

Hon Todd McClay

Minister of Agriculture
Minister of Forestry
Minister for Hunting and Fishing
Minister for Trade
Associate Minister of Foreign Affairs



03 APR 2024

T Murray
fyi-request-25490-85cea791@requests.fyi.org.nz

Dear T Murray

Thank you for your email of 23 January 2024 in which you request the following under the Official Information Act 1982 (OIA):

1. *Could you please provide all information used to support your recent visit to India and Singapore.*
2. *Also please include the cost of any flights and accommodation for you and staff travelling with you from your office.*

On 21 February 2024, the timeframes for responding to your request were extended by an additional 30 working days because responding to your request necessitated the review of a large quantity of information, and due to the consultations necessary to make a decision on your request (section 15A of the OIA refers).

Attached are the documents relevant to your first request. Some parts of the documents are withheld under the following sections of the OIA:

- 6(a): to avoid prejudicing the security or defence of New Zealand or the international relations of the New Zealand Government;
- 6(b)(i): to protect the passing of information from another government on a confidential basis;
- 6(e)(vi): to avoid damage to the New Zealand economy by the premature disclosure of decisions relating to entering into of overseas trade agreements;
- 9(2)(a): to protect individuals' privacy;
- 9(2)(b)(ii): to avoid prejudice to the commercial position of another party;
- 9(2)(d): to protect the economic interests of New Zealand;
- 9(2)(f)(iv): to protect the confidentiality of advice tendered by Ministers of the Crown and officials; and
- 9(2)(g)(i): to protect the free and frank expression of opinions by departments.

Where the information has been withheld under section 9 of the OIA, no public interest in releasing the information has been identified that would override the reasons for withholding it.

Regarding your second request, we are also providing the following information on costs for the visit. No accommodation was booked for this visit.

Minister	\$11,590.00	1	\$11,590.00
Private secretary	\$11,590.00	1	\$11,590.00
Total airfare cost			\$23,180.00

You have the right to seek an investigation and review by the Ombudsman of this decision by contacting www.ombudsman.parliament.nz or freephone 0800 802 602.

Yours sincerely



Hon Todd McClay
Minister for Trade

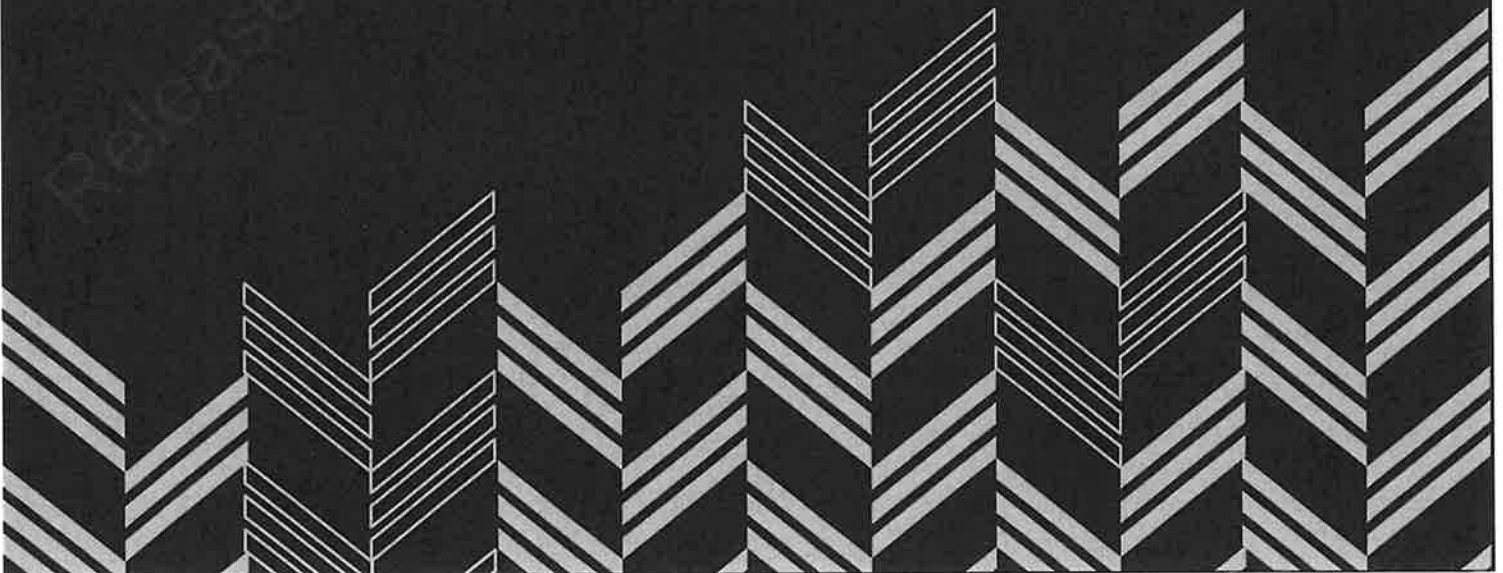


NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

Minister for Trade

Hon Todd McClay

India, 19 December 2023



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VISIT OVERVIEW

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Overview

Your visit to India provides the opportunity to advance the following high-level objectives:

- i. To **engage with key decision-makers and influencers** who will determine India's attitude towards the relationship.
- ii. To get a **clear picture of the opportunities and challenges in engaging with India** in order to develop a strategy to advance the relationship.
- iii. To offer **clear and impactful messaging about the priority the new government places on the India relationship**.

Prioritising India as your first port of call as the Minister for Trade will set the strategic direction of New Zealand's trade policy, clearly respond to India's clear signal that it is seeking a 'broad-based relationship' with New Zealand and underline the value New Zealand places on India's increasing global political and economic importance.

2 The cornerstone of this visit is your introductory meeting with your counterpart, Minister Piyush Goyal. The purpose of your engagement with Goyal is to build relationship capital, and to inform New Zealand's foreign policy approach to propel our relationship with India forward.
s6(a)

3 Your site visits will highlight New Zealand's presence in Indian markets and a working lunch with New Zealand business representatives will offer a clear picture of the opportunities and challenges on the ground. Your speech and conversation with G20 Sherpa, Amitabh Kant, to an audience of influential Indian business people is an opportunity to deliver impactful messaging about New Zealand's intentions for its partnership with India.

Context

4 Acknowledging India's growing global stature, the onus is on New Zealand to demonstrate our value as a credible and strategic partner. Your visit comes off the back of India's successful G20 2023 presidency and ahead of its national elections (expected in April-May 2024).

5 s6(a)

A recent all-of-government effort, has helped chart an agenda across a range of portfolio areas (e.g. defence, education, foreign affairs, customs, and trade).
s6(a)

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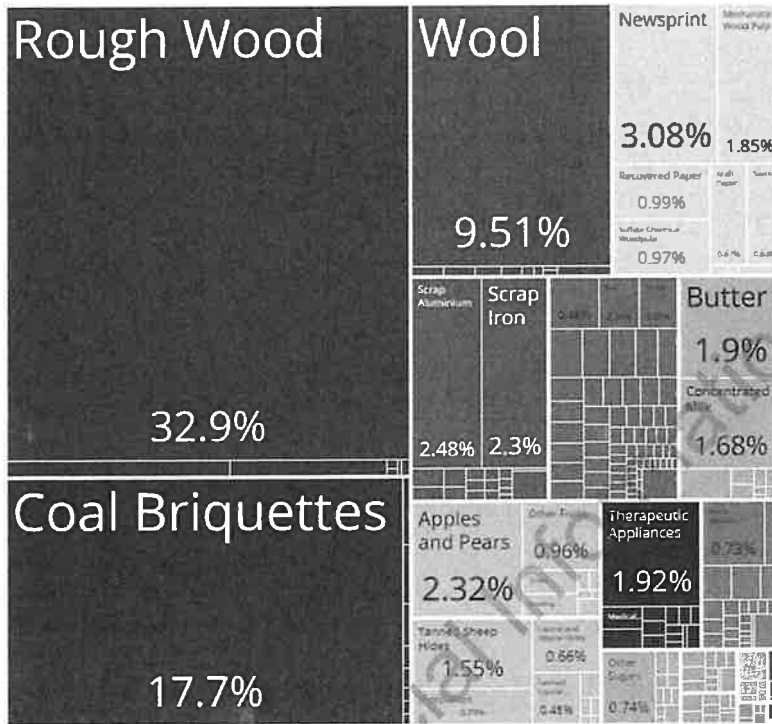
India Key Facts and Figures

Geography/Demographics	
Land Area	3,287,263 sq. km
Population	1.42 billion
Capital City	New Delhi
Languages	Hindi, English (the Constitution recognises 22 other regional languages as scheduled languages in states)
Political	
Political system	Federal republic, with 28 states & eight union territories
Parties in national government	The National Democratic Alliance, a coalition led by the Bharatiya Janata Party (BJP)
Last election	April-May 2019
Head of State	President Droupadi Murmu
Head of Government	Prime Minister Narendra Modi
Economic (2023 estimates)	
GDP	NZ\$6.06 trillion
Real GDP growth	6.5%
Goods exports	NZ\$722.3 billion FY 2022-23
Goods imports	NZ\$1.2 trillion FY 2022-23
Current account balance	NZ\$-15 billion
New Zealand Goods and Services Trade with India (year ended June 2023)	
Total two-way trade	NZ\$2.61 billion (+28.6% YOY 2022)
Ranking	15
New Zealand Goods Trade (year ended June 2023)	
NZ goods exports to India	NZ\$521.43 million (+8.4% YOY 2022)
Main exports	Misc. products, wood pulp, wool, aluminium, fruits and nuts
NZ imports	NZ\$1.13 billion (+13.6% YOY 2022)
Main imports	Pharmaceuticals, machinery, mineral fuels and oils, precious metals and stones, textiles
New Zealand Trade in Services (year ended June 2023)	
NZ exports	NZ\$545.38 million (+87.6% YOY 2022)
Main exports	Travel
NZ imports	NZ\$411.67 million (+54.7% YOY 2022)
Main imports	Travel, other business services, telecommunications
Other indicators	
International Student numbers in NZ (2022)	3,985 (-77% 2019)
Total visitor arrivals in NZ from India (year to July 2022)	3,758 (-94% 2019)
Total visitors returning to NZ from India (year to July 2022)	2,743 (-96% 2019)
Indian national work visas approved (year to August 2023)	35,865 (17,565 arrived in NZ)
Total NZ residents travelled to India in 2019	83,000
People of Indian descent living in New Zealand	c. 300,000
Ease of Doing Business	
2016 rank	130
2020 rank	63

