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MINISTRY OF FOREIGN AFFAIRS AND TRADE, MANATŪ AORERE

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Welcome to BusinessLink, a bi-monthly publication produced by the Ministry of Foreign Affairs and Trade to keep you informed of the latest developments and activities across the trade agenda. The Ministry is responsible for conducting the New Zealand government's business with foreign governments and international organisations. On the trade front, one of our key responsibilities is to negotiate market access for New Zealand goods and services and maintain and enforce that access in overseas markets.

### MALAYSIA-NEW ZEALAND FTA NEGOTIATIONS CONCLUDED

**The Malaysia-New Zealand FTA was concluded at the ninth round of negotiations held in Kuala Lumpur during the week 25-29 May.**

Negotiators have secured a high quality, comprehensive FTA that provides commercially meaningful benefits to New Zealand businesses, over and above those already secured under the recently signed ASEAN – Australia – New Zealand Free Trade Area (AANZFTA) Agreement.

"The FTA will be a new and exciting development," said Trade Minister Tim Groser. "The FTA secures improved market access and greater certainty for New Zealand goods and services exporters and investors. The FTA will help boost exports and increase job opportunities and growth in Malaysia and New Zealand and is an important sign that both countries remain committed to trade liberalisation despite the current creeping tendency towards protectionism internationally."

Malaysia is New Zealand's seventh largest trading partner. Goods exports have grown 34 per cent a year since 2005 and last year were worth almost a billion NZ dollars. Two-way trade is worth nearly three billion dollars. Aside from trade interests, New Zealand and Malaysia also have strong links in education and defence and work closely together in the region and in the Commonwealth.

Malaysia and New Zealand are now undertaking legal and technical verification of the texts and the associated schedules. Once this has been completed, domestic approval processes will take place before a finalised document can be put forward for signature. Full details of the FTA will be made publicly available upon signature. Both sides remain confident that processes are on track for the signing of the agreement this year.

> For further information contact: Luke Leonard, Malaysia-New Zealand FTA Coordinator, [luke.leonard@mfat.govt.nz](mailto:luke.leonard@mfat.govt.nz) or 04-439 8084.



## HONG KONG - NEW ZEALAND CLOSER ECONOMIC PARTNERSHIP NEGOTIATIONS

**The first round of resumed negotiations between New Zealand and Hong Kong was held in Wellington from 5-8 May 2009. A solid and constructive start was made. The second round of negotiations will be held in Hong Kong from 6-10 July.**

New Zealand is seeking commercially-meaningful commitments from Hong Kong in relation to goods, services, investment and government procurement, along with trade facilitating outcomes on customs, technical barriers to trade (TBT), and sanitary and phytosanitary measures (SPS), as well as side agreements on environment and labour.

As an economy with applied tariffs at zero, Hong Kong does not offer New Zealand the usual gains sought in bilateral trade agreements of reduced tariffs. However, New Zealand does have an interest in getting a commitment from Hong Kong to bind their tariffs at zero. In addition, commitments are being sought in the areas of services, investment, and government procurement, as well as commitments in relation to TBT, SPS and customs cooperation so as to facilitate trade flows between us. Non-tariff measures at or behind the border can be major inhibitors on trade flows.

➤ **For more information contact: Katja Ackerley, HK CEP Coordinator, [katja.ackerley@mfat.govt.nz](mailto:katja.ackerley@mfat.govt.nz) or 04 439 8228**

## WTO: REVIEW OF NEW ZEALAND'S TRADE POLICY

**New Zealand's fourth Trade Policy Review (TPR) will take place at the WTO in Geneva on 10 and 12 June 2009.**

TPRs are a means by which WTO members' trade and trade-related policies are examined and evaluated at regular intervals. New Zealand's last TPR was in 2003.

The review will be based on two reports: a policy statement prepared by the New Zealand government; and a report written by the WTO Secretariat, following their visit to New Zealand in January 2009. Other WTO members will comment on these two reports during New Zealand's review.

The report prepared by the WTO Secretariat highlights New Zealand's commitment to an open international trading system, through both the WTO and through negotiation of preferential trade agreements.

As a small country reliant on trade, and especially in the current economic climate, New Zealand has been vocal in calling for restraint in measures that may distort trade flows. New Zealand has also been supportive of mechanisms to enhance transparency

of measures taken by governments to support their industries.

The TPR is a valuable transparency mechanism in this context – a means for New Zealand to scrutinise other countries' trade policies. It complements the WTO's recent initiative to prepare reports on a regular basis on measures taken by members in response to the global financial crisis.

