



# Cabinet

## Minute of Decision

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### Report on Overseas Travel: Hon Damien O'Connor

**Portfolio**                      **Trade and Export Growth**

On 4 April 2022, Cabinet **noted** the report from Hon Damien O'Connor under CAB-22-SUB-0097 on his travel, from 27 February to 14 March 2022, to:

- 1        London, the United Kingdom, to sign the New Zealand - United Kingdom Free Trade Agreement;
- 2        Brussels, Belgium, for bilateral discussions;
- 3        Geneva, Switzerland, for bilateral discussions;
- 4        Riyadh, the Kingdom of Saudi Arabia, to represent New Zealand at the 8th session of the Saudi Arabia - New Zealand Joint Ministerial Commission and for bilateral discussions;
- 5        Dubai, the United Arab Emirates, to support New Zealand's presence at Expo 2020 Dubai and for bilateral discussions.

Michael Webster  
Secretary of the Cabinet

[Restricted]

Office of the Minister for Trade and Export Growth

Chair, Cabinet

## Report on Overseas Travel: Hon Damien O'Connor

1 I recommend that Cabinet note this report on my travel to the United Kingdom, Belgium, Switzerland, Saudi Arabia and the United Arab Emirates from 27 February – 14 March 2022.

### Report

2 This was my first overseas visit in 2022, with the focus being on reconnecting New Zealand to the world and spearheading our trade-led recovery. In **London**, I joined the United Kingdom Secretary of State for International Trade, Anne Marie Trevelyan, to sign the New Zealand – United Kingdom Free Trade Agreement. This is one of the highest quality and most ambitious free trade agreements that New Zealand has concluded. It was an historic moment with one of our closest and most important partners. Coming 49 years after the UK joined the European Communities, this milestone in our bilateral relationship will provide New Zealand with tariff free access to the UK's NZ\$3 trillion consumer market. The FTA also reflects our shared values with the UK, including a focus on ensuring trade benefits are felt by all of society, and on environment and climate change. It also includes the first Māori Trade and Economic Cooperation Chapter, creating a platform for enhanced cooperation across a range of issues important for New Zealand. In this regard, it was fitting that members of Ngāti Rānana, including founding member Esther Kerr Jessop QSM, were a key part of the reception celebrating the FTA's signing.

3 In my bilateral meeting with Secretary Trevelyan,<sup>s6(b)(i)</sup>  
<sup>s6(b)(i)</sup>

4 I also met with Secretary of State for Environment, Food and Rural Affairs, George Eustice, to discuss shared challenges and opportunities. These included climate change and sustainable agriculture adjustments (and opportunities around mitigation technology), access to labour and cooperation on animal welfare, including implementing the new chapter in the UK FTA on animal welfare. A reception to celebrate the FTA signing afforded an opportunity for me to thank those who had been supportive of the FTA through-out the process, and engage with a

number of MPs (including the Shadow Secretary of State for Trade, Nick Thomas-Symonds) and influential UK industry leaders (including Lord Karan Bilimoria, President of Confederation of British Industry, and Mike Cherry, National Chairman, Federation of Small Businesses), New Zealand businesses, UK officials and academics.

5 In **Brussels**, my visit centred on a meeting with EU Trade Commissioner and

s6(a), s9(2)(j)

s6(a), s9(2)(j)

I also had a productive meeting with EU Agriculture Commissioner, Janusz Wojciechowski,

s6(a), s6(b)(i)

In addition to the FIA, our discussions traversed New Zealand's work to bring the agriculture sector into the ETS, challenges facing the EU pig-meat sector, efforts to reduce agricultural methane emissions and biotechnology.

