<u>Negotiations on the UK's Future</u> <u>Trading Relationship with New Zealand:</u> <u>Update</u>

The fifth round of Free Trade Agreement Negotiations with New Zealand took place between 8-16 June 2021. New Zealand's Trade and Export Growth Minister Damien O'Connor also visited the UK from 16-18 June for face-to-face talks. Both countries have agreed to accelerate negotiations to finalise the details of the deal with the aim of reaching agreement in principle.

Both countries are committed to agreeing a high quality, comprehensive free trade agreement that supports jobs, broadens consumer choice, and provides more opportunities in key industries such as services, digital trade, and the green economy.

Strong progress was made in agreeing key issues across the deal including provisionally closing a further four chapters:

- Government Procurement chapter, which improves Small Medium-sized Enterprises' (SMEs') access to procurement and the integrity of supply chains.
- Disputes Chapter, which establishes mechanisms to promote and enforce compliance with the agreement and ensures that state-to-state disputes are dealt with consistently, fairly and in a cost-effective, transparent, and timely manner. It gives businesses and stakeholders certainty that the obligations under this agreement will be upheld.
- Transparency chapter, which underscores the rule of law as the major cornerstone of good governance, outlining agreed expectations for the UK and New Zealand to be transparent, open, and accessible to UK businesses, with respect to this trade agreement and their respective regulatory environments.
- Trade and Gender Equality chapter, which recognises that women are underrepresented in international trade, and aims to support women exporters, business owners, and entrepreneurs to participate in global trade.

Excellent progress was also made during Round 5 on the following chapters, which the UK and New Zealand agree now have a clear path to closure:

- Rules of Origin
- Goods
- Cross-Border Trade in Services
- Customs
- Digital
- Telecoms
- State Owned Enterprises
- Consumer Protection
- Good Regulatory Practice

- Labour
- Development
- Anti-Corruption
- Initial & Final Provisions
- General Exceptions
- Institutional Provisions

In previous rounds, chapters on SMEs, Competition, Remedies were provisionally closed.

The Government has been clear that any future deal with New Zealand must work for UK consumers, producers, and companies. Throughout the process the UK will continue to engage stakeholders to ensure their views inform our approach to negotiations.

Any deal the UK agrees will be fair and balanced and in the best interests of the whole of the country. We remain committed to upholding our high environmental, labour, food safety and animal welfare standards in the deal, as well as protecting the National Health Service (NHS).

The UK and New Zealand both remain eager to make further progress, with the UK clear that momentum needs to be maintained across the whole agreement. Ahead of the next round, negotiating teams will share further proposals and discuss a range of issues.

The next round of negotiations, Round 6, is scheduled to take place in July, with a series of intersessional discussions across the FTA planned for the next month.