➤ **For further information contact: Amy Elvidge, Trade Negotiations Division, [amy.elvidge@mfat.govt.nz](mailto:amy.elvidge@mfat.govt.nz) or 04 439 8385**

## UPDATE ON ANTI COUNTERFEITING TRADE AGREEMENT

### Summary of Key Elements under Discussion

In light of ongoing interest from various groups in getting more information about the Anti Counterfeiting Trade Agreement (ACTA) negotiations, participating countries recently produced a paper which summarises the key elements under discussion. The paper provides an overview of the background to and objectives of the negotiation, and then provides a detailed run through each of the issues under discussion under draft chapter headings. The paper can be accessed at:

➤ <http://mfat.govt.nz/Trade-and-Economic-Relations/Trade-Agreements/Anti-Counterfeiting/0-summary-7apr09.php>

For more information about ACTA go to:

➤ [http://www.med.govt.nz/templates/ContentTopicSummary\\_\\_\\_34357.aspx](http://www.med.govt.nz/templates/ContentTopicSummary___34357.aspx)

### Call for Submissions

New Zealand officials are taking advantage of a pause in the tempo of the ACTA negotiations to undertake a further round of consultations with stakeholders.

The Minister of Commerce, Hon Simon Power, recently released a media statement calling for submissions on a number of intellectual property rights enforcement proposals that may come up for discussion in a future ACTA negotiating meeting. These are related to border protection measures, and civil and criminal provisions that are not currently part of New Zealand's law and have been outlined in a discussion paper released by the Ministry of Economic Development available at:

➤ [http://www.med.govt.nz/templates/Page\\_\\_\\_40774.aspx](http://www.med.govt.nz/templates/Page___40774.aspx) .

The closing date for submissions is Monday 29 June 2009, and submissions should be sent to: [trademarks@med.govt.nz](mailto:trademarks@med.govt.nz)

➤ **For Further information contact: Ben King, Trade Negotiations Division, [ben.king@mfat.govt.nz](mailto:ben.king@mfat.govt.nz) or 04 439 8263**



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## NZIBF TASKED WITH PROVIDING ADVICE TO NEW ZEALAND'S ABAC MEMBERS

The New Zealand International Business Forum (NZIBF) has recently taken over responsibility for providing advice to the New Zealand members of the APEC Business Advisory Council (ABAC).

ABAC brings together three senior business executives from each of APEC's 21 member economies in Asia, North and South America, and Oceania. ABAC members are appointed by heads of government and report directly to them. New Zealand's current representatives are members Tony Nowell, John Blackham, Gary Judd and Senior Policy Adviser and alternate member Stephen Jacobi.

ABAC's second meeting for 2009 was held in Brunei 12-15 May and was attended by ABAC members Tony Nowell, John Blackham and Gary Judd. Information about ABAC, NZIBF and developments in international trade and investment, including a report on ABAC for New Zealand business prepared by NZIBF Executive Director Stephen Jacobi can be found on the NZIBF site: [www.nzibf.co.nz](http://www.nzibf.co.nz)

> For further information contact: [info@nzibf.co.nz](mailto:info@nzibf.co.nz)

## JAPAN – NEW ZEALAND OFFICIALS GROUP

On 9 April the Minister of Trade, Hon Tim Groser, announced the agreement between Japan and New Zealand to establish a joint Officials Group to examine ways to further develop the bilateral trade and economic relationship.

The Group will study issues relating to, inter alia, trade in goods, services and investment. It is New Zealand's expectation that the Officials Group process will provide both governments with the information they need to decide whether to move to FTA negotiations in the future.

Japan is New Zealand's third largest export destination and fourth largest trading partner overall. In 2008 two-way trade totalled NZ\$7.6 billion. New Zealand exports to Japan totalled NZ\$3.6 billion and imports from Japan were valued at NZ\$4.0 billion. New Zealand's main exports to Japan include aluminium, cheese, casein, kiwifruit, forest products, meat, seafood and vegetables. Main imports include vehicles, oil, machinery and appliances, paper, computers, chemicals, iron and steel, telephone and broadcasting equipment.

> For further information contact: Caroline Bayliss, Asia Division, [caroline.bayliss@mfat.govt.nz](mailto:caroline.bayliss@mfat.govt.nz) or 04 439 8419

## NEW ZEALAND - GULF COOPERATION COUNCIL FTA UPDATE

The fifth round of New Zealand/Gulf Cooperation Council Free Trade Agreement (FTA) negotiations was held in Muscat, Oman from 26-28 May, with pre-session working groups convening to discuss services, government procurement, and legal and institutional issues during 24-25 May.

