

Proactive Release

Date: 3 April 2023

The following Cabinet paper has been proactively released by the Minister for Trade & Export Growth

Title	Reference
Minute of Decision: Report on Overseas Travel: Rt Hon Jacinda Ardern and Hon Damien O'Connor	CAB-23-MIN-0036
Report on Overseas Travel: Rt Hon Jacinda Ardern and Hon Damien O'Connor	

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction codes:

- 6(a): to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government;
- 6(b)(i): to protect the passing of information from another government on a confidential basis; and
- 9(2)(b)(ii): to avoid prejudice to the commercial position of another party.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Report on Overseas Travel: Rt Hon Jacinda Ardern and Hon Damien O'Connor

Portfolio **Trade and Export Growth**

On 20 February 2023, Cabinet **noted** the report from Hon Damien O'Connor under CAB-23-SUB-0036 on his travel, together with Rt Hon Jacinda Ardern, from 12 to 20 November 2022, to:

- 1 Viet Nam for a trade mission, following Rt Hon Jacinda Ardern's attendance at the East Asian Summit in Cambodia;
- 2 Bangkok, Thailand to attend the APEC Ministerial Meeting.

Rachel Hayward
Secretary of the Cabinet

Proactively released by the Minister for Trade and Export Growth

Office of the Minister for Trade and Export Growth, Hon Damien O'Connor
Chair, Cabinet

Report on Overseas Travel: Rt Hon Jacinda Ardern and Hon Damien O'Connor

I recommend that Cabinet note this report on the then Prime Minister and my travel to Cambodia, Viet Nam, and Thailand on 12 – 20 November 2022.

Report

- 1 From 14 – 17 November, I accompanied the Prime Minister, Rt Hon Jacinda Ardern, on a trade mission to Viet Nam which included a trade delegation of 18 business people. The visit, which followed the Prime Minister's attendance at the East Asia Summit Leaders' Meeting in Cambodia, highlighted the potential value of Viet Nam's market. It also provided a platform for the trade delegation to engage in commercial outreach, business-to-business and business-to-government engagement, as well as gain insights into Viet Nam's rapidly growing economy. The Prime Minister and I undertook a series of calls on Viet Nam's leadership, including with the General Secretary of the Communist Party, the President, the Prime Minister, and the Chairman of the National Assembly.
- 2 In Cambodia the Prime Minister attended the East Asia Summit (EAS) Leaders' Meeting in Phnom Penh. While there, the Prime Minister also marked the substantive conclusion of the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) upgrade negotiations, spoke at the 2nd ASEAN Global Dialogue, and held a bilateral meeting with Cambodian Prime Minister and ASEAN Chair, Hun Sen. She was accompanied by officials and a delegation of nine media representatives through all three parts of this visit.
- 3 In Bangkok, Thailand, we attended the first in-person APEC Economic Leaders' Week since 2018. I participated in the annual APEC Ministerial Meeting (AMM) on Thursday 17 November. Across the week, the Prime Minister and I had bilateral engagements with 13 APEC economies. In addition, the Prime Minister participated in a panel discussion at the APEC CEO Summit and had an audience with the King of Thailand. Alongside six formal engagements with my APEC counterparts at the AMM, I also partook in side events that sought to invest in the New Zealand-Thailand relationship. These engagements focused on support for New Zealand's dairy exports to Thailand and the Thai education market.

Cambodia

- 4 The Prime Minister attended EAS on 13 November, the first in-person meeting of the EAS since 2019. Her main objectives for EAS included putting on record New Zealand's position on the core issues affecting our region; reinforcing the importance of regional architecture and supporting efforts to increase its effectiveness; encouraging s6(b)(i) countries to more vocally support the international rules-based order and join condemnation of Russia's actions in Ukraine; and supporting the key architecture to deal with current challenges by positioning New Zealand as a constructive partner to ASEAN.
 - 5 There were a number of issues on the ASEAN agenda, including Myanmar, Ukraine, the South China Sea and Taiwan Strait, North Korea's missile tests, and climate change. s6(a), s6(b)(i)
 - 6 During her intervention, the Prime Minister registered strongly New Zealand's positions on the above, and also spoke on the purpose and role of regional architecture. She noted that the convening power of EAS provided a space where partners should feel able to come together and to speak frankly, and with purpose in order to find common ground. The Prime Minister also emphasised that the empowerment of women, especially economically and politically, was a critical factor of sustainable and inclusive development in the region.
 - 7 While in Phnom Penh the Prime Minister also met Cambodian Prime Minister Hun Sen. The Prime Minister reiterated her deep concern over the situation in Myanmar, and the lack of progress made against the ASEAN Five Point Consensus. She asked what we can do together to help the situation. s6(a), s6(b)(i)
- The Prime
- Minister noted s6(a), s6(b)(i) we needed to preserve open channels of dialogue. She also discussed our areas of engagement in regional trade, people-to-people links, and bilateral development assistance and welcomed the substantive conclusion of the AANZFTA Upgrade negotiations.
- 8 The Prime Minister also attended the 2nd ASEAN Global Dialogue on COVID-19. She discussed the effects of COVID on regional unity, people, economies, supply chains, and businesses. There was also a focus on climate change, women, and indigenous and marginalised communities.

