

## Feedback

We welcome feedback from New Zealand exporters on this report as we continue to refine its content. We also invite requests for reporting from New Zealand's [network of Embassies and High Commissions](#). Please direct any suggestions or feedback to [exports@mfat.net](mailto:exports@mfat.net).

## Domestic Update - APEC

- **Prime Minister Ardern participated in the APEC Leaders' Meeting on 21 November.** The meeting marked the formal handover of APEC hosting from Malaysia to New Zealand. A key deliverable for New Zealand in 2021 will be to lead drafting of an action agenda to implement **APEC's Putrajaya Vision 2040**. The Vision, agreed at the Leaders' Meeting aspires to an "open, dynamic, resilient and peaceful Asia-Pacific community by 2040, for the prosperity of all our people and future generations", and will guide APEC's work for the next 20 years. New Zealand will also be looking to deliver concrete benefits to our exporters by leveraging our hosting of APEC. For example, this may be via progressing work on reducing barriers to trade in the region, and indigenous-to-indigenous business cooperation.

## Global & Multilateral update

- **The OECD's latest Economic Outlook estimates that the global economy will contract by around 4.2% in 2020**, with trade expected to contract by 10.3% and unemployment expected to increase by around 2%. Renewed COVID outbreaks in many economies and the resulting containment measures introduced have slowed the pace of the global rebound. Such resurgences will remain a recurring feature until vaccines have been widely distributed, and the restrictions needed to combat them will continue to subdue economic activity.
- **The OECD says that the global outlook for recovery remains heavily conditional on the progress of the pandemic.** The prospect of a widely available vaccine by the end of 2021 provides more confidence that a gradual, if uneven, economic recovery will occur over the next two years. Global GDP is expected to expand by 4.1% in 2021 and this would return total GDP to pre-COVID levels, largely thanks to a strong recovery in China. However, globally unemployment is expected to remain at high levels and the rebound in trade will be a relatively modest 3.9%.

## Regional updates

### Australia

- On 27 November **China's Ministry of Commerce (MOFCOM)** announced that from 28 November it would implement a "**provisional anti-dumping measure**" consisting of "security deposits", ranging between 107.1% - 212.1%, on certain categories of **Australian wine to China**. This announcement follows an anti-dumping investigation that was announced by MOFCOM on 18 August and requested by the China Alcoholic Drinks Association (CADA).
  - On 30 November **Australian Minister of Trade, Tourism and Investment** Simon Birmingham told Sky News that the Australian Government was working with the **Australian wine industry** to try and overturn MOFCOM's decision, which he described as being "unfair and unjustified".
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## Asia

- **China** suspended imports of frozen seafood from one **Chilean** company for a week after COVID-19 was detected on product packaging.
- Last week, the **Philippines** Bureau of Immigration eased restrictions on the entry of foreign business and investment travellers and their families. These measures are specifically targeted at encouraging the return of foreign companies based in the special economic zones in Bataan, Cagayan and Clark.

## Europe

- The latest round of **EU-NZ Free Trade Agreement (FTA) negotiations** (Round 9) took place virtually from 23 November to 1 December. It was a productive round of chapter negotiations, with three chapters substantively concluded: SMEs, Capital Movements, and Dispute Settlement. A number of chapters, however, were not convened this round at the EU's request, including Goods Market Access. The round was used as another opportunity to reiterate at Chief Negotiator-level that the EU's current goods market access offer is unacceptable and will need to be substantially improved if we are to conclude a deal, a point that is now well known to the EU.
- New Zealand continues to work towards **conclusion of FTA negotiations as soon as possible** and its objective continues to be to agree a high quality, comprehensive and commercially meaningful deal. Dates for Round 10 are yet to be finalised but there is broad agreement to meet early in 2021. In the interim, intersessional work will continue via email and video conference, where possible, to ensure momentum is maintained. A more substantive report of the round will be released on the MFAT website soon.
- The **UK's transition period** from the **EU** will end on 31 December 2020, when it will leave the EU customs and single market. Information about **how Brexit may affect New Zealanders**, including **exporters**, can be found [here](#).
- In the face of the looming Brexit transition deadline next month, **the UK and Canada have now agreed to roll over the terms of the existing Canada-EU Agreement (CETA)** as an interim arrangement, before beginning negotiations on a new Canada-UK FTA in 2021.
- The **French Government** announced a cautious, three-phase strategy to come out of national COVID lockdown, starting with the reopening of non-essential shops on the 2<sup>8th</sup> of November. The lockdown will be replaced by a curfew from 15 December - on the condition that specific case number reductions are met - with a period of loosened restrictions over Christmas. A final phase, again conditional on reduced case numbers, will see restaurants and gyms reopening from 20 January.

## Americas

- On 30 November, **Canada's Deputy Prime Minister and Minister of Finance**, Chrystia Freeland, released the **Fall Economic Statement**. Freeland said that the government's short term priority is fighting COVID-19 but, once the virus is under control, it will invest in a growth plan of roughly 3% - 4% of GDP, or equating to \$70 and \$100 billion, over three years, to accelerate Canada's economic recovery.
- The sustained pressure on **global supply chains** caused by the COVID pandemic is resulting in **congestion** at major **US ports**, raising the potential for disruption and added costs for New Zealand exporters. A shortage of empty containers and truck chassis capacity at Los Angeles/Long Beach and New York/New Jersey ports is seen as causing the most acute issues.

## Middle East

- On 4 November the New Zealand-Turkey and Turkey-New Zealand Business Councils co-hosted a webinar covering current trade issues, barriers, and future opportunities for trade and economic growth. The webinar followed another successful virtual New Zealand-Turkey business-to-business event earlier in the year, and another is planned for early 2021. Turkey is New Zealand's 36th largest two-way trading partner, and bilateral trade has moderately increased in recent years, to an average of NZ\$297 million per year. The webinar demonstrated Turkey's eagerness to develop their agricultural sector and showcased opportunities for joint ventures with New Zealand companies.
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## Market reports released this week

- The latest Japan market update prepared by the New Zealand Embassy in Tokyo is available [here](#).
- An economic and tech sector report on Taiwan is available [here](#), prepared by the New Zealand Commerce and Industry Office in Taipei and the North Asia Division in Wellington.
- The latest China market update prepared by New Zealand's China diplomatic network is available [here](#).
- Last week's global economic and trade update can be found [here](#).

## External links

The following links may provide useful information to businesses:

- [NZTE](#) has a website focused on providing COVID-19 information for exporters. They've also launched [myNZTE](#), an interactive digital portal of insights and tools available to all New Zealand exporters.
- The Treasury releases a weekly [COVID-19 economic dashboard](#), and Stats NZ has published a new [data portal](#) with near real-time economic indicators.
- MBIE publishes a [sector reports series](#) which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- [Business.govt.nz](#) provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a [tariff finder](#) which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.

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## More reports

View full list of market reports from MFAT at <https://www.mfat.govt.nz/en/trade/mfat-market-reports>

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