outcomes desired from the FTA include direct access for Māori business goods and services to UK markets and the inward flow of UK expertise to assist Māori in niche sectors.
- General priorities for Māori from the FTA include recognition of rangatiratanga and the Māori world view of the environment. Māori do not want environmental views of a foreign nation imposed on them.
- The building of capacity and capability through collectives. There are good examples that show how Māori collaborate to participate in markets.



# PURPOSE

This research provides insights into Māori enterprise perspectives on a NZ-UK FTA and trade policy generally to assist trade negotiations. This report is based on research carried by GHA.

# ABOUT THE MĀORI ENTREPRENEURS

#	Iwi	Role	Sector	Experience
P1	Ngāti Rangitīhi, Ngāti Porou	Professional director	Forestry, fisheries, energy	Trade negotiations
P2	Ngāti Whakaue	CEO	Digital services	Technology, e-sports
P3	Ngāti Maniapoto, Taranaki	Consultant	Tourism, science	Tourism, science, and innovation
P4	Ngāti Kahungunu, Ngāi Tahu	CEO	Horticulture, innovation	Food export, science, and intellectual property trade
P5	Te Arawa	CEO	Horticulture, trade	Land and education

# ABOUT THE MĀORI ENTERPRISES

<b>Being Māori</b>	<p>P1–5: Whakapapa is central to being Māori and being a Māori business.</p> <p>Kaupapa, looking beyond purely economic drivers and broadening the outlook to secure the well-being of the people.</p>
<b>Definition of Māori business</b>	<p>Māori business is driven by Māori people.</p> <p>Māori business is based on kaupapa that support Māori.</p>
<b>A Māori way of doing business</b>	<p>P1: For Māori business, there is a purpose in the business that goes beyond mere profit; however, that does not mean that profit is unimportant.</p> <p>P3: Māori like to try things with limited resources, as they are resourceful, innovative, and connected.</p> <p>P5: Māori business is about empowering Māori to use their assets in a way that connects them with each other, their whakapapa and their tūrangawaewae.</p>
<b>Industry, sector, and business activity</b>	<p>P1 is a professional director who has guided some of the biggest Māori businesses, such as Sealord Group in international trade.</p> <p>P2 is a digital entrepreneur with a strong social mission. P2’s focus is on technology uptake. There are international collaborations in tech and exports.</p> <p>P3 specialises in tourism and has experience in science as well as food exporting.</p> <p>P4 is the Chief Executive of a Māori kiwifruit collective and participates in post-harvest operations in ways that ensure Māori are moving up the value chain.</p> <p>P5 is the Chief Executive of a Māori horticulture collective.</p>

# MĀORI ENTERPRISE AND TRADE

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## Trade experience

P1: Involved in Māori trade delegations, trade negotiations, national level policy settings.

P2: Using digital technology across borders.

P3: Involved in Māori tourism and ensuring the Māori story is genuine and unadulterated. Also has experience in the science sector ensuring that mātauranga Māori has a place in the science system, particularly in international collaborations.

P4: International trade experience with NZTE, based in Asia. Māori economic development with an export focus at a policy and government level.

P5: Part of Māori trade delegations, experienced in Māori primary produce being exported.

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## Rationale for trade

Access to markets, better prices, a more resilient pipeline. That means for us, in these international trade agreements, being visible and being audible, and therefore having an impact.

P2: Holding onto rangatiratanga, and not being subsumed. There are technologies that Aotearoa does not have the scale to produce; however, Aotearoa can utilise or test.

P2: The UK exported their people here from 1814. With that, their customs, through colonisation, were detrimental to Māori.

Access to capital and some of the lucrative markets. Access to expertise.

P5: Ensuring Māori can create value and move up the value chain rather than being stuck behind the farm gate.

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## Challenges/opportunities

P1: The biggest challenge is scale. You must have a product in quite a large volume. Then you must get it to where you need to, on time, on specification and on schedule, as those overseas channels are unforgiving.

P1: There are opportunities in the natural strengths of Māori enterprise such as seafood. Māori do well in this sector, therefore, should continue to build on their strengths.

P2: The process of trade agreements is not transparent and there is a question of the alignment of values between the nations. What history does the UK have with Indigenous people because Māori remember dishonesty and treaty breaches?

P3, P5: Ensuring that Māori can land their products leading with their Māori edge, ensuring the values, the kaitiakitanga behind the production are captured and valued by overseas markets.

The scale of deals and cost to get something to market is prohibitive for Māori. More need to collectivise, but also be supported.

P5: Investment can be more than just capital, it could be expertise, capability, and capacity, channels, or intellectual property.