Viet Nam

9 Our meetings with Viet Nam's leadership demonstrated that, despite having different political systems, New Zealand is valued as an active and principled partner. Conversations focused on strengthening the Strategic Partnership; reaffirming education as a central part of the relationship; our common commitment to trade and economic openness; and leveraging the trade architecture that New Zealand shares with Viet Nam. The Prime Minister also shared views with the Vietnamese leadership on the importance of human rights ^{s6(b)(i)} and an acknowledgement of the complex challenges facing the region and the world. The Prime Minister also led discussions on opportunities to collaborate on climate change resilience and emissions reductions. ^{s6(b)(i)}

10 A common touchpoint on the bilateral relationship was the 2021-2024 Strategic Partnership Action Plan. This includes a commitment to a two-way trade target of US\$2 billion by 2024, and a mutual desire to take advantage of Viet Nam's economic digitalisation efforts to reduce trade friction at the border. ^{s6(b)(i)}

President Phuc thanked New Zealand for granting market access for Viet Nam's pomelos and limes and, in his remarks, instructed the Minister of Industry and Trade, Nguyen Hong Dien, to accelerate the access approval for New Zealand strawberries and squash (which has now been granted).

11 In her meeting with the Chairman of Viet Nam's National Assembly, Vuong Dinh Hue, the Prime Minister commented on opportunities to strengthen education and Parliamentary ties between New Zealand and Viet Nam. ^{s6(b)(i)}

12 In the Prime Minister's meeting with Viet Nam's Prime Minister Pham Minh Chinh, Chinh provided a long list of proposed areas of cooperation, ^{s6(b)(i)}

Officials are now working with their Vietnamese counterparts to focus the work programme with Viet Nam on those areas that could be progressed quickly and would have the strongest benefit for both sides.

13 Geostrategic issues also featured heavily in these discussions. Viet Nam's leaders stressed that ^{s6(b)(i)} our shared commitment to multilateralism, collaboration in multilateral fora, and common views on the international rules-based order was of increasing importance.

- 14 On Myanmar, Prime Minister Chinh emphasised the importance of the Five Point Consensus ^{s6(b)(i)}
- 15 ^{s6(a), s6(b)(i)}
- 16 On human rights, during the meeting with Prime Minister Chinh, Prime Minister Ardern emphasised the importance to New Zealand of a fully functioning and supported civil society, including as a core partner when delivering development assistance. She asked Chinh how New Zealand could help to strengthen civil society in Viet Nam. The Prime Minister also noted that New Zealand businesses were increasingly looking at the entirety of the supply chain, including a greater focus on labour rights and workers' rights and environmental conditions in economies where products were being sourced or manufactured. The trading architecture that linked Viet Nam and New Zealand was increasingly setting higher labour and environmental standards, and the Prime Minister highlighted that it was to everyone's benefit that these were met.
- 17 During this visit the Prime Minister announced that New Zealand would permanently double the number of working holiday places available to Viet Nam to 200. This was well received by Prime Minister Chinh, who acknowledged that Viet Nam had many skilled workers who would want to travel to New Zealand under the scheme.
- 18 Two Government-level arrangements were signed - a refreshed Civil Aviation Cooperation Arrangement that covers civil aviation policy, flight training, air navigation, and environmental and sustainable aviation; and a refreshed Education Cooperation Arrangement, with a focus on cooperation in early childhood, primary, secondary, and higher education, national qualifications frameworks, and English language training.
- 19 On the business side, the Prime Minister's programme of events included a business roundtable, an agriculture focused "expo", and working lunches with representatives from the Viet Nam Chamber of Commerce and Industry, Viet Nam's Young Entrepreneurs Association, and Viet Nam's (ASEAN) Young Business Leaders Initiative. Her programme also included business promotion events, a launch event for new New Zealand products entering the Vietnamese market, the opening of an EcoStore flagship store, the launch of a collaboration between NZTE and Viet Nam's e-commerce giant TIKI, an education alumni dinner, and the keynote address to the Forbes Viet Nam

Women's Business Summit, with more than 600 business leaders in attendance.

- 20 My programme complemented the Prime Minister's, with bilateral meetings with my two direct counterparts - Minister of Industry and Trade Nguyen Hong Dien, and Minister of Agriculture and Rural Development Lê Minh Hoan – as well as dedicated trade and agriculture events which reinforced key themes in our bilateral partnership.
- 21 My meeting with Minister Dien was our first dedicated in-person engagement after peripheral contact at a range of multilateral meetings. The meeting traversed the broad scope of cooperation in the bilateral relationship and regional/multilateral initiatives including CPTPP, AANZFTA, APEC, IPEF and the WTO, and allowed for a full and frank assessment of the prospects for progress in each grouping. s6(b)(i)

welcomed the strong growth in our bilateral trade since conclusion of the Strategic Partnership. s6(b)(i)

- 22 This discussion formed a solid basis for the business roundtable discussion which I co-chaired with Minister Dien. This brought together representatives from Viet Nam's Ministry of Planning and Investment, other government officials, 45 Vietnamese business representatives and the full New Zealand delegation to discuss opportunities to expand trade and investment. Discussions highlighted several key issues: beyond the traditional trade relationship, Viet Nam is looking to New Zealand for technology and knowledge transfer, particularly in clean-tech, sustainability, modern agriculture, and innovation. The discussion also provided an opportunity for business representatives from both sides to highlight their operations, and any specific barriers to growing our cooperation, which were duly acknowledged by Ministers for further attention.

