

# UK International Trade Secretary visits New Zealand, Australia and Japan

The UK's International Trade Secretary is visiting New Zealand, Australia and Japan this week (16-20 September) to prepare for trade negotiations after Brexit on 31 October.

Liz Truss will meet her counterparts, as well senior government figures and businesses, in each country to ensure trade negotiations can begin rapidly.

The government is strongly committed to securing ambitious and high-quality free trade agreements with New Zealand, Australia, Japan and the US, as well as potentially joining the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP).

International Trade Secretary Liz Truss said:

As the UK prepares to leave the EU on 31 October, we look forward to taking back control of our trade policy and negotiating new free trade agreements.

I am visiting some of our most like-minded trade partners this week to send a clear message: the UK is an open, welcoming business destination and we are ready to trade.

There is massive political willingness from our trading partners to negotiate ambitious new trade agreements that will benefit people throughout the whole of the UK. We look forward to beginning negotiations shortly.

## **Wellington, New Zealand**

Ms Truss lands in Wellington, New Zealand, today (Monday 16 September). She will meet Trade Minister David Parker and Deputy Prime Minister Winston Peters.

The UK is one of New Zealand's largest trading partners and UK investors are the fifth largest source of foreign direct investment in the country.

The Department for International Trade has helped many businesses to secure contracts to export their goods and services to New Zealand, which has resulted in:

- English-made Seedlip spirit – the world's first non-alcoholic spirit – being sold in supermarkets and bars throughout New Zealand
- Farmers across New Zealand working with Cornwall-based biosecurity firm

ABS Cornwall to eradicate and prevent the spread of disease in crop and livestock

- Commuters in Auckland and Wellington riding electric and low-emissions buses built by Yorkshire-based Optare and Scotland-based Alexander Dennis. 1 in every 3 of the countries buses has been built in Britain
- Residents in Dunedin benefiting from streetlights made by Cambridge-based company Telensa.

Despite already strong trade links, there are still trade barriers holding British businesses back. Some UK exporters face tariff barriers in supplying the New Zealand market, including tariffs which are between 5 and 10% on automotive and machinery sectors.

A new free trade agreement would help make British businesses more competitive compared to those in countries that already have trade agreements with New Zealand.

For example, 1 in 3 buses in New Zealand are made by a British company despite a tariff of bus imports.

Yorkshire-based bus company Optare has delivered exports worth NZ\$44 million in the last year and has 116 low-emissions buses currently operating in the country.

Speaking about a future free trade agreement, Optare CEO Graham Belgum, said:

Optare is proud to have developed technology in the UK that provides New Zealand bus operators with the world's lowest emission buses and the lowest operating costs. We have 116 of this latest generation of buses in New Zealand currently.

We hope to grow our partnership. Current trade tariffs raise the cost of our buses in New Zealand. A free trade agreement between our countries would pave the way for us to make the latest technology more affordable for New Zealand operators.

As well as lowering tariffs, a new FTA could create more opportunities for British services including:

- British architects, engineers and construction firms to build New Zealand's new railways, airports and skyscrapers
- Tech start-ups who are exporting for the first time as New Zealand is a good place to test and develop new technologies, in particular the UK's successful and growing FinTech market
- There is particularly strong demand for British confectionery, gourmet foods, health and free-from foods and drinks, as well as craft beer and premium gin
- The millions of small and medium sized businesses across the UK to trade more, by reducing regulatory barriers and supporting increased

participation in trade.

- Building on our already successful two-way foreign direct investment.

The UK government's negotiating strategy will draw on one of the largest public consultations in British history. This involved more than 146,000 people and organisations sharing their views about a future UK-New Zealand free trade agreement.