New Zealand Trade Profile with India

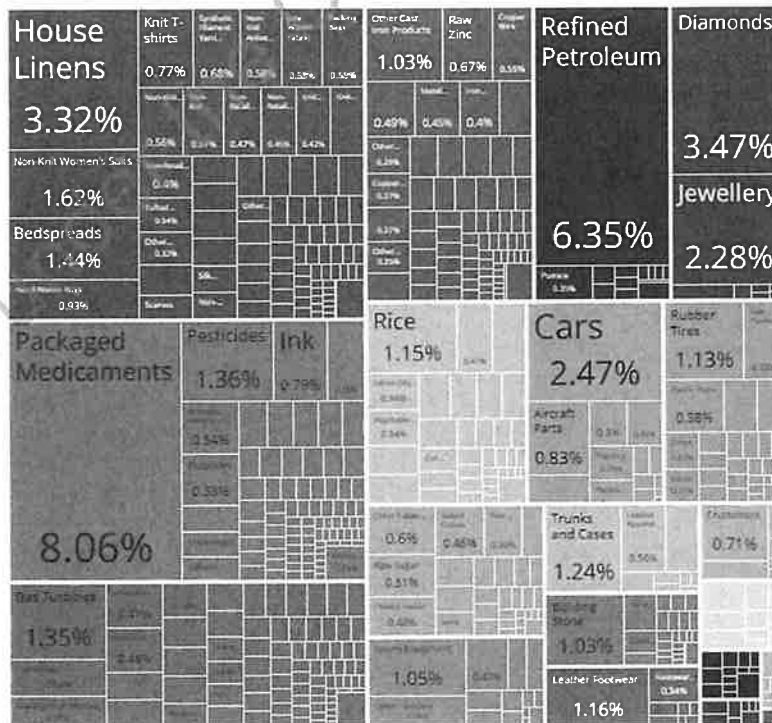
New Zealand goods exports to India (2022)

Total: NZ\$555.93 million



India goods exports to New Zealand (2022)

Total: NZ\$1.17 billion



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MEETING BRIEFS

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Meeting with Air India Chief Executive, Campbell Wilson

Time and date: 7:45-8:45am Tuesday 19 December



Campbell Wilson, a New Zealander, took up the roles of Chief Executive Officer and Managing Director of Air India in June 2022. He was previously the Chief Executive Officer of low-cost Singaporean airline, Scoot. Before his appointment, he worked for the SIA group for more than 15 years in Japan, Canada, and Hong Kong. He left Scoot in June 2016 when he was appointed as the acting Senior Vice President of Sales and Marketing for Singapore Airlines.

Objectives

- Build a relationship with Campbell Wilson to help support our air connectivity ambitions.

s9(2)(b)(ii)

Talking points

- Work is underway on a coherent, whole-of-government approach to our relationship with India across the political, defence, people-to-people and economic elements of the relationship.
- Non-stop services would be transformational for India and New Zealand. They would greatly improve trade, tourism and people-to-people links, including for Indian students, the diaspora community and migrant workers. s9(2)(b)(ii)
- Tourist visitors from India are high-value as they tend to travel in New Zealand's shoulder seasons (Autumn and Spring) and to a range of regions, staying an average of 12 days and interacting with local communities and cultures.
- Providers such as the New Zealand International Commercial Pilot Academy and the International Aviation Academy of New Zealand are training cadet pilots for leading airlines in India.
- Demand on the India–New Zealand route is strong. In the July–September quarter, India was New Zealand's fourth largest long-haul origin destination, and is the fastest post-pandemic recovery and growth market. Demand was up 30% on the same period in 2019.
- Immigration processing times are improving, notwithstanding a significant increase in demand from India. s6(a)

s6(a)

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s9(2)(b)(II)

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Background

- There has been plenty of public commentary about the possibility of a direct flight between New Zealand and India. ^{s9(2)(g)(i)}

• s9(2)(b)(II)

In January 2022 the Government of India settled this debt before transferring ownership of Air India to Tata Group.

• s9(2)(b)(ii)

South and South East Asia Division/New Zealand High Commission New Delhi
December 2023

Meeting with Minister of Commerce and Industry, Piyush Goyal

Time and date: 6:30-7:30pm Tuesday 19 December



Minister Piyush Goyal (*pron: p-you-shh goy-uhl*) was appointed Minister of Commerce and Industry in May 2019. He is also Leader of the Upper House of Parliament (Rajya Sabha). Goyal has had a 36-year political career with the Bharatiya Janata Party (BJP) and held a number of ministerial portfolios. Minister Goyal comes from a background in investment. He is from Mumbai, and is an advocate of yoga.

Objectives

- Establish a relationship and develop rapport with Minister Goyal ahead of MC13, Indo-Pacific Economic Framework for Prosperity (IPEF) and other Ministerial engagements planned for 2024.
- Inform Minister Goyal of policy priorities for the new government in New Zealand.
- Share perspectives on international and regional trade issues.

Talking points

Introduction

- Meeting in India as part of the first overseas visit since being sworn in reflects the priority the New Zealand government intends to put on building its partnership with India.
- Building economic prosperity for New Zealanders through trade and in a way that benefits our partners is a focus area. New Zealand's relationship with India is very important in achieving this.
- Part of the New Zealand government's trade strategy is to conduct a record number of trade missions and focus on reducing the non-tariff barriers to trade that restrict access to overseas markets.
- There is momentum behind the New Zealand – India relationship and opportunities to progress initiatives of mutual benefit.
- Invite the minister to visit New Zealand at the earliest opportunity.

Economic Partnership

- New Zealand has heard the message about the need for a broad based relationship with India before we look to a free trade agreement. There are plenty of opportunities to strengthen our relationship through political, defence, people-to-people and economic elements. New Zealand has an interest in building economic opportunities through an FTA with India, but it's essential that the timing and conditions for this are right for both sides.

- The New Zealand economic story is increasingly diverse. The services sector now accounts for over 70% of New Zealand's GDP, and over half of the value of total exports (when service inputs to merchandise exports are included). Many of the key New Zealand businesses operating in India are either high tech manufacturing (Rakon, Fisher and Paykel Health) or digital service businesses (Valocity).
- Agriculture is an area where New Zealand and India can develop a genuinely cooperative relationship. ^{s6(a)}

• ^{s9(2)(d)}

- Seven of our universities, five of our vocational education providers, and a number of Private Training Establishments have in-country representatives and offices in India.
- New Zealand ^{s6(a)}
welcomes engagement at Ministerial, official, and sector levels to grow our education cooperation and international education market with India.
- Non-stop air services would be transformational to the overall bilateral relationship. They would greatly improve trade, tourism and people-to-people links, including for Indian students, the diaspora community and temporary workers.
- Recently upgraded air services arrangements ^{s9(2)(b)(ii)}

G20

- India successfully hosted G20 this year and reached consensus on the G20 Leaders statement. Note the admittance of the African Union as a permanent member of the G20.

Indo-Pacific Economic Framework for Prosperity (IPEF)

- New Zealand is keen to build on the relationships developed in the IPEF negotiations. This architecture gives offers new opportunities to work with India and with the US and other partners on an important set of issues – supply chain resilience, driving the clean economy transition, ease of doing business and boosting investment flows.
- Although a trade pillar deal wasn't reached in San Francisco, the Supply Chain Agreement, the Clean Economy Agreement and the Fair Economy Agreement were successfully concluded.
- ^{s6(a)}
- What are India's interests in the longer-term development of IPEF?

WTO

- New Zealand looks forward to continued engagement with India on WTO issues in the lead up to MC13, as we and the broader membership work towards achieving concrete outcomes.
- The virtual WTO mini-ministerial in late November clearly demonstrated the common view that MC13 has to deliver a meaningful outcome on agriculture.
- New Zealand is committed to working constructively with India to achieve a successful outcome to ensure that the WTO can play its part to guarantee global food security.

• s6(a)

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• s6(a), s6(b)(l)

• s6(a)

• s6(a)

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• s6(a), s6(b)(l)

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3 s6(a)

South and South East Asia Division/New Zealand High Commission New Delhi
December 2023

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EVENT BRIEFS

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Visit to Akshardham Temple

Event details

Time and date: 10:00-10:50am, Tuesday, 19 December

Akshardham Temple, Noida Mor, New Delhi

Objectives

- To visit and pay respects at the Akshardham Temple, and meet the temple's spiritual leadership.

Agenda (tentative)

- 10:00 Arrive at Akshardham Temple
- 10:05 Be met and welcomed by temple authorities
- 10:10 Tour of temple complex
- 10:40 Meet Gyanmuni Swamidas ("Swami Ji"), Head Priest of the Akshardham Temple. It is likely that Swami Ji will look to give some form of blessing to the Minister. This will probably involve wearing a garland of flowers and Swami Ji placing his hands on the Minister's head. The Minister could press his palms together in front of his chest (as a prayer-like gesture) as a sign of respect.
- 10:50 Depart temple for Le Marche supermarket.

Attendees

- The Ministers' delegation and temple authorities.

Bio



Gnanmunidas Swami [you can call him Swami ji] is the head of the Swaminarayan Akshardham temple. Born in the US, Gnanmunidas Swami received a Master's degree in Management, Finance and Information Systems from the University of Texas at Austin and an MBA from Harvard University. Swami worked as a consultant for McKinsey, Arthur Andersen, and IBM, and financial strategist for Goldman Sachs and Motorola. Swami ji completed his religious training and Sanskrit studies from the BAPS Swaminarayan Training Centre for Sadhus (Hindu Monks) in India.

Background

- Opened in 2005, the Swaminarayan Akshardham (or Akshardham Temple) is a large Hindu temple, and spiritual-cultural campus complex in Delhi. The site displays traditional and modern Hindu culture, spirituality, and architecture.
- The Akshardham temple is part of the BAPS (Bochasanwasi Akshar Purushottam Swaminarayan Sanstha) Hindu movement formed in 1907. There are several BAPS temples in New Zealand, including in Auckland, Lower Hutt, Christchurch and Rotorua.
- It is frequently the practise of visiting dignitaries to India to visit a holy place at the start of their visit. It is a signal of respect and acknowledgement of the local customs and traditions. It is normal practice for Indian political and business leaders (and for people in general) to seek a blessing from their respective spiritual group.

Visit to Le Marche - Organised Retail Store

Event details

Time and date: 11:25am-11:45pm, Tuesday 19 December

Objectives

- This event is designed to showcase a range of seasonal products from New Zealand food and beverage exporters who are selling in the high-end Indian retail market. It will provide an opportunity for you to see organised retail operations, first-hand, and gain an understanding of how these businesses operate.
- The visit aims to highlight New Zealand's performance and potential in the high-end food and beverage sector and is a chance to gain insights into the potential opportunities and challenges of exporters in this market.

Agenda

- 10:50 Depart from Akshardham temple
- 11:25 Visit to *Le Marche*, inspect New Zealand produce available for sale.
- 12:10 Depart for working lunch at the New Zealand High Commission
- 12:30 Arrive at the New Zealand High Commission

Attendees

- H.E. Mr. David Pine, New Zealand High Commissioner to India
- Vangelis Vitalis, Deputy Secretary Trade and Economic, MFAT
- Deborah Geels, Deputy Secretary, Americas and Asia, MFAT
- Charles Kingston, Private Secretary to the Minister for Trade, MFAT
- Rachael Kerr, Regional Director, India, Middle East & Africa, NZTE
- Graham Rouse, New Zealand Trade Commissioner to India, NZTE
- Melanie Phillips, Counsellor (Primary Industries), Southeast Asia, MFAT
- Louis O'Brien, Second Secretary – Trade and Economic, India, MFAT
- Neera Arora, Business Development Manager – South Asia, NZTE
- Irfan Jaffer, Business Development Manager – South Asia, NZTE
- Michael Fox, INZBC Chair and Zespri Head of Global Public Affairs

Background

- Le Marche, purchased by DS Group (Dharampal Satyapal Group) in 2017, is a premium lifestyle food supermarket and is New Delhi's top retail destination for high-quality foods from around the world. The chain operates in a niche, retail market,

targeting the well-travelled urban consumer who is interested in gourmet cooking and international products.