- 23 The discussion with the Minister of Agriculture and Rural Development s6(b)(i)

Minister Hoan and I also exchanged views on the challenges and opportunities in 'greening' agriculture in response to climate and emissions challenges, and our collaboration in fora such as the Global Research Alliance (GRA). The announcement of market access for Viet Nam limes and pomelos was warmly welcomed.

- 24 The depth and complementarity of the agriculture relationship was further showcased in the 'mini-expo' event, "AgriConnectionZ". The narrative for this event spanned our development programme, which now supports a more modern Vietnamese export-oriented and value-add agriculture sector, and the message that the agriculture relationship is one that could truly benefit both countries well into the future. The expo highlighted elements of New Zealand's technology, research, commercial innovation, and climate smart agriculture story. A range of Viet Nam's export-oriented horticultural companies were also invited to participate – something Minister Hoan noted as both unprecedented and very welcome. We also witnessed the signing of a Preferred Supplier Agreement MOU between two agritech companies, Viet Nam's TH Milk Cooperation and Waikato Milking Systems, for future development of dairy farms throughout Viet Nam.
- 25 Viet Nam is trying to improve its investment environment to remain competitive in the manufacturing and production sectors, and both delegations recognised the importance of fully integrating sustainability into business operations. To this end, I accompanied the business delegation to the AllBirds headquarters in Ho Chi Minh City to learn about Viet Nam's modern manufacturing and processing sector.

Thailand

- 26 During APEC Economic Leaders' Week, I convened with my counterparts for the annual APEC Ministerial Meeting. We were able to endorse a consensus statement – a first for Thailand following a year of disagreement on how to characterise Russia's invasion of Ukraine and its impact on trade and economic growth and cooperation in the region. This set the scene for eventual consensus at the Leaders' Meeting.
- 27 At the APEC Leaders' Meeting, discussions focused on the appropriate response to the economic challenges of inflation, looming recession, the climate crisis, and the importance of recovery policies that prioritise sustainable and inclusive growth. The Prime Minister and her counterparts endorsed Thailand's key host year deliverable, the "Bangkok Goals on the Bio Circular Green Economy", which cement APEC's focus on sustainability following significant efforts in this space during New Zealand's 2021 APEC host year.
- 28 On the theme of sustainability, the Prime Minister also announced a NZ\$5.75 million fund to support APEC economic cooperation on pro-climate structural reforms, including carbon pricing, regulation and creating an enabling environment to support low carbon technologies.
- 29 The Prime Minister also held a number of bilaterals during the visit to Thailand. These included meetings with His Majesty, the King of Thailand; counterparts from China; Indonesia; Korea; the Philippines; and Thailand. Pull-asides were also held with Canada and the United States; and she joined a^{s6(b)(i)} with Australia, Canada, Japan, Korea, and the United States. Her discussions were wide ranging and covered topics such as bilateral

relationships, COVID recovery, trade, tourism, sustainability, the Indo-Pacific, Pacific, and broader geostrategic issues including North Korea and Russia's invasion of Ukraine.

- 30 I held bilateral meetings with counterparts from Papua New Guinea, Chile, and Japan; pull-asides with Singapore, Chinese Taipei and Hong Kong; and met informally with a range of APEC partners. I hosted an education-focused reception, which drew in the broader New Zealand alumni community in Bangkok.
- 31 I attended a closed-door breakfast roundtable with the US APEC Business Coalition focused on opportunities and challenges in digital trade. The event brought together representatives of US businesses in the region, including high profile leaders from Google, Amazon, and Johnson & Johnson, alongside government representatives. Acknowledging the explosive growth and opportunities of the digital economy in the region, especially for SMEs, indigenous/minority groups, and young people, our discussions emphasised the importance of ensuring inclusiveness in digital trade and the provision of digital services. We also undertook a shared commitment to continue to grow our economies through digital trade, emphasising the need for trusted relationships, and expressed a desire to smooth the pattern of rules across the region, seeing fora such as APEC as an enabler of capacity-building in this regard.
- 32 I also took part in a roundtable discussion organised by the NZTE Beachheads programme to highlight the profile of our dairy collaboration with Thailand ^{s6(a), s9(2)(b)(ii)}

Proactive release

- 33 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

I recommend that Cabinet note this report.

~~RESTRICTED~~

Authorised for lodgement

Hon Damien O'Connor

Minister for Trade and Export Growth

Proactively released by the Minister for Trade and Export Growth

~~RESTRICTED~~