



NEW ZEALAND  
FOREIGN AFFAIRS & TRADE  
Manatū Aorere

8 APRIL 2024

# Weekly Global Economic Round-up

MARKET INTELLIGENCE REPORT

# Regional updates

## Domestic

### Changes announced to immigration settings

- The Government announced changes to immigration settings that it says will slow the unsustainable level of net migration while ensuring New Zealand continues to attract highly skilled migrants. Under the new policies, migrants will need to secure higher ratings on English tests and most Accredited Employer Work Visa applicants would have to meet minimum skills requirements.
  - In announcing the shift, the Minister of Immigration, Erica Stanford, stated that getting immigration settings right is critical to the Government's plan to rebuild the economy. The Minister also stated that getting these settings right is critical to managing pressures on core infrastructure, including schools, housing, and the health system.
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## Americas

### Preliminary injunction against New Zealand seafood exports to US lifted

- The United States Court of International Trade has issued a decision lifting the preliminary injunction against the export of nine types of seafood from the Māui Dolphin habitat. Exports of these species to the US can now resume. The decision to remove the injunction followed an assessment, undertaken by the US Government, which showed protections for Māui dolphins were comparable with US standards. The preliminary injunction had been in place since November 2022, affecting approximately NZ\$2 million of our exports annually.

### Job growth in United States remains strong

- Job growth in the United States remained strong in March, with payrolls rising by 303,000 and the unemployment rate declining from 3.9 percent to 3.8 percent. This increase in employment figures was well ahead of market predictions of 200,000 and provides further evidence of the United States labour market's continuing strength. This strong job growth, combined with inflation data due this week, will likely impact the Federal Reserve's decision on benchmark interest rates ahead of its next Federal Market Policy Meeting later this month.
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# South and South East Asia

## Malaysia Economic Update

- The Ministry of Foreign Affairs and Trade (MFAT) has conducted an economic update on Malaysia, details of which will be released in a forthcoming Market Intelligence Report. At a glance statistics show that Malaysia is New Zealand's 9th largest trade partner and 3rd largest in ASEAN. It also features strongly in some key export sectors: international education (6th); dairy (7th); and primary products (9th). Malaysia's economy grew 3.8% in 2023, compared with a record 8.7% in 2022 (the highest in ASEAN). Forecasts for GDP growth in 2024 range from 4-5%.

## Philippines Economic Update

- The Philippines economy grew by 5.6 percent in 2023, the highest annual growth recorded that year among the major Asian economies. The Philippines is pursuing reforms and initiatives based on a more deliberate and focused economic strategy that prioritises tax reforms, more effective fiscal management, and more foreign direct investment and private sector engagement in infrastructure development. Two-way trade between New Zealand and the Philippines in 2023 grew by 5.3 percent to NZ\$1.38 billion, and now sits just below the 2019 high of NZ\$1.4 billion. New Zealand dairy exports have led the post-pandemic rebound in trade, but the last year has seen a significant uptick in two-way tourism. MFAT anticipates releasing further information in a market intelligence report.

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# Australia

## China lifts duties applied to Australian wine

- Effective 29 March, China has lifted all duties applied to Australian wine. These duties were part of a suite of measures taken by China in 2020. Some duties exceeded 200% and saw a decrease in bilateral wine exports by more than 97%. As stated in a joint press release by Australian Prime Minister Anthony Albanese, Trade Minister Don Farrell, Foreign Minister Penny Wong and Agriculture, Fisheries and Forestry Minister Murray Watt, the removal of duties means that Australia will discontinue its legal proceedings at the World Trade Organisation. The statement added that the Australian government will continue to press for all remaining trade impediments affecting Australian exports to be removed.
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# Europe

## Romania and Bulgaria join Schengen area by air and sea

- On 31 March, Bulgaria and Romania joined the visa-free Schengen zone, with some limitations. Those travelling by sea and air are now able to move between Bulgaria and Romania and other Schengen zone countries without the need to pass through visa and passport control. The two Balkan states are entering the zone in stages, after Austria objected to expansion, fearing more illegal immigration. Talks will continue next year on opening land borders. New Zealand does not have bilateral visa waiver agreements with Bulgaria and Romania; the enlargement does mean, however, that New Zealand travellers will be able to travel to these countries as part of their 90-day visa-free travel entitlement within the Schengen zone.

## Germany introduces new cannabis legislation

- As reported in [last week's market intelligence report](#) Germany became the third EU country to legalise the private cultivation and consumption of recreational cannabis (after Malta and Luxembourg), and the ninth country to do so worldwide. Domestic production and marketing will no longer be restricted by centralised tenders and redistribution, but will be open to any producer who obtains a licence. Imports of medicinal cannabis continue to grow, including from New Zealand. Exporters could benefit from the expected boost, but also face increasing competition from German suppliers.

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## Feedback

We welcome feedback from New Zealand exporters on this report and invite requests for reporting from New Zealand's [network of Embassies and High Commissions](#). If you have suggestions on a topic you would like to hear more about, or to subscribe to this weekly update, you can sign up [here](#) or email us at [exports@mfat.net](mailto:exports@mfat.net)

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## Recently release Market Intelligence Reports

- [Germany liberalises production of medical cannabis](#)
  - [New Zealand's Association to Horizon Europe: Twelve Months On](#)
  - [The Green Dragon: Sustainability in the China market](#)
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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](http://www.mfat.govt.nz/market-reports)

If you would like to request a topic for reporting please email [exports@mfat.net](mailto:exports@mfat.net)

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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.

## To contact the Export Helpdesk

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