- The grocery store chain currently operates seven stores in India's National Capital Region/New Delhi. With an assortment of 20,000 products, it is one of the country's largest gourmet foods retailers.
- The DS Group founded in 1929, is a Multi-Business Corporation and is one of the leading Fast-Moving Consumer Goods (FMCG) conglomerates with strong international presence.

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Tea with Education Agents and Students

Event details

Time and date: 12:15pm-12:45pm, Tuesday 19 December

Front lawn, New Zealand High Commission

Objectives

- Engage with Indian education agents and students to hear their perspectives on opportunities and challenges facing New Zealand's international education sector in India.
- Agent Engagement to focus on:
 - Changing dynamics of international education in India
 - Opportunities this presents for the New Zealand education sector in India
 - Strategies to encourage high-calibre Indian students to choose New Zealand
- Alumni interactions to focus on:
 - How to effectively differentiate New Zealand's education sector to prospective Indian students
 - Key (and changing) motivations for Indian students to choose New Zealand

Agenda

- 12:15 Education New Zealand (ENZ) representatives greet the Minister and introduce attendees
- 12:18 ENZ representatives facilitate discussion with education agents and alumni over 'Tea' at the New Zealand High Commission
- 12:45 Conclude engagement

Attendees

- Education agents focused on promoting New Zealand
- New Zealand alumni based in India
- Minister and accompanying delegation
- ENZ representatives

Background for Education Agents:

ENZ's Recognised Agent (ENZRA) global programme was disestablished earlier this year. The programme was previously set-up as a marketing initiative whereby agents met annual student visa targets and adhered to good practice standards to attain or retain their ENZRA status. ENZRA agents were afforded certain privileges and constituted a list of trusted agents in each country.

While ENZRA has been disestablished, ENZ continues to engage with local agents across a variety of events and initiatives. These include training workshops and seminars as well as co-funded projects to help enhance the profile of New Zealand education in India.

A selection of agents invited for this event have established a new, self-regulatory group called NZ Education Representatives in India (NZERI) and have requested for ENZ and Immigration New Zealand to be honorary members. ENZ has not yet confirmed or declined the request.

Concerns the agents will potentially raise:

1. Student Visas
 - a) Since the border opening post-COVID, agents have experienced issues with student visa processing including a lack of consistency in decision making, evidence of funds requirements and processing timelines.
 - b) The current policy settings do not provide attractive Post Study Work Rights (PSWR) for students planning to study Diploma level programmes (not included on green list).
 - c) The policy settings do not take into account appropriate PSWR for students pursuing Bachelor level programmes.
 - d) The Evidence of Funds requirements (within the student visa application process) make it very challenging to promote New Zealand's undergraduate programmes for Indian students.
 - e) Will any of these student visa policies change under the new Government?
2. Disestablishment of Te Pūkenga
 - a) How will Te Pūkenga be promoted offshore?
 - b) Will all agent contracts remain centralised?
3. Why is the new Government banning the use of mobile phones at school in New Zealand?

Official Opening of the Prime Ministers' Gallery

Event details

Time and date: 12:45pm-1:00pm, Tuesday 19 December

Chancery, New Zealand High Commission

Objectives

- To formally open the Prime Ministers' Photo Gallery in the Chancery and meet informally with High Commission staff.

Agenda

- 12:45 walk from the High Commission lawn to the Chancery (2 mins)
- You will have quarter of an hour to open the Gallery by unveiling a plaque, and to chat with High Commission staff.
- 1:00 Conclude engagement and make way to the Official Residence dining room for lunch.

Attendees

Minister's delegation, High Commission Staff

NZTE Working Lunch with New Zealand Business Representatives in India

Event details

Time and date: 1:00pm-2:30pm, Tuesday 19 December

Official Residence dining room

Objectives

For representatives of key New Zealand businesses operating in India to connect with you informally and share insights on their commercial commitments to doing business in India. Acknowledge the New Zealand businesses that contribute to New Zealand's economic relationship with India, and the value that this provides the broader bilateral relationship.

Agenda

- The meeting and lunch will last approximately 90 minutes.
- Graham Rouse, New Zealand's Trade Commissioner and Consul-General, India, will open the meeting and introduce the attendees, after which you will be invited to give brief introductory remarks to open the informal discussions regarding doing business in India.

Run sheet

- 13.00 Trade Commissioner Graham Rouse will escort you from the Chancery to the Representation Dining Room for the luncheon.
- 13.05 Graham Rouse introduces Minister McClay to the participants and invites him to make a brief introduction.
- 13.07 Minister McClay brief introduction.
- 13.10 Buffet open – participants gather lunch
- 13.20 Graham Rouse initiates informal discussion with participants
- 14.20 Roundtable discussions end. Minister McClay thanks attendees for their time and makes closing remarks.
- 14.30 Minister and attendees depart venue.

that come with trading with India and you are all leading the way for New Zealand businesses operating here.

- I understand that India has signalled interest in deepening our sectoral cooperation to deliver mutual benefits. Agriculture, education, air connectivity and business-to-business architecture are the initial priority sectors of focus for our government; however, I am keen to hear from you today as to other opportunities and look forward to our discussions. Thank you.

Background

- NZTE has seen an increase in exporter engagement and enquiries about India in the past year, including questions about how to diversify supply chains with Indian partners.
- Key sectors of engagement include aviation, food and beverage (F&B), manufacturing and increasingly, information technology and tech services (health, education, agriculture and general).
- s9(2)(b)(ii)
- s9(2)(g)(i)
- s9(2)(b)(ii), s9(2)(f)(iv)

Biographies

s9(2)(a), s9(2)(b)(ii) - 2 pages redacted

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Meeting with MSME Business Forum India

Event details

Time and date: 2:40pm-3:15pm, Tuesday 19 December

Front lawn, New Zealand High Commission

Objectives

- To meet with representatives from the MSME Business Forum to hear about opportunities and challenges for small and medium sized businesses in India, including with respect to international trade.

Attendees

MSME Business Forum representatives, Minister's delegation and High Commission Staff

Background

MSME Business Forum is a network hub of former corporate executives, investors, and industry experts working to enhance MSME and SME profitability through lifting ease of doing business, including through export promotion.

'Green Room' conversation with Indian business leaders

Event details

Time and date: 3:30-4:30pm, Tuesday 19 December

Venue: Green Room, India Habitat Centre

Objectives

- Hear from a select group of influential Indian business stakeholders with New Zealand business interests ahead of session with Amitabh Kant.

Agenda

- 3:30 Minister to meet selected Indian business leaders (in private, 'green' room).
 - Informal conversation covering India trade policy context, perspectives from Indian industry, and key business leaders with substantial New Zealand investments.
- 4:25 Depart for session with Amitabh Kant.

Guests

- Mr Bharat Joshi, CEO J-Curve Ventures
- Dr Amita Batra, Professor of Economics, Jawaharlal Nehru University
- Mr Vikram Gera, India Oceania Business Association (IOBA)
- Federation of Indian Chambers of Commerce & Industry (FICCI)
- Confederation of Indian Industry (CII)
- Tata Consultancy Services
- HCL
- Mr Amit Lohani, Director, Forum of Indian Food Importers
- Michael Fox, Chair INZBC and Zespri Head of Global Public Affairs

Bios

Bharat Joshi, CEO of J Curve



Bharat Joshi is CEO of J-Curve Ventures and Executive Director of J-Curve Group and its logistics, investment and infrastructure companies. Joshi is the Delhi Chair of the India-New Zealand Business Council. He serves on the National Council of CII (Confederation of Indian Industry) and National Association of Container Freight Stations.

Dr. Amita Batra, Professor of Economics, Jawaharlal Nehru University

Dr. Batra is a distinguished Professor of Economics and Chairperson of the Centre for South Asian Studies at JNU. Dr Batra has over 30 years of experience in teaching and applied research. She has held roles in economic think tanks, at the University of Delhi, and as a Consultant for the World Bank. Dr Batra is an expert in international trade, trade policy, global value chains, and regional economic integration. She contributes as a member of the Economic Affairs Council of CII.

Vikram Gera, India-Oceania Business Association (IOBA)

Vikram Gera is Senior Vice President at TR Chadha & Co LLP with 30 years of experience in taxation and regulatory matters. Mr Gera is the Director of the India Oceania Business Association (formerly Australia, New Zealand and India Business Association ANZIBA), and holds leadership positions in a number of international business groups.

Amit Lohani, Director, Forum of Indian Food Importers

Amit Lohani is the CEO/Managing Director of Max Food Corporation, and the Founder/Director of the Forum of Indian Food Importers (FIFI). He has played a pivotal role in uniting the food imports industry, representing over 15,000 members and contributing to USD 3.2 billion of food trade in India, helping countries like New Zealand engage with India on food and import regulations and NTBs. Lohani completed his MBA from University of Queensland, Australia,

Federation of Indian Chambers of Commerce and Industry (FICCI)

FICCI is India's largest and oldest apex business organization, founded in 1927. A non-governmental and not-for-profit entity, FICCI serves as the influential voice of India's diverse business and industry sectors, advocating for their interests, engaging with policymakers, and fostering collaboration among its extensive membership of over 2,50,000 companies across public, private, and multinational domains.

Confederation of Indian Industry (CII)

CII is a non-governmental, industry-led organization with more than 9,000 members, including SMEs and MNCs, shaping India's development for over 125 years. As a pivotal player in national development, CII collaborates with the government, thought leaders, and industry to enhance efficiency, competitiveness, and business opportunities. With a global footprint, 65 offices, and 8 overseas offices, CII fosters a platform for consensus-building and corporate

citizenship programs, aligning its vision with India's journey towards a competitive and sustainable future.

Tata Consultancy Services

Tata Consultancy Services (TCS), a pioneering IT services and consulting firm under the Tata Group, has been a global leader for 50 years, operating in 150 locations across 46 countries with over 616,000 employees as of September 2023. TCS has been active in New Zealand for more than 30 years, and has a solid understanding of areas of complementarity between India and New Zealand.

HCL Tech

HCL is a leading global IT services and consulting firm. With a rich history in hardware and software development, HCL transitioned into a global leader in digital, engineering, and cloud solutions, operating across 60 countries with over 221,000 employees. Known for innovation and societal impact, HCL tech's diverse portfolio includes more than 210 delivery centres, innovation labs, and a strong commitment to transformative technology solutions. HCL has offices in Hamilton, Wellington and Auckland, and provides significant tech-service solutions to Fonterra, amongst its New Zealand customers.

