



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

29 APRIL 2024

Weekly Global Economic Round-up

MARKET INTELLIGENCE REPORT

Regional updates

Domestic

Labour productivity falls 0.9 percent

- Stats NZ noted earlier in April that New Zealand's labour productivity has seen its largest fall since 2009. This means that New Zealand is producing less output per hour of labour. The fall was in tandem with a drop of 2.2 percent in multifactor productivity, which measures the effects of unobserved inputs such as technological progress, efficiency gains, and economies of scale. While it is difficult to attribute the drivers of this fall, Stats NZ notes that notable events affecting the economy in the year to March 2023 included the closure of the Marsden point refinery, the removal of COVID-19 restrictions, and extreme weather events in the North Island. [Read the Stats NZ press release.](#)
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Americas

United States President Joe Biden signs funding bill on Ukraine, Israel, Taiwan and TikTok

- On 24 April President Joe Biden signed a foreign aid package passed by the United States Congress earlier in the week for Ukraine, Israel, and Taiwan. The bill combined foreign assistance to the tune of US\$95bn, for Ukraine (US\$61/NZD\$108bn, including defence and economic assistance), Israel/Palestine (US\$26/NZ\$44bn, including missile defence, and Gaza humanitarian aid), and the Indo-Pacific (US\$8/NZ\$13bn, including infrastructure construction and military funding to Taiwan). A fourth bill was bundled in, which authorises a ban on TikTok (should it not divest from its Chinese owner ByteDance within twelve months), and seizing Russian assets to provide funding to Ukraine. [The Pentagon has said](#) that material can be shifted to Ukraine from storage sites in Europe within days of Presidential approval. [Read more here.](#)
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North Asia

Sichuan Governor visits Auckland

- The Governor of Sichuan, China visited Auckland (17-18 April). The visit included a ceremony at Auckland Airport marking the resumption of Sichuan Airlines' Chengdu-Auckland route. While in Auckland, the Governor met with the Mayor of Auckland, and hosted the "Sichuan-New Zealand Economic, Trade, and Cultural Promotion Conference".
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South and South East Asia

India elections under way

- India's general election began on 19 April, with voting to proceed in seven phases until 1 June, and results expected on 4 June. This is the world's largest democratic exercise. 970 million eligible voters will cast their ballots to elect 543 members of the Lok Sabha (lower house of India's bicameral Parliament) and select a Prime Minister.

Ministry of Foreign Affairs and Trade hosts ASEAN senior officials for 31st ASEAN-New Zealand Dialogue

- From 18-19 April the Ministry of Foreign Affairs and Trade hosted ASEAN senior officials for the 31st ASEAN-New Zealand Dialogue, the first hosted in New Zealand since 2019. The meeting was a positive and frank exchange on New Zealand's strategic partnership with ASEAN and on regional and global issues. ASEAN welcomed New Zealand's support for the ASEAN Outlook on the Indo-Pacific (AOIP) and for Lao PDR's ASEAN Chairmanship this year, including the implementation of priorities under the theme of "Enhancing Connectivity and Resilience". New Zealand also advised, and ASEAN welcomed, New Zealand's intention to establish a Comprehensive Strategic Partnership (CSP) with ASEAN upon the 50th anniversary of Dialogue Relations in 2025.
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Pacific

Inaugural conference for Manaaki New Zealand Scholarship holders to be held in Auckland

- The first-ever Manaaki New Zealand Scholar Conference is scheduled for 17-19 May. With a theme of ‘Enduring Connections: Global Partnerships and Sustainable Development’, more than 500 scholarship holders from 54 countries will be hosted at the University of Auckland. The Conference aims to strengthen the bond between scholars and New Zealand, and between scholars. The Conference will involve networking opportunities, academic deep-dives, panel presentations, and keynote addresses. The Manaaki New Zealand Scholarship Programme is New Zealand’s largest international scholarships programme. Running for more than 70 years, it aims to support human resource development needs in developing partner countries and strengthen long-term connections between New Zealand and participating countries.
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Europe

UK introduces Carbon Border Adjustment Mechanism

- The United Kingdom announced in December 2023, plans to introduce a Carbon Border Adjustment Mechanism (CBAM) by 2027. The UK CBAM will impose a tariff on a range of high-carbon goods (e.g. iron, steel, aluminium, cement) imported from countries with weaker emissions regulations to prevent carbon leakage and protect UK firms from being undercut by less-regulated foreign competitors. The EU introduced its own CBAM last year. Like its EU equivalent, the UK CBAM will not apply to agricultural products or food and beverage. [Read more in last week’s market intelligence report.](#)

France introduces ‘shrinkflation’ standards

- From July French retailers will have to notify shoppers when products have been reduced in size without a corresponding cut in prices in an effort to tackle “shrinkflation”. Finance Minister Bruno Le Maire called shrinkflation a “scam” that harms consumers. France has requested EU approval for a proposed law that would require supermarkets to label products where volumes had been reduced by a certain amount. As households’ purchasing power dwindles in the face of continuing inflation, pricing practices are drawing the attention of politicians on both sides of the Atlantic.
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Africa and Middle East

UAE flooding due to heaviest rainfall in 75 years

- On 16 April the United Arab Emirates experienced its heaviest rainfall in 75 years causing significant damage and disruption, with the loss of four lives. Operations and services at Dubai International Airport were significantly affected, causing extended disruptions to travel. No New Zealanders sought consular assistance following the floods, though New Zealand Defence Force (NZDF) luggage was temporarily lost, impacting some involvement at Gallipoli commemorations.
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External links

The following links may provide useful information to businesses:

- [NZTE](#) has a website focused on providing COVID-19 information for exporters. They've also launched [myNZTE](#), an interactive digital portal of insights and tools available to all New Zealand exporters.
- The Treasury releases a [weekly economic update](#) every Friday. Stats NZ has published a [data portal](#) with near real-time economic indicators.
- MBIE publishes a [sector reports series](#) which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- [Business.govt.nz](#) provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a [tariff finder](#) which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.
- The all of government [Trade Barriers](#) website can be used to register any trade barriers experienced or issues exporting to an offshore market. Queries can be sent via the website or through the MFAT Exporter Helpline 0800 824 605. Enquiries will be sent to the government agency best placed to answer.
- Tauranga Aotearoa Stats NZ provides official data on the value of New Zealand's exports and imports of both goods and services, by commodity type via the [New Zealand Trade Dashboard](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

More info

More reports

View full list of market reports from MFAT at www.mfat.govt.nz/market-reports

If you would like to request a topic for reporting please email exports@mfat.net

To get email alerts when new reports are published, go to our [subscription page](#).

To learn more about exporting to this market, New Zealand Trade & Enterprise's comprehensive [market guides](#) cover export regulations, business culture, market-entry strategies and more.

Feedback Request: Seeking Suggestions for Market Intelligence Report Topics

The Ministry of Foreign Affairs and Trade publishes Market Intelligence Reports for New Zealand exporters every week at www.mfat.govt.nz/market-reports. These are written by MFAT's network of offshore offices and cover a broad range of topics. To get alerts when new reports are published, go to [Sign up for Market Intelligence Reports \(mfat-reports.info\)](http://mfat-reports.info)

· We invite suggestions for future market intelligence reporting topics. If you have suggestions for reporting topics that would be beneficial to you or the wider New Zealand exporting community, please go to our [open forum survey](#).

Previous global economic round-ups can be found [here](#).

To contact the Export Helpdesk

email exports@mfat.net

call 0800 824 605

visit Tradebarriers.govt.nz

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