

Joint Public Session under the Environment and Labour Chapters of the New-Zealand-United Kingdom Free Trade Agreement (NZ-UK FTA) – minutes

17 March NZT / 16 March GMT between 8:00 – 10:00 (NZ) / 19:00-21:00 (UK)

The second Joint Public Session (JPS) under the Environment and Labour chapters of the Free Trade Agreement (FTA) between the United Kingdom (UK) and New Zealand (NZ) was held on 17 March NZT / 16 March GMT between 8:00-10:00 (NZ) / 19:00-21:00 (UK) via video conference. This session preceded the joint meeting of the third Environment and Climate Change Subcommittee and the second Labour Subcommittee held on 24 March.

NZ hosted the JPS, which was chaired by NZ Domestic Advisory Group (DAG) Chair Stephen Jacobi, assisted by the UK Trade and Sustainable Development (TSD) DAG Chair Professor Emily Reid.

Opening remarks

The JPS Chair welcomed participants from civil society and government to the second JPS on the FTA's Environment and Labour Chapters. The Chair noted that the NZ-UK FTA continues to deliver strong results amid global instability and rising protectionism, and that both sides must fulfil commitments under the Environment and Labour chapters. UK DAG Chair Professor Reid emphasised the importance of joint dialogues as a mechanism for accountability and raising issues directly with government.

Dialogue on Trade and Environment

This topic was introduced by the Deputy Chair of the NZ Domestic Advisory Group, who outlined concerns from NZ stakeholders about NZ's domestic environmental policy, including a decision to reset NZ's biogenic methane target, policy shifts some stakeholders felt undermined NZ's climate architecture and Paris commitments, an announcement of the tagged contingency of \$200 million commercial co-investment fund to boost gas supply, and government plans for a new Liquefied Natural Gas (LNG) terminal. Questions followed on whether the LNG import facility or investment in gas supply constituted a fossil fuel subsidy.

Participants sought clarification on how these issues had been raised between the UK and NZ in the context of the FTA, and ministerial statements issued by each party. UK officials responded that although some of the matters referenced were not formally raised at the previous Environment Sub-Committee meeting (2025), they have since been discussed through subsequent official-level engagements. The JPS Chair stated that as this was an official-level meeting, it was not possible to provide clarification on ministerial statements.

NZ officials responded that the NZ Government remained committed to the FTA and international climate obligations including under the Paris Agreement. UK officials stated that the UK remained committed to net zero by 2050, clean power by 2030, and supports international efforts to reform inefficient fossil fuel subsidies. The UK and NZ regularly work together on climate concerns through several fora.

Under sustainable agriculture and cooperation, both parties were asked to provide updates on joint agricultural Greenhouse gas (GHG) research (Global Research Alliance (GRA), AgriZero–Innovate UK), and acceleration of methane and nitrous oxide mitigation tools, and forestry and deforestation cooperation, including UK Forest Risk Commodity regulations, and eco-labelling cooperation and any engagements on the Agreement on Climate Change, Trade and Sustainability (ACCTS).

NZ officials provided updates on collaboration on wetlands, peatlands, and carbon accounting, recent eco-labelling technical discussions and extensive GRA livestock mitigation research, including methane inhibitors and global datasets as well as ongoing cooperation between Agri-Zero NZ and Innovate UK.

UK officials updated that UK and NZ shared commitments to halt and reverse forest loss and land degradation by 2030, under the Glasgow Leaders' Declaration. The UK is still considering its approach, working across government to ensure that any regulatory framework is robust, proportionate and effective recognising the urgency of the issue.

In response to a question on the UK's Carbon Border Adjustment Mechanism (CBAM), UK officials stated that this will take effect from 1 January 2027, covering imports in the aluminium, cement, fertiliser, hydrogen, iron and steel sectors. Secondary legislation is under consultation.

Dialogue on Trade and Labour

The UK's introduction of the Employment Rights Act 2025 was welcomed by NZ stakeholders. NZ trade unions raised concerns about NZ domestic policy including their view on the repeal of Fair Pay Agreements, amendments to Equal Pay Act weakening pay equity and the Employment Relations Amendment Act. NZ unions considered that these legislative changes had reduced labour rights and protections.

Stakeholders also requested discussion under Article 23.5 on labour rights and progress towards ratification of outstanding International Labour Organisation (ILO) Conventions.

NZ shared that they have a roadmap towards ratification of outstanding ILO fundamental Conventions. Consideration of ILO Convention 87 is pending the International Court of Justice opinion, to clarify non-binding from binding principles on right to strike under the Convention.

On domestic pay equity changes, officials noted that NZ has a robust pay equity system in place, and recent changes to the pay equity claim process make it stronger and sustainable, enabling more confident assessment of whether there is sex-based undervaluation in the pay of female-dominated work. NZ unions disagreed with this characterisation.

UK officials shared that they are reviewing the compatibility of ILO Convention 155 with the UK's existing occupational health and safety legislation, which will determine the UK's future approach when considering ratification. The UK continues to advocate for workers' rights internationally.

There was discussion of NZ's bipartisan Modern Slavery Bill currently before the NZ Parliament, seeking to introduce mandatory reporting for large entities (annual revenue over NZ \$100 million), civil and criminal penalties. NZ officials clarified that this is a Members Bill by NZ's Labour and National parties and is not Coalition Government policy.

NZ trade unions commented that while NZ's Crimes Amendment Bill strengthens penalties for trafficking and slavery enforcement, it did not include reporting, or supply chain penalties. Stakeholders noted that both parties were potentially exposed to supply chain vulnerabilities related to modern slavery and requested more NZ-UK cooperation on modern slavery issues.

The UK is reviewing due diligence laws and forced-labour import bans and welcomed cooperation with NZ on these issues. This topic would be discussed at an upcoming Labour Sub-Committee.

Stakeholders also raised questions about non-discrimination and gender equality in the workplace and how article 23.8 was being operationalised. Both parties offered to respond to this question in writing.

Conclusion and closing remarks

Both DAG Chairs thanked attendees for their contributions and constructive dialogue. Government representatives thanked the session Chair and participants and reaffirmed the value of the JPS, noting points raised in discussions would feed through to the Environment and Labour Sub-Committee meeting the following week. A [NZ-UK-FTA-Second-JPS-Chairs-statement.pdf](#) was issued following the meeting.