

Press statement on trade talks between UK and New Zealand

Minister O'Connor's visit concludes the fifth round of talks, in which strong progress was made in agreeing key issues across the deal including reaching consensus on disputes, transparency and gender equality in trade.

Both countries have agreed to accelerate negotiations to finalise the details of the deal.

Both countries want 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.

International Trade Secretary Liz Truss said:

We have intensified negotiations and moved closer to an agreement that works for both nations. I want to thank Damien for the progress we have made over the past few days.

Both sides are committed to striking a modern, liberalising agreement that forges closer ties between two island democracies that believe in free and fair trade. I am pushing UK interests hard in areas like services, mobility and investment, and want a deal that cuts tariffs on our exports, makes it easier for our service providers to sell into New Zealand, and delivers for consumers here at home.

A deal would be an important step towards joining the Trans-Pacific Partnership, a £9 trillion free trade area of half a billion consumers, which would open new opportunities for our farmers, manufacturers and services firms to sell to some of the largest and fastest-growing markets in the world.

Background

New Zealand is already an important partner for the UK and a trade agreement can further increase our trading relationship, worth £2.3bn in 2020.

An agreement could see the removal of tariffs on UK and New Zealand goods, such as New Zealand Marlborough wine and British McVitie's Digestives biscuits, making products available to shoppers at a markedly lower cost.

Opportunities will also include additional access for UK services and investment, including in mobility, professional qualifications, and investment screening thresholds.

A free trade agreement with New Zealand will open another important gateway to the Comprehensive and Progressive Trans-Pacific Partnership (CPTTP), 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.

New Zealand and the UK also share a particular ambition to work together to lead the global fight against climate change and promote clean growth through trade – a key contribution to a low-carbon economic recovery.

An agreement can enable Small to Medium Enterprises (SMEs) to export more goods and services to New Zealand.

We will not sign trade deals that compromise our high environmental protections and food standards. We are a world leader in these areas and that will not change.

International Trade Secretary Liz Truss and Minister O'Connor met for a private dinner in New Zealand House before talks yesterday.

In addition to the bilateral free trade agreement, International Trade Secretary Truss and Minister O'Connor also discussed other trade topics, such as the CPTPP and WTO reform.

This is the first visit a New Zealand Cabinet minister has made overseas since New Zealand closed its borders due to COVID-19.