6 I also took the opportunity to meet with key Members of the European Parliament (MEPs), including Ulrike Muller, Chair of the Delegation to Australia and New Zealand; Axel Voss, Vice Chair of the DANZ and Chair of the Friends of New Zealand; Norbert Lins, Chair of the Agriculture Committee; Bernd Lange, Chair of the International Trade Committee; and Pascal Canfin, Chair of the Environment Committee. MEPs will play a crucial role in the ratification process once the EU FTA is concluded, as the Parliament must give its consent for the FTA to be ratified.

s6(b)(i)

The MEPs I engaged with agreed that concluding this FTA is an important demonstration that liberal democracies are able to make modern rules, and reinforce the rules-based international system, especially during such challenging times

s6(a)

7 My visit to **Geneva** was an opportunity to reinforce New Zealand's commitment to the multilateral trading system with the WTO at its core.

s6(a), s6(b)(i)

s6(a), s6(b)(i)

In light of this pressure and consequent process uncertainties in particular in the lead-up to the rescheduled WTO MC12 meeting in June, many members of the Ottawa Group on WTO Reform, and the General Council Chair, conveyed to me a call for commitment to the multilateral trading system. New Zealand remains intent on

ensuring MC12 occurs and that we want to have a positive outcome from the meeting.

s6(a), s9(2)(j), s6(b)(ii)

s6(a), s9(2)(j), s6(b)(ii)

s9(2)(j), s6(b)(ii)

s9(2)(j), s6(b)(ii)

The absence of Ministerial visits to Geneva was commented on by a number of people I met with, with my visit being particularly welcomed as providing much-needed political support for the WTO and its work.

s9(2)(j), s6(b)(i)

9 I also highlighted the need to bring the Trade for All Agenda to Geneva in my engagements with the World Economic Forum President Børge Brende, International Trade Centre Executive Director Pamela Coke-Hamilton, the International Institute for Sustainable Development and the Forum on Trade, Environment and the SDGs. This was also the theme of my public address to the Geneva Trade Platform. The Director-General clearly sees elements of New Zealand's Trade for All Agenda as exciting and the future of trade.

10 I also encouraged the Cairns Group of agricultural exporting countries not to lose sight of the broader purpose of agriculture negotiations, that of ensuring the sustainable production, supply and affordability of food for all. In particular, reform of agricultural trade rules remained more urgent than ever to achieve social and environmental goals including for food security and climate change.

11 The **Russia-Ukraine conflict** was uppermost in minds through-out my visit to Europe in particular. I took the opportunity to outline New Zealand's position with our interlocutors and to express our full support to our European friends. In Geneva, I had the opportunity to meet with the Ukraine Ambassador to the WTO (and UN), demonstrating New Zealand's condemnation of Russia and support for and solidarity with the people of Ukraine. A theme of my discussions with the two EU Commissioners was that the rationale for concluding the EU FTA has altered somewhat: in these challenging times, the FTA is being seen not only as delivering mutual economic benefits, but as a demonstration that likeminded liberal democracies

#### *Middle East*

12 In **Riyadh**, the focus of my visit was engagement with interlocutors on the Gulf Cooperation Council (GCC) FTA, as part of our trade diversification and trade-led recovery strategies. The GCC is New Zealand's seventh largest export market

with annual exports (goods and services) of \$2.15 billion and two-way trade of about \$5 billion. In my discussions with Ministerial counterparts, I highlighted that our economies are complementary, and although trade had traditionally been based around the exchange of commodities (energy for food), the economic relationship was becoming increasingly sophisticated. In my meeting with the Secretary General of the GCC, Nayef al-Hajraf, he readily agreed that the trading relationship was mutually beneficial and he said he was very keen to push forward FTA negotiations. I advised the Secretary General that New Zealand was interested in re-engaging on the FTA to explore what might be possible based on the goods market access outcomes agreed in 2009 and Trade for All elements that a modern FTA needs to include in order to meet New Zealand interests. In particular, I explained that issues such as labour and environment were a priority for New Zealand.

s6(a)

s6(a)

s 6(a)

13 I also met with Abdulrahman A. Al Fadhley, Saudi Minister of Environment, Water and Agriculture, for the 8th Saudi – New Zealand Joint Ministerial Commission (JMC). It was clear from the breadth of issues raised at the JMC that there is significant appetite right across the Saudi system to collaborate with New Zealand. While much of our engagement has historically been in the agricultural space, our commercial interests are rapidly expanding and diversifying. Major new opportunities are opening up for New Zealand, driving significant diversification of New Zealand's trade and economic engagement - including in the G2G space, where New Zealand's experience and expertise in government effectiveness and innovation is particularly sought after.