Substantial progress was made at the fifth round and it is hoped that the negotiation could be concluded at the sixth round. The sixth round has been tentatively scheduled for late October 2009 in New Zealand.

> For further information contact: Katja Ackerley, GCC FTA Coordinator, [katja.ackerley@mfat.govt.nz](mailto:katja.ackerley@mfat.govt.nz) or 04 439 8228

## KOREA-NEW ZEALAND BUSINESS ROUNDTABLE

The inaugural Korea-New Zealand Business Roundtable was held on June 9 and 10 June in Seoul.

Trade Minister Tim Groser and his Korean counterpart, Kim Jong-hoon, delivered keynote addresses at the event under the theme "complementary economies; shared opportunities".

Thirty-three New Zealanders and thirty-six Korean business leaders attended the invitation-only event which looked at how the two countries can cooperate in the areas of trade and investment, green growth, and information and communications technology.

"This is the largest delegation of New Zealand business leaders to have visited Seoul and their visit takes place as negotiations get underway for a free trade agreement," said New Zealand International Business Forum executive director Stephen Jacobi.

"Korea is already New Zealand's ninth largest trading partner. We believe there is capacity to grow this relationship even further and business needs to play a leading role in making that happen."

New Zealand's delegation included Chairs/Board members/CEOs of: ASB Bank, Anzco Foods, Asia NZ Foundation, Fonterra, Harmonic, Hyundai New Zealand, Meat and Wool New Zealand, NZ Chambers of Commerce, Auckland University and Uniservices, Pike River Coal, PF Olsen, Sanford, Straker Software, Zespri.

The Roundtable was jointly organised by the NZIBF and the Korean International Trade Association with support from the Ministry of Foreign Affairs and Trade and the New Zealand Embassy in Seoul.

> For further information contact: Peter Carter, Japan/Korea Unit, [peter.carter@mfat.govt.nz](mailto:peter.carter@mfat.govt.nz) or 04 439 8395.



## ORGANICS CERTIFICATION FOR KOREAN MARKET

**The Republic of Korea has made significant changes to its certification regime for processed organic products.**

Changes to organic certification will affect all New Zealand organic exports to Korea from January 2010. If you are currently certifying organic product for the Korean market, exporting processed organic food or beverage products to Korea, or interested in doing so in the future, contact:

- **Peter Carter, Japan/Korea Unit, peter.carter@mfat.govt.nz or 04 439 8395**

## INDIA-NEW ZEALAND FTA

**In February this year by New Zealand Trade Minister Tim Groser and former Indian Commerce and Industry Minister Kamal Nath announced the launch of free trade talks, subject to the approval of both Governments.**

The New Zealand Cabinet has now agreed (30 March 2009) to enter into FTA negotiations with India, subject to India's own approval processes. The Indian Government has been waiting the outcome of the recent general elections before making decisions. With a new Government having been formed following those elections, it is hoped that this new Government may be able to take an early decision on commencement of the negotiations and enable those to begin later this year.

In preparation for the proposed negotiations, the Ministry of Foreign Affairs and Trade is seeking input from stakeholders that may have an interest in the proposed agreement. Background information and an online submission form are available at:

- [www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships/NZ-India-FTA.php](http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships/NZ-India-FTA.php)
- **To make any comments or for further information contact: Joanne Dow, India FTA Coordinator, joanne.dow@mfat.govt.nz or 04 439 8625**

## KOREA-NEW ZEALAND FTA

**The first round of FTA negotiations between New Zealand and Korea is taking place in Seoul from 8-12 June.**

A second round is expected to be held in New Zealand in September. The launch of FTA negotiations was announced by Prime Minister Key and Korean President Lee Myung-bak during the President's visit to New Zealand in March.

Negotiators continue to be interested in hearing from businesses and individuals about opportunities they see in Korea and any barriers they experience to entering that market.

- **For further information contact: Alana Hudson, Trade Negotiations Division, ftk@mfat.govt.nz or 04 439 8345**

## REVISED PRIOR NOTICE REQUIREMENTS FOR IMPORTING INTO THE UNITED STATES

**The United States Food and Drug Administration has published a simplified guide to the application of prior notice requirements for importing food into the US.**

The guide: 'What You Need to Know About Prior Notice of Imported Food Shipments - A Small Entity Compliance Guide' is available in pdf at the following link:

- <http://www.fda.gov/OHRMS/DOCKETS/98fr/fda-2009-d-0187-gdl.pdf>
- **For further information contact: John Lee, Market Access Counsellor (Nth America) New Zealand Food Safety Authority, john.lee@nzfsa.govt.nz**

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