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10 January 2018

International Trade Committee

House of Commons

London

SW1A 0AA

Email: trade.com@parliament.uk

UK'S TRADE RELATIONSHIP WITH AUSTRALIA AND NEW ZEALAND INQUIRY

About ExportNZ

ExportNZ is a national industry association representing a diverse range of exporters throughout New Zealand. ExportNZ is a division of BusinessNZ, New Zealand's peak business advocacy body. We also have regional offices run by our regional partners: Employers Manufacturers Association (Upper North Island), Business Central (Lower North Island), Canterbury Employers Chamber of Commerce (Upper South Island) and Otago Southland Employers Association (Lower South Island). Our regional offices are based in Auckland, Hamilton, Bay of Plenty, Hawke's Bay, Whanganui, Palmerston North, Wairarapa, Wellington, Christchurch and Dunedin. We are a membership organisation and have approximately 2,000 members, ranging from emerging exporters to the largest exporters in New Zealand. Our value proposition for members is a mixture of policy and advocacy, education and training, networking, trade missions and inspiration through awards events and conferences.

Submission

ExportNZ welcomes the opportunity to submit on the inquiry into the UK's trade relationship with New Zealand and Australia.

New Zealand and the UK have a long period of shared history, culture and values. We have been partners on the world stage in more than just trade, and pursuing a closer trade relationship is a natural extension of this partnership.

The UK is already a very significant trade and investment partner for New Zealand: it is a top export market, and a very important source of imports. A closer trade relationship would offer significant new opportunities to both sides to expand business in agriculture and food as well as technology, services (including tourism, education and environmental services), niche and high-value manufacturing, research and investment.

The opportunities are in the UK but also linking in to value chains and networks potentially spanning from Europe into the Asia-Pacific. Given that New Zealand is counter-seasonal to the UK, there are complimentary opportunities for our respective agricultural sectors. Asian distributors and consumers expect year-round supply of products, such as lamb, beef and dairy products. Our counter-seasonal industries

would help maintain year-round supply and contribute to the growth of the sectors in both countries without being in competition.

Additionally, given our trade with the UK has shrunk as our trade within the Asia-Pacific has grown, we do not present the same challenge and competition to local businesses in the areas of agriculture that we have in the past. In fact, our economy has diversified significantly since the 1970s, and we have seen huge growth in our manufacturing and services sectors, including IT and software, tourism and education. These sectors all provide opportunity for more collaboration and support for the UK economy. Furthermore, this diversification could also provide opportunities for UK firms to leverage NZ business relationships in markets like China for mutual benefit.

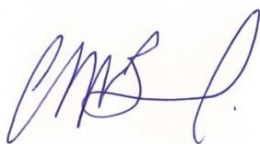
New Zealand and the UK could negotiate a modern, cutting-edge FTA that helps to build new global trade architecture and enhances the prosperity of both sides, including by:

- raising the profile of each trading partner in the eyes of consumers, manufacturers, service providers and investors in the other economy;
- reducing costs in relative and absolute terms, and making it easier to do business, allowing New Zealand to supply its high-quality goods and services on an equal footing with its third-country competitors;
- giving UK business better and more secure access to competitively-priced intermediate goods and investment opportunities;
- linking the UK with an economy that is deeply embedded in the economic architecture of the Asia-Pacific, offering dynamic new opportunities to both sides, and
- ensuring that business on both sides can call on a full range of trade options to meet the economic challenges of the decades ahead.

An NZ-UK FTA could set a gold standard for reducing barriers to services trade, mobility of business executives and working visas, recognition of qualifications, regulatory coherence, and data mobility.

Overall, we would like to see a closer trade relationship pursued between New Zealand and the UK, and look forward to pursuing these opportunities in the future.

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Catherine Beard', written in a cursive style.

Catherine Beard
Executive Director
ExportNZ