

Negotiations on the UK's Future Trading Relationship with New Zealand: Update

News story

The sixth round of free trade agreement negotiations with New Zealand took place between 19-30 July 2021.



Both countries are committed to concluding a high-quality free trade agreement (FTA), setting a precedent for high standard FTAs in the future.

We have now provisionally closed nine chapters and one annex in total. In Round 6, significant progress was made in the following areas:

- **Express Delivery Services (Annex):**

These provisions give legal certainty to UK delivery service suppliers by offering reassurance that the regulatory environment provides a level playing field. Securing commitments on this essential part of the supply chain enables smoother delivery of goods between our countries.

- **Anti-Corruption:**

Corruption acts as a barrier to free trade by increasing the cost of doing business. The chapter covers provisions relating to whistleblowing, embezzlement, money laundering, and other areas. Having strong global standards based on an international rules-based approach allows businesses to compete fairly. If businesses cannot compete fairly, the costs are ultimately shifted onto consumers and taxpayers. Doing business with integrity is beneficial to the medium-long term prosperity at both a national and corporate level.

• **Development:**

Trade agreements between two developed economies can impact on developing countries that are not party to the agreement. Development provisions recognise the role that trade and investment can play in contributing to positive economic and social development outcomes; whilst creating opportunities for UK firms and consumers, e.g., lowering prices, and opening fast-growing markets for UK exporters.

Below is a summary list of those areas discussed in the round, with productive discussions in all areas:

- Cross Border Trade in Services (CBTS)
- State-Owned Entities and Designated Monopolies (SOEs)
- Trade and Labour
- Sanitary and Phytosanitary Measures (SPS)
- Rules of Origin (RoO)
- Technical Barriers to Trade (TBT)
- Consumer Protection
- Domestic Regulation
- International Maritime Transport Services (Annex)
- Investment
- Indigenous Trade
- Digital Trade
- General Exceptions
- Financial Services
- Professional Business Services (PBS)
- Trade Remedies
- Institutional Provisions
- Good Regulatory Practice and Regulatory Cooperation (GRP)
- Temporary Entry of Business Persons
- Intellectual Property (IP)
- Telecommunications
- Trade and Environment

An agreement could see the removal of tariffs on an array of UK and New Zealand exports, such as food and drink, clothing, and manufactured goods.

A free trade agreement with New Zealand will open another important gateway to the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), a £9 trillion free trade area of 11 Asia-Pacific nations, including New Zealand and Australia. Membership will open huge new opportunities for our farmers, manufacturers, and services firms, with two-thirds of the world's middle classes set to be in Asia by 2030.

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