Speech and moderated discussion with Amitabh Kant

Event details

Time and date: 4:30-5:30pm, Tuesday 19 December

Venue: Jacaranda Hall, India Habitat Centre

Objectives

- Address a broad audience of New Zealand and India economic relations stakeholders on the "Partnership Pathway", discussing and setting out the path forward for the relationship.

Agenda

- *[4:00 Auditorium opens to guests, tea and coffee and networking.]*
- 4:30 "New Zealand Minister for Trade, Hon Todd McClay, in conversation with Amitabh Kant"
 - Event opened and facilitated by Indrani Bagchi, Diplomatic Editor, Times of India
 - Minister to offer opening remarks
 - Conversation with Amitabh Kant, as per guided question and answer session
 - Bagchi to open Questions and Answers session to the floor
- 5:30 Refreshments and networking
- 6:00 Briefing with officials for meeting with Minister Goyal (in private, 'green' room).
- 6:15 Depart for next engagement.

Guests

- Around 150-200 guests including representatives from the India Oceania Business Association (IOBA), Federation of Indian Chambers of Commerce & Industry (FICCI), Confederation of Indian Industry (CII), New Zealand and Indian officials, and key NZ Inc. relationships including think tank and business contacts.



Amitabh Kant [Pronunciation: Ami-TAAB KAANT] is India's Sherpa for the G20. Kant is a close adviser to the Government and was the Chief Executive Officer of the government think tank, the National Institution for Transforming India (NITI Aayog) (2016-2022) and the Secretary of the Department for Industrial Policy and Promotion (2014-2016). He has been a key driver of flagship national initiatives such as Startup India, Make in India, Incredible India, Kerala: God's Own Country and the Aspirational Districts Program. He is also the recipient of Sir Edmund Hillary Fellowship.



Indrani Bagchi is CEO designate at Ananta Aspen Centre, India. She was Associate Editor with The Times of India, where she reported and analysed foreign policy issues for the newspaper from 2004 until 2022. Earlier, Indrani worked for **India Today**, **The Economic Times** and **The Statesman**. She graduated from Loreto College, Calcutta University with English honours. Indrani was a Reuters Fellow at Oxford University in 1997 and studied US-China relations at Brookings Institution.

Speech

Tena koutou katoa, Hello, and Namaskar [pron. "Num-us-kar"].

It really is a great pleasure to be here today in Delhi. I would like to acknowledge all of you who have joined us; [*businesses leaders, distinguished academics, sector and peak body representatives*]. You are here because, like me, you have an interest in the New Zealand-India relationship.

I'm also delighted to have this opportunity to reconnect with my colleague Amitabh Kant [pron. "Ah-mee-taab Kant"], whom I hosted in New Zealand during my last tenure as Trade Minister. I look forward to working with you again Amitabh.

My Government was sworn into office just four short weeks ago and it's no coincidence that I have chosen to visit Delhi as my first international engagement.

You should read it as intended; a signal of the strategic priority that my Government attaches to New Zealand's relationship with India.

New Zealand and India established diplomatic ties over 70 years ago, a time when the global economy was recovering from the ravages of two world wars – wars in which both our nations sacrificed so much.

Legend has it that in WWI New Zealand rations were so terrible in Gallipoli, that our men frequently relied on the kindness of their Indian comrades sharing their chapatis – the origins of New Zealand-India trade perhaps?

New Zealanders and Indians have been demonstrating respect and camaraderie to each other ever since.

Today New Zealand's India-origin diaspora is 5 percent of our population and growing; constantly refreshing and renewing the people to people links between our two countries. In our largest city, Auckland, this figure stands at 8 percent. It is no surprise that Hindi is our fifth-most common spoken language!

Indian New Zealanders have thrived in their adopted home and made an enormous contribution to modern New Zealand culture and economy. In 2019, it was calculated that New Zealand-Indians contributed NZD 10 billion to the New Zealand economy that year.

As I mentioned at the outset, I was sworn in less than a month ago as a Trade Minister for a Government with an ambitious international agenda.

I am here today – on my first international visit - to listen and discuss the path forward. It is essential that we are aligned in our strategy to develop a strong relationship that results in future growth and prosperity for both our countries.

New Zealand's new Government meets an increasingly challenging external environment: an international system under threat; global food security under pressure; conflicts and tensions creating disunity and an erosion of the rules we rely on; and increasingly dramatic climate events.

These global challenges are worrying and in our region they are acute. In this environment, responsible nations that understand each other must draw closer together to safeguard our security and prosperity.

Strengthening global connections through trade and economic cooperation is my focus. I believe nations are at their best when they are leveraging their economic and commercial strengths to shared benefit.

I believe in the stabilising effect of trade and economic integration.

I believe New Zealand and India can do so much more together and that is what I am in Delhi to discuss.

I'll be listening carefully to you and to Minister Goyal when we meet later today, but before that I want to share my vision of what New Zealand and India's relationship could be.

First, a multifaceted and diverse bilateral relationship is essential for thriving two-way trade and the reverse is also true.

On trade, I am unapologetically ambitious for New Zealand as I am sure Minister Goyal is for India. Improving our trade and economic relationship would deliver real benefits for our businesses, communities and economies.

New Zealand is deeply enmeshed in the Indo Pacific trade architecture through a range of bilateral agreements and through our membership of the CPTPP, RCEP, AANZFTA and more recently IPEF.

India is already part of three pillars of IPEF: the supply chain pillar, the climate-focused "clean economy" pillar, and the "fair economy" pillar focused on rule of law issues such as corruption.

We appreciate the constructive role India has played in negotiation of these pillars, and are looking forward to New Zealand and India becoming formal partners in these three agreements as they come into force in the months ahead.

This network of agreements has supported remarkable economic growth in our region, and has drawn trading partners closer together politically, affirming and strengthening our relationships.

Our relationship with India also has partnership at its core. The political, defence and security, people-to-people, cultural and economic elements of our relationship are inter-linked. New Zealand wants a modern, broad-based, comprehensive relationship with India. We want economic cooperation based on mutual benefit and shared interests. This means supporting India's economic ambitions in a way that benefits both countries.

It means knowing each other better and investing across the relationship in areas of importance to us both. I am keen to hear in my conversations here in Delhi about the areas where India sees potential for us to strengthen our partnership.

From New Zealand you should expect to see an increased tempo of engagement across all areas of our relationship and at all levels of Government.

I will be listening closely and taking back what I've heard from this visit to my cabinet colleagues and to New Zealand businesses, which share the Government's priority for a comprehensive, broad-based relationship with India.

Second, we need to recognise, celebrate and empower our connections.

For many decades now, India has been a key destination for New Zealand travellers, adventurers and businesses, while New Zealand has benefited from a number of Indian professionals, student exchanges, and a rapid increases in tourists looking for a sense of adventure.

As this won't be my last time visiting India as Trade Minister, next time I hope to have the opportunity to visit more of India's wonderful monuments, cultural heritage, and nature.

India has now become New Zealand's second largest source of international students. India is also New Zealand's second largest destination for our students under the Prime Minister's Scholarships for Asia, established by former Prime Minister John Key. This exchange of ideas and insights generates tremendous opportunities for growth and the personal connections forged between our two peoples are invaluable.

Earlier in my speech, I referred to the strong people-to-people connections we share. Many of the movers and shakers of New Zealand culture, society, and economy are of Indian origin, and we are so enriched by the close partnerships forged by these people.

Sir Anand Satyanand was New Zealand's first Governor-General of Indian and Pacific ancestry. Sukhi Turner was the first woman to be elected a mayor in Dunedin and first ever person of Indian descent to be elected a mayor in New Zealand.

Turning to the creative sector, Shirley Setia is a New Zealand singer and actress born in India who became a YouTube sensation with over 3 million subscribers. Simran Kaur is a best-selling author, radio presenter, and founder of *Girls That Invest*, a podcast that has grown into an online phenomenon, and was named in the prestigious 'Forbes 30 Under 30'.

And of course Kiwi-Indians are at the forefront of New Zealand cricket. Black caps batsman Rachin Ravindra was named as one of the rising stars by the International Cricket Council breaking several world records in the sport's history.

New Zealand and India have warm and lively sporting rivalries, including cricket - a sport in which our two countries are consistently among the best teams in the world. Cricketers such as Stephen Fleming and Daniel Vettori are well-known in both countries.

Let me also use this occasion to congratulate India on its hosting of the Cricket World Cup. New Zealanders love playing cricket against India. Although we would have liked to see the Blackcaps do better, they were great matches and demonstrated a special occasion to celebrate our sporting links.

I would like to make special mention of the extraordinary businesses investing in New Zealand's market. Indian investment is making a significant contribution to the New Zealand economy, particularly in biotech and services:

Pristine Biologicals – a subsidiary of one of India's major vaccine producers - expanded their operations last year by inaugurating a facility at its plant in small town Dargaville; contributing essential inputs for global vaccine production, and high-value jobs in regional New Zealand.

In 2021 two Indian brothers who moved to New Zealand a little over ten years ago won the prestigious New Zealand Share Farmer of the Year title. An extraordinary achievement for first generation New Zealanders. These brothers are now exploring ways to share the knowledge they have learned in New Zealand back in their home state of Uttarakhand by running large scale farms.

These are just a handful of the many examples of how we are playing to each other's' strengths for shared benefit. I want to empower our people and our businesses to do even more together.

One of the ways we can do this is for Governments to continue our work to dismantle barriers to productivity and growth.

We will also continue to advocate for the importance of predictable rules to provide our businesses with the certainty they need to invest and create jobs.

Third, New Zealand is open for business.

We may not be big, but our products and services are world class.

We have expertise, experience, technology and a practical edge that has real impact when paired with India's dynamic and educated population and its expanding economy.

I believe that in joining forces our respective creativity and innovation can really deliver value. New Zealand innovation, investment, inputs, technology and expertise are contributing to some remarkable projects in a wide range of sectors including ICT, aviation, manufacturing and services.

Together we can expand our web of connections and expertise, boosting innovation and enterprise. Let us identify our complementary strengths and connections and find ways to build on those. Let us deepen and expand our platform of understanding and partnership. Let us draw closer.

Later today, I will meet Minister Goyal with these same messages. New Zealand is open for business and we want to expand our relationship with India.

I will reinforce with Minister Goyal the commitment and priority New Zealand ascribes to its relationship with India, and I will outline my intention to identify further trade and economic opportunities that benefit us both.

And finally, I will invite Minister Goyal to work with me to create a supportive and stable trade environment that will help our businesses to grow, to invest, and to flourish together.

It is my intention to return to India next year with a trade delegation and I hope to welcome Minister Goyal and Indian businesses to New Zealand.

There is no better way of knowing each other than to spend time in each others' homes – to share chapatis.

Let's make it a transformational year for the India New Zealand relationship, and let's be creative and ambitious about what can be achieved with the knowledge that we are in this for the long run.

Thank you, Ngā mihi nui, Dhanyavaad [pron. "Dhann-yah-var'd"].