14 In my bilateral meeting with the Saudi Minister of Commerce and Investment, Majid bin Abdullah Al Qasabi, he emphasised the importance of in-person engagement to Saudi culture and therefore the value of my visit to Riyadh. We discussed current issues facing the WTO, ways we could strengthen the bilateral relationship, and also the GCC FTA, where I repeated the importance of our Trade for All agenda and gave practical examples of why we want to include discussion on labour and environment issues. I was also able to support a visiting delegation of New Zealand food, beverage and consumer goods exporters in their engagements with Saudi businesses.

15 I raised New Zealand's ongoing concerns about human rights in Saudi Arabia in my meetings, noting that New Zealand is opposed to the death penalty in all circumstances. In my meeting with the Minister of State for Foreign Affairs, Adel Al Jubeir in particular, we had a constructive dialogue on human rights that acknowledged the significant progress Saudi Arabia has made in certain areas, while registering New Zealand's concerns and encouraging the Kingdom to take further progressive measures. Minister Al Jubeir also commented that many people were "in awe" of New Zealand's response to the Christchurch terrorist attack, which had put New Zealand in a positive light due to the goodwill the community demonstrated.

16 In **Dubai**, I hosted Thani Ahmed Al Zeyoudi, Minister of State for Foreign Trade, at the New Zealand Expo 2020 Pavilion for the 8th New Zealand – United Arab Emirates Joint Economic Committee meeting. We discussed the many opportunities for cooperation and enhanced trade in areas ranging from food security, to advanced technologies and renewable energy. We also agreed that officials would develop within the next three months an Action Plan for cooperation across seven sectors with clear targets and timeframes. We also discussed the GCC FTA, and I had the opportunity to again highlight the value we saw in increasing our trade with this region, as well as the rationale and goals of the Trade for All elements. Minister Al Zeyoudi confirmed that the UAE supports the GCC FTA with New Zealand,

s6(a), s9(2)(j)

s6(a), s9(2)(j)

I also highlighted the benefits of the Digital Economy Partnership Agreement, an open plurilateral agreement that we welcome others joining. Minister Al Zeyoudi and I also witnessed the signing of a Memorandum of Arrangement between New Zealand Export Credit and Etihad Credit Insurance, which will support closer private sector cooperation and trade.

17 Mariam Almheiri, Minister of Climate Change and Environment (responsible for food security and agriculture) and I had a useful discussion on food systems transformation and the critical need<sup>s</sup> to address food waste. Our conversation highlighted the intrinsic link between sustainable food systems and climate change. I commended the Agreement on Climate Change, Trade and Sustainability (ACCTS) to her as a leading edge agreement that the UAE should consider. Minister Almheiri and I also the signed a new Memorandum of Arrangement on a Strategic Food Security Partnership between MFAT and the UAE's Ministry of Climate Change and Environment. This partnership recognises New Zealand's role in supplying high-quality, safe food and beverages to the UAE. The Arrangement also identifies opportunities to share knowledge to boost self-sufficiency and collaborate on common policy challenges.

18 I was able to see first-hand the value of New Zealand's investment in Expo2020, and visited a number of the other Expo pavilions in support of our relationships with the region. I also visited the International Centre for Biosaline Agriculture, met with the Chairman of Emirates, Sir Tim Clark, and had meetings with Fonterra, New Zealand companies participating in the Expo Business Leveraging Programme, as well as NZTE Advisors including Sharjah Royal, Sheikh Majid Al Qassimi, to hear about the opportunities and challenges in their sectors.

### **Proactive release**

19 This paper will be proactively released as per Cabinet Office Circular CO (18) 4 on the Ministry of Foreign Affairs and Trade's website. The paper will be subject to redaction as appropriate on the grounds set out under the Official Information Act 1982.

## **Recommendation**

20 I recommend that Cabinet note this report.

Authorised for lodgement

Hon Damien O'Connor

Minister for Trade and Export Growth

Proactively released by the Minister for Trade and Export Growth