

TRADE Matters

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TRADE OVERVIEW

Trade is central to New Zealand's economic well-being. It is only by selling goods and services to other countries that New Zealand earns the income required to pay for the goods and services it imports from overseas. Trade accounts for nearly 60 percent of New Zealand's total economic activity.

New Zealand has a long history of international trade. Today New Zealand's merchandise exports total \$31 billion, while service exports total \$12.2 billion.

Trade facts

- Australia continues to be New Zealand's single largest export market, taking 21 percent of merchandise exports. The European Union receives 15 percent, the United States 14 percent and Japan 10.5 percent. China is New Zealand's fourth largest single-country export market, taking five percent (2005 figures).
- In 2005, just under 71 percent of New Zealand's merchandise export trade was with APEC economies.
- Dairy products were New Zealand's largest merchandise export earner in 2005 (18 percent of merchandise exports), followed by meat (16 percent) and wood (six percent).
- 95 percent of agriculture production is exported.
- Non-agricultural exports accounted for 46 percent of total exports in 2005.

For trade statistics go to: www.stats.govt.nz/externaltrade

Trade policy

New Zealand pursues trade interests for the benefit of the country's exporters, importers and consumers. The New Zealand approach works on three levels:

- Multilateral – negotiations through the World Trade Organisation (WTO) involve 150 member countries.
- Regional – co-operation through organisations such as the Asia-Pacific Economic Cooperation (APEC) advances business interests to open up new trading opportunities.
- Bilateral – one-on-one negotiations with trade partners or a group of trade partners to liberalise trade via free trade agreements.

New Zealand's top priority continues to be the World Trade Organisation's Doha Development Agenda. This Round, launched in the Gulf city of Doha in 2001, offers the potential of securing what amounts to 150 country-to-country negotiations in one single negotiation. But the sheer size of this undertaking makes it complex and lengthy. With this in mind, countries around the world have pursued regional and bilateral trade initiatives. New Zealand has been active in this area.

For a glossary of trade associated words please go to:
http://www.wto.org/english/thewto_e/glossary_e/glossary_e.htm



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For any other enquiries, please contact the Trade Policy Liaison Unit at tplu@mfat.govt.nz