Potential Questions & Answers

s6(a), s9(2)(g)(i)

- Our total two-way trade with India in the year ended June 2023 was NZ\$2.61 billion. This was a 29 percent increase from the previous year.
- India is New Zealand's 15th (of 245) largest trading partner by total trade value.
- Goods trade

NEW ZEALAND EXPORTS	NZ\$521.41 million (8.4 percent increase from previous year)
MAIN EXPORTS	Wood, wool, fruits and nuts, aluminium
NEW ZEALAND IMPORTS	NZ\$1.13 billion (13.6 percent increase from previous year)
MAIN IMPORTS	Pharmaceuticals, machinery, mineral fuels and oils, precious metals and stones, and textiles
- Services trade

NEW ZEALAND EXPORTS	NZ\$545.38 million (87.6 percent increase from previous year)
MAIN EXPORTS	Travel
NEW ZEALAND IMPORTS	NZ\$411.67 million (54.7 percent increase from previous year)
MAIN IMPORTS	Travel, telecommunications, other business services

s6(a), s9(2)(g)(i)

- We are focused on building our economic relationship with India that includes political, defence, people-to-people and cultural elements. An FTA is naturally something we aspire to, but there's lots that we can do in the lead up to that.

s6(a), s9(2)(g)(i)

- Naturally a commercially meaningful FTA is something New Zealand wants to see when the time is right. I know it will be challenging. First, though, we need to continue to invest together across our relationship and to build a stronger foundation for negotiation of such an agreement. Technology transfer and agritech may well have a role as part of that, and we need to keep in mind the full breadth of New Zealand's export interests.

s6(a), s9(2)(g)(i)

- We are looking at aviation, food and beverage, manufacturing and increasingly, information technology and tech services for health, education and agriculture.
- Indian companies are interested in adopting modern technology, and New Zealand companies are keen to deliver.
- Health technology is has great potential, and Fisher & Paykel Healthcare already has a strong presence in India through a large distributor network.
- The number of New Zealand companies setting up technology development centres in India to source talent and build scalability is growing. Examples of this are:

- The Energy Collective Ltd (an energy related IT services company with 200 staff),
- Rakon (which manufactures crystal oscillators for use in GPS and other tech solutions with 600+ staff),
- Double Yolk Digital (an IT services company with 50 staff),
- Red Pepper Digital Ltd (a digital publishing and marketing company with 100 staff);
- Valocity Ltd (a digital property valuation company with 20 staff); and
- Cin7 (who provide inventory management systems with 70 staff).

s6(a), s9(2)(g)(i)

- Log exports to India, which made up over NZ\$255 million in 2019, stopped as a result New Zealand phasing out the use of methyl bromide as a fumigant in shipholds.
- India recently agreed to add New Zealand to the list of countries which have phased out the use of Methyl Bromide. This means logs can now be treated on arrival, and the first shipment of New Zealand logs cleared at the port of Kandla, India on 27 November 2023.

s6(a), s9(2)(g)(i)

s6(a), s9(2)(g)(i)

- There is strong demand for non-stop flights, due to business links, tourism and the large Indian diaspora in New Zealand. There are also opportunities for Tourism New Zealand to launch destination marketing campaigns in India to support non-stop flights.

s6(a), s9(2)(g)(i)

New Zealand wants immigration. It wants the best and the brightest, skilled workers to come. This needs to be linked up to an economic agenda where there are genuine skill shortages.

s6(a), s9(2)(g)(i)

- Visitor visa processing times are improving; however, Immigration New Zealand is dealing with a significant increase in applications from India.
- There are few barriers for genuine higher-skilled migrants from India to come to New Zealand. India has been consistently the highest country of origin for skilled migrants to New Zealand for the last ten years.

s6(a), s9(2)(g)(i)

s6(a), s9(2)(g)(i)

s6(a), s9(2)(g)(i)

- The Memorandum of Cooperation for transforming Sheep Farming Sector in the Union Territory of Jammu and Kashmir is a technical assistance project that aims to lift local productivity levels of sheep and goat meat and wool in the region to boost income to around 1.2 million families
- The project is not an indication of the New Zealand Government taking a certain position on the respective sovereignty claims over the Jammu and Kashmir region.

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Page 47 of 77

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BACKGROUND BRIEFS

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New Zealand-India Bilateral Relationship

New Zealand's relationship with India has strong foundations. We share a common history of democratic values and institutions. ^{s6(a)}

2 Bilaterally our relationship is underpinned by strong people-to-people links. Pre-COVID, India was New Zealand's largest source of skilled migrants and our second largest source of international students. We have a growing diaspora of nearly 300,000 people (five percent of our population and eight percent in Auckland), who contributed approximately NZ\$ 10 billion to New Zealand's economy in 2019.

Where we are investing to build the relationship

3 We are aiming for a step change in the quality of the relationship with India by focusing on areas that align with our interests. ^{s6(b)(i)}

4 As part of this effort, New Zealand is currently progressing the following (non-trade and economic-related) bilateral initiatives with India.

- a. Various cooperation arrangements under negotiations: ^{s6(a)}

We also recently celebrated the signing of the White Shipping Arrangement between respective Navy Forces.

- b. Regular senior officials'-level engagement: The annual Foreign Ministry Consultations and a Joint Trade Committee meeting, Cyber Dialogue, and regular Food Safety meetings will help maintain our engagement with the Indian Government.
- c. Defence relationship: ^{s6(a)}

- d. Climate change: ^{s6(a)}

- e. Economic relationship: Instead of focusing on an FTA as a short-term outcome, we are committed to broadening our relationship with India, of which mutually beneficial economic partnership is a component. ^{s6(a)}

- f. People-to-people and cultural links: New Zealand will continue to leverage people-to-people links through education, tourism, sports, Track II, and cultural events, which remain important enablers for our relationship.
- g. Improved air connectivity:^{s9(2)(b)(ii)}
- h. Indigenous engagement/cultural diplomacy:^{s6(a)}

- i. Pacific cooperation: New Zealand is keen to enhance our bilateral standing as India's partner in the Pacific region.^{s6(b)(i)}

s6(a)

- j. IPEF:^{s6(a)}

5 s6(a)

6 s6(a)

7 s6(a)

8 s6(a) - 1 page redacted

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India Political Update

Domestic politics

s6(a)

BJP governs 17 out of 28 states and 1 federally administered territory covering more than 57 percent of the country's population. Three more states turned over to BJP in state elections in early December. The party holds a majority of seats in both the Lower and Upper House

2 s6(a)

3 s6(a)

4 s6(a)

5 s6(a)

6 s6(a)

7 s6(a)

External relations

8 India held the G20 Presidency for 2023, hosting a successful Leaders' Summit in September. s6(a)

s6(a)

9 s6(a)

10 s6(a)

11 s6(a)

12 s6(a)

13 s6(a)

14 A meeting between the Foreign Ministers of India and China in New Delhi on 25 March 2023 marked the highest level of contact between the two countries since border tensions erupted in 2020. s6(a)

15 As India's economy has flourished in recent years, and its regional and global power and influence has grown, so too has the queue of countries desiring closer relations. A number of India's partners, ^{s6(a)} have invested significant resources and political capital into their relationships with India. This includes sustained engagement at the Prime Ministerial level, as well as frequent Ministerial-level engagement.

16 The United Kingdom, the United States, France, Germany and Japan all have "strategic partnerships" with India that include a range of regular Ministerial engagements across portfolios and dialogues on defence/security, economic and environmental issues.

17 ^{s6(a)}

Russia and Ukraine, calling for a cessation to violence and hostilities and a return to dialogue and diplomacy, and recognising that the global system is anchored on international law and respect for territorial integrity and the sovereignty of states.

Trade and Economic

18 India's evolving approach to trade is evidenced by the considerable progress in recent years towards FTAs with Australia and the UK. In April 2022, Australia and India signed the Australia-India Economic Cooperation and Trade Agreement (ECTA), characterised as an interim step towards signing a full FTA by the end of 2022 (still not finalised). The ECTA was India's first trade agreement with a developed country in a decade (though it reached agreement with the United Arab Emirates in February 2022). India-UK FTA negotiations are ongoing, as are negotiations with the EU. ^{s6(a)}

19 In 2020, India recorded its first economic contraction in 40 years. ^{s6(a)}

20 The Government of India released its 2022/23 budget in February, prioritising economic growth recovery, and providing an indicator of how the government may direct its economic strategy for the "post-pandemic" period ahead. The budget prioritised lifting the economy through public investments, and drawing in and amplifying private capital investment, with flow on effects for employment and income.

21 ^{s6(a)}

the budget continues to prioritise investment-led growth. This was reflected in a 35 percent increase in capital expenditure commitments.

New Zealand High Commission New Delhi
December 2023

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Trade Relationship

India is New Zealand's 19th-largest goods export market – averaging NZ\$600 million per year from 2017-2021 – and accounts for 1% of New Zealand's goods exports. New Zealand provides just 0.1% of India's imports, ranking us as India's 75th-largest goods import source.

2 A Free Trade Agreement (FTA) with India is our ultimate goal. ^{s6(a)}

3 ^{s6(a)}

4 ^{s9(2)(d)}

5 ^{s9(2)(d)}

6 ^{s6(a)}

7 There has recently been significant engagement between the private sector and NZ Inc. agencies to develop an agreed approach to lift economic relations with India through increased sectoral cooperation. Priority sectors include horticulture, agriculture (animal health), and education; formalising better business-to-business relationship architecture; and supporting airlines to establish a direct air service between India and New Zealand. Continuing a business-led track of cooperation to enable growth is another important element of the broader trade and economic relationship with India outside an FTA.

South and South East Asia Division
December 2023

Agricultural Cooperation

Agriculture is the backbone of the Indian economy with 55% of India's total workforce engaged in the sector. Small-scale subsistence farming characterises much of India's agriculture, with rural livelihoods tied to major export crops such as wheat and rice, and domestically consumed commodities like dairy. With a current GDP contribution of 18.3%, the Indian agricultural market is predicted to increase from US\$435 billion in 2023 to US\$580 billion by 2028.

2 s6(a)

3 s6(a)

4 s9(2)(d)

s6(a)

s9(2)(d)

5 s9(2)(d)

6 s9(2)(d)

s9(2)(d)

7 s9(2)(d)

8 s9(2)(d)

9 s9(2)(d)

Dairy cooperation

10 s6(a)

In mid-November 2023, MPI sent a delegation of three officials to India, including a Massey University representative, to meet with the National Dairying Development Board (NDDB) and Amul (India's largest dairy cooperative). The delegation spent three days in Gujarat receiving an extensive tour of India's dairying system, meeting with key representatives, and discussing areas for dairy cooperation. ^{s6(a)}

Education Cooperation

India continues to play a significant role in New Zealand's international education sector, with Indian students accounting for the second largest group studying with New Zealand. Following 17% average sustained growth per year (2015 – 2018), in 2019 Indian students studying at our universities increased by 37% on the previous year. In 2019 there were 17,306 enrolments. In 2022, student enrolments from India had dropped to 3,985.

2 While India is an important student market for New Zealand institutions over the medium term, India's expanding middle class and domestic investment into private education ^{s6(a)} This is leading to less of a need for offshore education for India and means New Zealand is shifting its focus towards being a bilateral education partner of choice and supporting India's education sector.