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## Treaty and trade policy

P1: The Treaty of Waitangi is us. It is our foundational document and must be given the necessary recognition.

P2: The Treaty is weak as some did not sign it. The Fenton agreement is important to us in Te Arawa.

P3: Te Tiriti o Waitangi needs to be meaningful in trade agreements.

P4: Te Tiriti is the bridge to creating relationships, assisting with the revitalisation of the reo, and future proofing for intellectual property. As Treaty partners, it will ensure the protection of taonga tuku iho. Te Tiriti o Waitangi should provide Māori with representation at the table so that Māori can engage in trade on acceptable terms.

P5: Not having a Māori representative at the table

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<b>Expectations as Māori</b>	<p>P1: It needs to be meaningful and mutually beneficial, not just for the biggest companies in Aotearoa.</p> <p>Dedicated support for Māori to take advantage of trade opportunities. Trade desks and other in-market services that understand Māori beliefs and values would be beneficial.</p> <p>P4, P5: Māori view of Te Tiriti o Waitangi must be a genuine factor in international trade. Māori need to be full participants, leading trade negotiations and delegations.</p>
<b>Inter-indigenous trade</b>	<p>P1: Inter-Indigenous trade is important as it further secures the values of Indigenous people. The Inuit seal trade was an example of protecting customary rights and interests of Indigenous peoples.</p> <p>P2: Inter-Indigenous trade could be exciting if the Indigenous peoples of the Commonwealth could look at trading.</p> <p>P3: Inter-Indigenous is a form of trade that is of little relevance and significance to the UK.</p> <p>P5: Inter-Indigenous trade is meaningful if there is a clear purpose and benefit for both sides.</p>
<b>Other comments</b>	<p>P3: Without scale, there will be little benefit for Māori. Therefore, Māori will need to form clusters and collectives to achieve this scale, and this should be encouraged and supported.</p>

## GENERAL NATURE OF THE FTA

<b>Success</b>	<p>P1: Success is where there is recognition, with a Māori component in the branding. Both our government and the UK government agree to monitor the FTA to make sure it is not breached.</p> <p>P4: To achieve commercial success on the global stage, it is important that Māori operators and producers are empowered to utilise the current intellectual property framework with geographical indicators.</p> <p>P5: Success is providing the opportunity to add value to the current primary sector assets.</p>
<b>Benefits</b>	<p>P1: Access to markets with lower tariffs.</p> <p>P2: Māori do not know the UK well because Aotearoa was shut out from the EU. The biggest benefit is rebuilding the relationship and learning what can be done.</p> <p>P4: Accessing some of the intellectual property that the UK has in genomics, and genes that it holds in their museums.</p>
<b>Risks</b>	<p>P1: Intellectual property rights.</p> <p>P1–5: Ensuring the Māori brand is not abused.</p> <p>P2: Risk to data sovereignty that is stored on foreign servers.</p> <p>P2: Risk of data that may not be used in a Māori appropriate way as intended, such as facial recognition and genomic data.</p> <p>P3: The uncertainty of what will happen to Māori products that incorporate kaitiakitanga practices.</p>
<b>Protecting rights and interests</b>	<p>P1: International interests should not subsume Māori rights. An example is Rangitāhuhua or the Kermadec issue, which is being pushed by a large NGO based in the UK and New York.</p> <p>P2: Protecting taonga and the environment are important to Māori.</p> <p>P3: Ambitious standards of kaitiakitanga and other values important to Māori need to be upheld.</p>

## SPECIFIC OUTCOMES OF THE FTA

<b>Goods and services</b>	P1, P5: Key performance indicators for Māori trading in the UK so that Māori are not just a clause in an FTA agreement, to get it over the line politically.
<b>Investment</b>	P5: FTA should facilitate people exchanges and positively impact investment in Māori communities.
<b>Environment</b>	P1–5: The Māori view of kaitiakitanga cannot be compromised.
<b>Customary rights</b>	P1: Specific things that are important to Māori may not be digestible by the UK, e.g. the seal trade with the Inuits when the EU and Canada formed a trade agreement. P2, P3: Other customary rights may need to be upheld, such as rāhui if an accident or something happens in a business situation. These must be provided for.

### Priorities

<b>Priorities for Māori</b>	P1: Ensuring there is a pipeline of wāhine Māori who can participate in trade. P2, P5: Ministers and officials must do better at genuinely including Māori views in the FTA negotiations and should always have Māori at the table. P1, P5: The Treaty of Waitangi should be the foundation of a trade agreement.
<b>Priorities for Māori Business</b>	P2-P5: Looking at joining Māori collectives. P4, P5: Utilising the science and innovation sector to get high quality products into market. P5: Building value.





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