



**NEW ZEALAND**  
**FOREIGN AFFAIRS & TRADE**  
Manatū Aorere

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# **Weekly Global Economic Round-up**

A MARKET INTELLIGENCE REPORT

# Highlights

- The New Zealand Government announced the [final plan to reduce agriculture emissions](#) last week. The Government committed to implementing a system to measure and price agriculture emissions at the farm level and has worked with farming leaders to finalise this plan, Agriculture Minister Damien O'Connor said. This includes shifting farm-level emissions reporting requirements from Quarter 1 into Quarter 4 of 2024 and emissions pricing into Quarter 4 of 2025.
- Trade continues to increase between New Zealand and the Republic of Korea (ROK). Korea remains New Zealand's fifth largest trading partner, with a total trade value of NZ\$9.02 billion (for year end March 2023). Many New Zealand exporters are looking to diversify into the ROK market with promising signs of easing inflation and increasing employment rates. Products that can be turned into health supplements present a major area for opportunity (e.g. mussel oil, propolis, and protein supplements). However, decreasing production in the first half of 2023 and a 15.2% dip in ROK's exports year-on-year in May present challenges for the Korean economy.

# Regional updates

## Domestic

- New Zealand's first-ever national [freight and supply chain strategy](#) was launched last week. The strategy is a joint government and industry initiative and aims to improve freight and supply chain productivity and build resilience to disruptions of our ports, freight and shipping sectors.
  - New Zealand [Food and fibre sector export revenue](#) has hit new heights reaching \$57.4 billion for the year to 30 June 2023, bringing \$1.2 billion more into the economy than was originally forecast.
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## Global

- Six countries - Argentina, Egypt, Iran, Ethiopia, Saudi Arabia and the United Arab Emirates – have been invited to become new members of the BRICS (Brazil, Russia, India, China, South Africa) bloc. The announcement comes from South African President Cyril Ramaphosa, who is hosting the summit of Brics leaders in Johannesburg.
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## Asia

- Philippines President Ferdinand Marcos Jr in his second annual State of the Nation Address (SONA) reported on his administration's accomplishments over the past year, unveiled the government's agenda for the coming year and proposed its legislative agenda to Congress. The SONA noted the economy's 7.6% growth in 2022 (the highest since 1976) and focused on efforts under way to improve economic infrastructure, reform the public sector, strengthen food and energy security, address environmental and climate change concerns and introduce social reforms in the fields of education, healthcare, and workers' welfare. The Philippine administration's continued focus on economic growth, public sector reform, renewable energy, and agriculture presents ongoing opportunities for New Zealand trade and investment.

- MFAT recently published a Market Intelligence Report on China's economic performance in the first half of 2023 and its trade with New Zealand. China has set a GDP growth target of 5% for 2023. While official data showed that China's economy initially rebounded quickly following its reopening, the growth momentum did not carry through to Q2 2023. Economic commentators now agree that China's economic recovery has lost its initial post-pandemic momentum.
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## Pacific

- After a period of low market supply during the Covid pandemic, New Caledonian industry is seeking to import more New Zealand timber. New Zealand's trade in timber to New Caledonia and French Polynesia is approximately NZD 19 million annually. Trade in construction products more generally is worth over NZD 35 million annually. While supply is gradually increasing, housing and construction companies are hampered from using New Zealand products due to local regulatory standards for structural timber which are not aligned with New Zealand's. While New Caledonian industry is confident in its quality, use of New Zealand timber (pinus radiata) presents significant insurance problems in structural builds. MFAT is working with local timber importers, the New Caledonian Government and New Zealand timber exporters to conduct an independent standards equivalency test to prove New Zealand's pinus radiata meets local standards.
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## Americas

- Canada has recently announced three key environmental policies of interest to New Zealand. The first is a long anticipated [fossil fuel subsidy framework](#), which outlines guidelines to assess subsidies. The second is Canada's first [national climate adaptation strategy](#), which aims to reduce the risk from extreme weather events like floods, wildfires and melting permafrost in the Canadian Arctic. The third is [draft clean electricity regulations](#), which proposes a roadmap to achieve a net-zero grid in Canada by 2035.
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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.
- Tatauranga 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)

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