3 ^{s6(a)}

4 In 2016, to encourage high calibre Indian students to study at our universities, ENZ and universities launched the New Zealand Excellence Awards, supporting 200 Indian students to study here since the launch. In 2023, the awards were relaunched with joint funding of NZ\$320,000, 28 students are in the February 2024 intake. Since 2013, India has received 330 New Zealand students under the Prime Minister's Scholarships for Asia, representing the second largest cohort through the programme.

5 The New Zealand Centre at the Indian Institute of Technology in Delhi (IIT Delhi) is co-funded by all New Zealand universities and IIT Delhi. The centre supports joint research and fellowship opportunities for academics from both countries. Projects being funded from July 2022 include genetic research, agriculture and wildlife conservation utilising drones, and behavioural research utilising virtual reality.

Bilateral issues

6 ^{s6(a)}

7 Over the period August 2022 to October 2023 (including applications submitted onshore and offshore), 7,307 international student visa applications were approved from India students for study at New Zealand education providers, ^{s6(a)}

NZTE engagement in India – Business Connections

There are two NZTE offices in India, one in New Delhi and the other in Mumbai. Key sectors of engagement include aviation, food and beverage (F&B), manufacturing and increasingly, information technology and tech services (health, education, agriculture and general).

2 NZTE is currently working intensively with exporters. ^{s9(2)(b)(ii)}

3 Indian companies are interested in adopting modern technology and New Zealand companies are positioning themselves as innovative and agile suppliers of smart solutions. ^{s9(2)(b)(ii)}

are another example of competitive New Zealand technologies being sold in India.

4 The number of New Zealand companies setting up technology development centres in India to source talent and build scalability is showing considerable growth. Examples of this are ^{s9(2)(b)(ii)}

5 For the year ending June 2023, F&B exports were \$50.82 million, principally fresh fruits. There is more potential for seafood, exotic oils, honey, high-end gourmet products, and chocolate to grow in India. High tariff barriers remain the sectors biggest challenge. ^{s9(2)(b)(ii)} currently faces a customs duty of 30% on its products into India. ^{s9(2)(g)(i)}

NZ Government to Government (NZ G2G) Exchange

6 NZ G2G and the Jammu & Kashmir (J&K) Sheep and Animal Husbandry Department signed a Memorandum of Cooperation in February 2022. Following market visits, ^{s9(2)(b)(ii)}

7 Following the signing of a Memorandum or Agreement with the Department of Skill Development, Employment and Entrepreneurship, Government of Maharashtra in December 2021, NZ G2G is now working with the Maharashtra State Skills University ^{s9(2)(f)(iv)}

Air Links

New Zealand and India signed an air services Memorandum of Understanding (MOU) in August 2023, updating the 2016 Air Services Agreement.

Own aircraft operations

2 New Zealand passenger airlines may operate any number of non-stop services to/from six points in India, namely, New Delhi, Mumbai Bengaluru, Chennai, Hyderabad and Kolkata. Indian passenger airlines may operate any number of non-stop services to/from Auckland, Wellington, Christchurch, and three more points to be named by India.

3 Previously, New Zealand passenger airlines and Indian airlines had the right to operate via intermediate points in Australia and Singapore. However, ^{s6(a)} the 2023 MOU removes these rights and makes them subject to future negotiation.

4 New Zealand and Indian airlines can operate any number of all cargo services, including at intermediate and beyond points.

Code Sharing

5 New Zealand airlines may offer code share services, including with the airlines of third countries, to/from seven destinations in India, which are, New Delhi, Mumbai, Bengaluru, Chennai, Hyderabad, Kolkata and Kochi. These services maybe offered via any intermediate point.

6 Indian airlines may offer code share services, including with the airlines of third countries to/from any point in New Zealand. These services may be offered via any intermediate point and beyond to Fiji.

General

7 ^{s9(2)(b)(ii)}

8 Air India, whose chief executive, Campbell Wilson, is a New Zealander, recently confirmed an order for 470 aircraft worth US\$70 billion, purchased from both Airbus and Boeing. ^{s9(2)(b)(ii)}

Ministry of Transport
December 2023

Tourism

The India market had demonstrated strong growth pre-Covid, with arrivals in 2019 at 66,775. That growth has continued since borders opening in August 2022. For the 12 months ending September 2023, arrivals were 77,033, which makes India the fastest recovery market.

2 India offers a strong off-peak opportunity, with two holiday periods in April/May and October/November. Indian visitors are the highest spending of all visitors to New Zealand, spending on average NZ\$6144 per visit, or NZ\$539 per night. Average stay in New Zealand is 12 days.

3 Tourism New Zealand research into the Indian market shows that there is a large potential audience pool actively considering New Zealand as a holiday destination (17.7 million people). With strong levels of appeal for New Zealand and a high number of those people with New Zealand at the top of their holiday wish list, India is an attractive opportunity for Tourism New Zealand.

Tourism New Zealand activity in India

4 Tourism New Zealand's marketing efforts in India include paid advertising, advertising through Tourism New Zealand's social media channels, public relations activity, and trade education. Tourism New Zealand actively works with media influencers and trade partners to promote destination New Zealand.

5 During the pandemic Tourism New Zealand continued to build strong relationships across the tourism industry and maintain brand awareness for Destination New Zealand. During the border closure Tourism New Zealand trained 10,500 Indian agents, with 2,600 travel agents certified as New Zealand Specialists.

Immigration

6 We have seen appeal for New Zealand can fluctuate if visa processes become too challenging ^{s9(2)(d)}

7 ^{s6(a)}

8 In recent meetings Immigration New Zealand and Tourism New Zealand have discussed partnering on in market training sessions for travel sellers, stronger messaging through our online and social media channels to raise awareness of applying early, and ensuring the right documentation is provided.

Tourism New Zealand

December 2023

India's Free Trade Agreements with Australia and the UAE

After a decade in which India did not conclude any FTAs ^{s6(a)} withdrawal from the Regional Comprehensive Economic Partnership (RCEP) in November 2019 in the final phase of negotiations), India reignited its trade agenda over the last few years. In 2022, it concluded an interim agreement with Australia (billed as the first phase of a WTO-consistent comprehensive FTA) and the United Arab Emirates, and also re-launched negotiations with the EU (after a near-decade hiatus), the UK (reportedly nearing conclusion) and Canada ^{s6(a)}

2 While these FTAs ^{s6(a)} they do provide meaningful market openings in a range of sectors, with dairy the most notable exception.

Australia

3 Australia and India signed an interim Economic Cooperation and Trade Agreement (ECTA) in April 2022, and it entered into force in December 2022. The interim agreement covers only 70% of tariff lines (30% are excluded), but due to Australia's resources-heavy trade profile with India ^{s6(a)} over 85% of Australia's bilateral trade became duty free on entry into force of the ECTA, rising to 90% by 2026.

4 The ECTA delivers tariff elimination on just a quarter of Australia's global trade interests at entry into force, rising to ^{s6(a)} 45% after 10 years. More than half (55%) of Australia's global export interests are excluded from any tariff liberalisation. Australia and India are currently negotiating a more comprehensive agreement.

United Arab Emirates

5 The United Arab Emirates and India signed a Comprehensive Economic Partnership Agreement (CEPA) in February 2022, and it entered into force in May 2022. This is a final agreement. The agreement covers 90% of tariff lines: 65% of tariff lines are subject to tariff elimination at entry into force, and 85% within 10 years. 10% of tariff lines are excluded.

What New Zealand can learn from these agreements

6 ^{s6(e)(vi)} India committed to eliminate tariffs on 88% of its tariff lines in at least one of its agreements with Australia and the UAE. These lines constitute just over half (52%) of New Zealand's global export profile. In its agreements with both Australia and the UAE, India insisted on bilateral safeguard mechanisms ^{s6(a)} These provide India with the ability to reinstate tariffs in the case of injury, or threat of injury, to domestic industry from increased imports.

Trade and Economic Group, Ministry of Foreign Affairs and Trade
December 2023

Indo-Pacific Economic Framework

s6(a)

the Biden administration has advanced the Indo-Pacific Economic Framework over the past two years with 14 countries from across the region, including New Zealand and India. Leading into APEC Leaders' Week the group substantially concluded the Commerce-led Clean Economy and Fair Economy Agreements, and Ministers signed the Supply Chain Agreement concluded back in May.

2 s6(a)

3 India is already part of three pillars: the supply chain pillar, the climate-focused "clean economy" pillar, and the "fair economy" pillar focused on rule of law issues such as corruption. India has played an active and constructive role in these negotiations. s6(a)

s6(a), s6(b)(1)

Broadening the relationship: how IPEF might help

4 s6(a), s6(b)(1)

5 s6(a), s6(b)(1)

s6(a), s6(b)(i)

6 India has been an active participant in the Clean Economy negotiation, including on proposals for future work on green hydrogen and e-waste recycling. India's clean technology strengths align with New Zealand's aspirations for increasing renewable energy, underlining the potential value of clean economy cooperation.

Trade and Economic Group, Ministry of Foreign Affairs and Trade
December 2023

World Trade Organization (WTO)

As the largest developing country India is a major player in the WTO. ^{s6(a)}

2 New Zealand's goal in agriculture is to secure agreement on strengthened WTO rules that reduce trade and production-distorting, and environmentally harmful, agricultural subsidies (also referred to as domestic support (DS)). Global expenditure on agricultural subsidies is estimated to have been almost US\$851 billion a year over the period of 2020-22.¹

3 At MC 9 (in Bali in 2013), it was agreed that developing country members would be exempt on an interim basis from having WTO dispute action taken against them if they exceeded their entitlements to spend on domestic support due to government purchasing of traditional staple food crops for food security purposes. (This is known as "the Bali peace clause".) It was agreed that this interim solution would only remain in place until Members agreed a permanent solution.

4 ^{s6(a)}

5 ^{s6(a)}

New Zealand's Position on PSH

6 PSH can be designed and implemented in ways that do not distort trade and production, and accordingly, could form part of the outcome on agriculture from MC13. New Zealand believes that this can, and should, be done as part of the outcome on domestic support ^{s6(a)}

¹ A recent OECD report recorded that countries spent US\$851 billion per year during 2020-22 (for the 54 countries covered in the report).

² According to India's most recent WTO Domestic Support Notification.

7 s6(e)(vi)

The implications for MC 13

8 s6(a)

9 s6(b)(i)

s6(a)

Other WTO Issues

10 On **e-commerce**, New Zealand supports extending the current moratorium that prevents on WTO Members from imposing customs duties on electronic transmissions (the E-commerce moratorium).⁴ s6(a)

11 New Zealand is focused on ensuring members ratify the first-phase **Fisheries Subsidies Agreement (FSA)** (which New Zealand ratified in September 2023 - ^{s6(a)} s6(e)(vi))

12 s6(a)

This has delayed implementation of the already agreed Services Domestic Regulation Joint Statement Initiative (which New Zealand is a party to), and will continue to be an issue to be resolved for the other plurilaterals such as the Investment Facilitation for Development and E-commerce joint statement initiatives (New Zealand is participating in both these initiatives).

Trade Policy Negotiations Division (TPND)
December 2023

³ s6(e)(vi)

⁴ s6(b)(i)

Ongoing Market Access Issues

Forestry exports

In accordance with New Zealand's Montreal Protocol obligations, the Environmental Protection Authority (EPA) decision of 11 August 2021 phased out the use of methyl bromide as a log fumigant (biosecurity treatment) in ship holds. Methyl bromide may still be used as a fumigant in shipping containers or under tarpaulins, but the restrictions the EPA has imposed relating to buffer zones means these options are commercially non-viable. As there is no other fumigant currently recognised by India for treatment of New Zealand log exports, New Zealand's trade in logs to India (which was worth \$250m in 2019) has effectively ceased.

2 In February 2023, three senior Indian Plant Protection Quarantine officials visited New Zealand, in part, to consider alternative biosecurity treatment options for logs. Since the visit, MPI and industry have continued work on alternative log biosecurity treatments such as a systems based approach including treatment with phosphine (this is currently being assessed by India) and ethanedinitrile. These non-ozone depleting biosecurity treatments will meet our Montreal Protocol obligations.

3 India currently allows logs to be fumigated with methyl bromide on arrival, however, the exporting country must be listed by India as having 'phased out' methyl bromide use. If the exporting country is not recognised by India as having 'phased out' methyl bromide use, logs can be treated on arrival, but a penalty fee is applied, making this option commercially nonviable.

4 Previously, India had not considered New Zealand as a 'phased out' country because the use of methyl bromide is still possible in certain situations (in shipping containers and under tarpaulins). However, on the basis that New Zealand has phased out the use on methyl bromide in ship holds from 1 January 2023, New Zealand was recently included on the 'phased out' list, but just for product in ship holds. This has enabled trade to resume, with the first shipment of New Zealand logs cleared at the port of Kandla, India on 27 November 2023.

Other market access

5 New Grapes: Access for grapes has been a long standing priority for India since 2012. MPI has ensured India that it is on our priority list for work on an import health standard, which is due to start in late 2024 or early 2025. ^{s6(a)}

6 Kiwano: in 2021 India agreed, due to Covid-19 travel restrictions, to progress access for New Zealand kiwano to India based on a virtual audit conducted by the MPI Systems Audit Team. ^{s6(a)}

7 Buffalo meat: India has requested access for buffalo meat to New Zealand and because India has a World Organisation for Animal Health (WOAH) endorsed official control programme for foot and mouth disease (FMD) this is technically possible. ^{s6(a), s9(2)(g)}_(i)

8 Mangoes: India lost access for its mango exports to New Zealand in 2020 due to fruit fly finds on arrival in New Zealand. In 2023, MPI undertook an in-country audit on several Indian treatment facilities which resulted in the approval of two facilities and the resumption of India's mango exports to New Zealand. Two further Indian treatment facilities are pending our approval, with additional information needing to be provided by India.

9 Organic certification: MPI and India's Food Safety and Standards Authority (FSSAI) have previously discussed mutual recognition of our respective organic certification systems. New Zealand is currently developing legislation for organic production and certification, which prevents us from being able to progress mutual recognition of organic certification systems at present.

10 Cut flowers: MPI is currently reviewing the cut flower import health standard. India currently has access for 18 varieties of cut flowers but need to provide pest risk information for five species of cut flowers that they have not yet traded with New Zealand.

s6(a), s6(b)(i), s9(2)(g)(i)

11 s6(a), s6(b)(i), s9(2)(g)(i)

12 s6(a), s6(b)(i), s9(2)(g)(i)

13 s6(a), s6(b)(i), s9(2)(g)(i)

14 MPI signed a Food Safety Cooperation Arrangement with FSSAI and is providing capacity building on laboratory cooperation activities and electronic phytosanitary certification.

Market Access, Ministry for Primary Industries
December 2023

Climate cooperation

New Zealand is steadfast in its commitment to the Paris Agreement and acting to combat climate change. We recognise both the challenges and opportunities the transition to a low-carbon, renewable energy based economy presents for our own – and the world’s – future.

2 Our government has committed to deliver Net Zero by 2050, including by doubling New Zealand’s renewable electricity. We each have our own transition pathways. Gas is an important transition fuel for maintaining New Zealand’s energy security while we electrify our economy. Dependence on imports erodes our security, and increases our emissions. We are acting to avoid that. We need to have a degree of fossil fuel energy to power and create electricity during the transition. It’s our view that it’s better that we using gas from our backyard than import coal from overseas.

3 India is the third largest global emitter of greenhouse gases. ^{s6(a)}

^{s6(a)} New Zealand urges all major emitters to contribute responsibly to achieving the goals of the Paris Agreement.

4 When Minister Watts met his Indian counterpart at COP28, ^{s6(b)(i)}

5 India was a successful participant in international carbon markets under the Kyoto Protocol, ^{s6(b)(i)}

India has significant emissions reduction potential, and has many of the domestic processes needed in place. Its “white list” of eligible cooperation activities focuses on the energy sector. ^{s6(b)(i)}

Climate Change, Antarctica and Environment Division
December 2023

India in the Indo-Pacific and the Pacific

India in the Indo-Pacific

In a less certain, more contested and more challenging global outlook the Indo-Pacific has emerged as a central theatre of global geostrategic competition, ^{s6(a)}

This strategic outlook is of deep concern. New Zealand's essential economic and security interests are grounded in the Indo-Pacific (15 of our top 20 export markets are in the region which accounts for 80% of our exports). Continued stability and prosperity in the region is therefore of fundamental importance.

2 India is emerging as a strategically important actor globally, and particularly in the Indo-Pacific. ^{s6(a)}

India in the Pacific

3 New Zealand encourages India's engagement with the Pacific to be in line with Pacific priorities. India has been a Dialogue Partner of the Pacific Islands Forum (PIF) since 2006.

^{s6(a), s6(b)(i), s9(2)(g)(i)}

India has historical connections with Fiji and there are Commonwealth connections throughout the region.

4 India established the Forum for India-Pacific Island Cooperation (FIPIC) in 2014, with three Summits held to date (latest in May 2023 in Port Moresby). New Zealand, Australia, and the French territories are not part of FIPIC and we have told India of our desire that they engage with the full Forum membership to embed the centrality of regional architecture, strengthen regional unity, and place Pacific priorities at the heart of engagements.

5 India is an observer of the US-initiated Partners in the Blue Pacific initiative, of which New Zealand is a founding member. This informal, inclusive mechanism aims to coordinate international interest in the Pacific in alignment with Pacific priorities, including the 2050 Strategy for the Blue Pacific Continent adopted in July 2022.

Asia Regional Division/Pacific Regional Division
December 2023

G20

India was the Group of 20 (G20) host for 2023 and hosted the Leaders' Summit on 9-10 September. India's agenda for its host year was "*inclusive, ambitious, action-oriented and decisive*". ^{s6(a), s9(2)(g)(i)}

2 A ^{s6(a)} was the admittal of the African Union as a permanent member of the G20 – the first expansion to the grouping since its inception in 1999. ^{s6(a)}

This development is positive from an inclusion perspective, since South Africa was previously the only African G20 member.

3 ^{s6(a), s9(2)(g)(i)}

4 While New Zealand is not a G20 member, we are frequently invited to trade minister meetings, reflecting our active and constructive participation in international trade fora. ^{s6(a), s9(2)(g)(i)}

5 Brazil has now assumed the G20 presidency and will host the suite of meetings in 2024. ^{s6(a)}

6 The Group of 20 (G20) brings together the world's top 20 economies representing around 85 per cent of global GDP, more than 75 per cent of global trade, and almost two-thirds of the world's population. G20 membership spans all continents and includes differing perspectives on matters of global governance and the international trading system. New Zealand is not a member of the G20.

7 Each year the rotating G20 Chair will typically invite several countries that are not permanent members of the G20 to participate in G20 meetings. This consistently includes countries chairing regional organisations such as ASEAN and APEC, but also select invitees at the discretion of the host country. New Zealand was invited as a guest at the Trade and Investment Ministerial Meetings in 2012, 2014, 2016, 2021 and 2022. You attended the G20 Trade and Investment Ministerial meeting hosted by China in Shanghai in July 2016.

Economic Division/New Zealand High Commission New Delhi
December 2023

New Zealand Policy on China

New Zealand's relationship with China is one of our most significant and complex. ^{s6(a)}

2 New Zealand's approach to China is therefore guided by three principles of engagement: cooperating with China where our interests converge; acting to preserve, protect, and promote our interests where these are under threat; and aligning with partners to advocate for approaches that reflect our common interests and values.

3 ^{s6(a)}

4 ^{s6(a)}

5 At the same time, China remains our largest trading partner and is of significant economic importance to New Zealand. Two-way goods and services trade amounted to NZ\$40.1 billion in 2022, and accounted for one quarter of New Zealand's total exports.

6 ^{s6(a)}

7 ^{s6(a)}

North Asia Division
December 2023

Russia/Ukraine

Russia's invasion of Ukraine on 24 February 2022 expanded on, and sought to entrench, its illegal annexation of Crimea and occupation of territory in eastern Ukraine from 2014. In launching its unprovoked invasion, Russia violated the principles of the UN Charter, which states that UN Member States "shall refrain from the threat or use of force against the territorial integrity or political independence of any state".

2 Russia's actions undermined the international rule of law on which New Zealand, as a small country, depends for its security and prosperity. Together with likeminded partners (who have welcomed New Zealand's support for Ukraine), we moved quickly in February/March 2022 to help Ukraine defend itself, and to express strong condemnation of Russia's actions and its egregious breach of international law.

3 The value of **New Zealand's response to date** (including defence deployments) is \$88.5 million. In addition to the assistance outlined at the end of this brief, New Zealand established a "Special Ukraine Visa" for Ukrainians with family in New Zealand, allowing them to work or study in New Zealand, and ultimately offer them a residence pathway.

4 The **Russia Sanctions Act** was unanimously passed by Parliament on 9 March 2022. As a strong supporter of multilateral action, New Zealand had previously only applied sanctions authorised by a UNSC Resolution. However, Russia's invasion was a serious breach of fundamental international norms by a permanent member of the Security Council, which used its veto to prevent UNSC action against its actions in Ukraine. This gave cause for New Zealand to develop our first unilateral sanctions regime.

5 New Zealand has implemented 24 tranches of sanctions, designating over 1,600 individuals and entities, primarily from Russia, with additional designees from Belarus and Iran. We have also banned the import and export of certain goods and implemented a 35 percent tariff on all goods of Russian origin. Few significant business ties with Russia remain.

6 Sanctions are an integral part of New Zealand's support for Ukraine, and our strong condemnation for Russia's actions. The implementation of sanctions has been welcomed by both Ukraine and likeminded partners. The pace of sanctions implemented by New Zealand's likeminded partners has not eased and there is no suggestion of slowing. New Zealand officials have two tranches of Russia sanctions under preparation which will enable swift action by the new Government.

7 New Zealand's assistance has been welcomed by Ukraine and our likeminded partners,^{s6(a)} Looking ahead to FY 2023/24, there is funding allocated from the MFAT baseline for \$3 million in recovery/reconstruction assistance (announced but not committed) and \$7 million for humanitarian assistance. The Ministry of Defence will provide advice in April 2024 regarding military assistance to Ukraine beyond the current deployments mandated until June 2024.

8 Since November 2022, Ukraine's diplomatic efforts have been channelled largely under **President Zelenskyy's Ten Point Peace Formula**. In addition to outlining priorities

for international assistance (e.g. military, demining, nuclear security, reconstruction), the Peace Formula is designed to support a lasting peace in Ukraine. There have been numerous meetings to discuss the Peace Formula at officials' level, involving over 70 countries and international organisations. The ultimate goal is to prepare for a Leader-level Peace Summit, where Ukraine's plans for peace would be endorsed.

9 "Peace plans" for the war in Ukraine have been advanced by China and a grouping of seven African leaders, among others. ^{s6(a)}

New Zealand continues to strongly support Ukraine's ability to determine its own future within its internationally recognised borders, including through its own "Ten Point Peace Formula".

New Zealand support for Ukraine to date

Diplomatic ^{s6(a)}	Military (\$58.516m)	Economic and Humanitarian ^{s6(a)}
^{s6(a)}	NZDF Deployments (\$35.566m)	Ukraine Humanitarian Response (\$14.930m)
UN Office of the High Commissioner for Human Rights (\$1.00m)	Supplies and Equipment (\$11.350m)	Reconstruction Assistance (\$3.000m)* <u>Announced but not yet allocated</u>
^{s6(a)}	Weapons and Ammunition (\$7.500m)	^{s6(a)}
Nuclear Safety and Security (\$0.500)	Commercial Satellite Access (\$4.100m)	Global Food Insecurity Response (\$1.850m)
		Demining Assistance (\$1.200m)
		Cyber Resilience (\$0.750m)
		OECD Ukraine Country Programme (\$0.100m)

Europe Division
December 2023

Israel/Gaza Situation overview

Two months into the conflict, Israel has recommenced ground and air operations in Gaza following the expiration of a seven-day humanitarian pause.

2 The pause was extended twice (before negotiations for a third extension failed) and had allowed hostage and prisoner exchanges and vital humanitarian aid to enter Gaza. In total, 110 Israeli and foreign hostages, and 240 Palestinians were released over this time. Hamas and other militants are still holding ~135 hostages.

3 ^{s6(a)}

4 The humanitarian impact is catastrophic and compounding. Essential services are destroyed, and basic necessities, including food, are scarce. Tensions continue to rise in the West Bank, where there have been clashes between Israeli forces, Israeli settlers, Palestinian militants and Palestinian civilians. ^{s6(a)}

5 The Rafah crossing is again open to foreign nationals (after being closed during the hostage release process) although the pace at which nationals can leave is unclear.

6 ^{s6(d)}

Reported figures as at 3 December 2023			
	Israel	Gaza (OPT) ⁵	West Bank (OPT)
Deaths	Israeli and other nationalities: 1,200	Palestinian: >15,523 IDF: 77	Palestinian: 244 (↑5) Israeli: 4
Wounded	~5,431	~36,000	Palestinian: 2,877
Other	~135 ⁶ captive	Missing ~2,700	>1,900 arrested

New Zealanders registered on SafeTravel ⁷			
	Israel	Occupied Palestinian Territories	Lebanon
⁸ Present	^{s6(d)}		

⁵ Gaza authorities sporadically release updated figures.

⁶ The number of hostages and hostage deaths has been revised several times.

⁷ These figures do not include non-citizen immediate family members travelling with New Zealand citizens.

⁸ This figure is not inclusive of those New Zealanders who have chosen not to register on SafeTravel.

Key issues for New Zealand

Humanitarian crisis: Despite an increase in humanitarian supplies entering Gaza during the humanitarian pause, the volume remains far short of need. Improved humanitarian access remains vital, particularly as armed conflict recommences. New Zealand has contributed NZ\$10 million to the international humanitarian response, equally between the International Committee of the Red Cross (ICRC) and the World Food Programme (WFP). ^{s6(a)}

Consular: Evacuations from Gaza may continue for weeks, requiring sustained engagement on the ground. ^{s6(d)}

New Zealand has contributed to this process through deployed MFAT/NZDF.

International humanitarian law (IHL): ^{s6(a)}

Ceasefire: ^{s6(a)}

Securing a further humanitarian pause/truce remains more likely than a permanent ceasefire for now, but even this is difficult. ^{s6(a)}

Political horizon: ^{s6(a)}

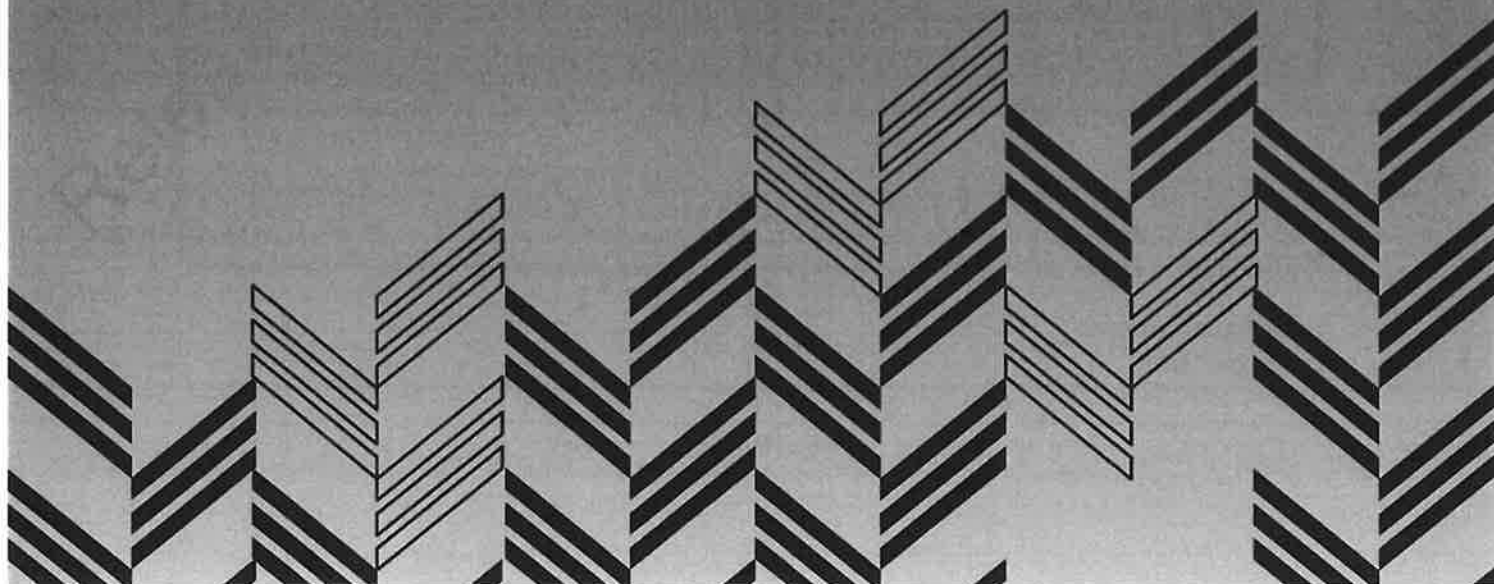


NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

Minister for Trade

Hon Todd McClay

Singapore, 20 December 2023



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VISIT OVERVIEW

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Overview and objectives

Your visit so early in your term marks out Singapore as an indispensable partner for New Zealand – economically, politically and strategically. Singapore is New Zealand's fourth largest trading partner and a key gateway economy into the broader South East Asian region (and its 650 million consumers). Your visit will provide an opportunity to discuss the breadth and depth of the bilateral relationship, as well as the business opportunities and the broader regional connections which Singapore offers. It will also allow you to set the trajectory of the relationship going forward, including working with Singapore on building a greener, more sustainable economic partnership as we look to transform our economies and support resilient growth in the region.

Visit Objectives

- 2 Your visit to Singapore will focus on three key objectives:
- To **reconnect with a key trade counterpart** and reaffirm our commitment to Singapore as a likeminded bilateral and regional partner;
 - To **explore the opportunities for New Zealand business in Singapore**; and
 - To consider ways to **expand our ambition for the Singapore relationship** including on the transition to a green economy.

Context

3 Singapore is our fourth largest trading partner by two way trade and our seventh largest export destination, as well as a critical transshipment hub for New Zealand imports and exports and a significant source of investment. For New Zealand businesses looking to expand and diversify offshore, Singapore (and South East Asia) offers opportunities across a range of sectors – from value-added food products through to green technology, and digital services. The long-term economic and social trends, including a growing regional middle class and ongoing digital transformation, are compelling in terms of opportunities for New Zealand firms.

4 For Singapore, New Zealand presents opportunities for investment and partnership (including in terms of New Zealand businesses using the transport and economic 'hub' services offered by the city-state). New Zealand is also seen as a reliable source of high quality food s6(a) and a potential future green energy source s6(a)

5 Singapore is focused on improving its economic security and resilience, not least by buttressing the free and open economic order regionally and globally. In this, it has been a key, likeminded partner in CPTPP, in RCEP s6(a) s6(a)

6 As a tech and innovation leader, Singapore will also be an important partner as we work towards carbon-neutral economies and development of renewable energy. The "green" pillar

of the Enhanced Partnership includes areas for collaboration such as research on low carbon energy technology, carbon markets, and climate policy. Both countries also work together on sustainable aviation. s6(a)
s6(a)

7 See "Overview of the Bilateral Relationship" for discussion of the non-trade aspects of the relationship with Singapore.

Programme Highlights









8 Your bilateral meeting with Minister Gan is the political centrepiece, and is the opportunity to gain insights from a key regional player on the most pressing trade policy issues. s6(a)

s6(a) It will also be an opportunity to highlight New Zealand's value as a supplier of high quality food and the important role of Singapore as a hub for New Zealand's connection with the world.

9 You will also attend a roundtable lunch with a number of key stakeholders with an economic interest in New Zealand, hearing their views on regional economic and geo-strategic conditions. The theme of the lunch is 'Resilient supply chains for a sustainable future' and will focus on how New Zealand and Singapore can work together to increase New Zealand exports into South and South East Asia and build maritime supply chain resilience. An evening reception at the High Commission with members of the New Zealand Chamber of Commerce in Singapore and other friends of New Zealand will allow you to outline the new Government's trade and investment priorities, note our work with Singapore to promote opportunities for New Zealand businesses and to engage with a wider group of stakeholders.

Singapore: Gateway to the Indo-Pacific

KEY FACTS (YEAR ENDING MARCH 2023)

 TWO WAY TRADE NZ \$11.58 bn	 NZ IMPORTS NZ \$9.19 bn	 CLOSEST DEFENCE RELATIONSHIP IN SOUTH EAST ASIA	 KEY PARTNER FOR CLIMATE CHANGE COOPERATION
 4th largest TRADING PARTNER	 NZ EXPORTS NZ \$2.39 bn	 CRITICAL TRANSHIPMENT AND TRANSPORT HUB	 4th largest FOREIGN INVESTOR IN NEW ZEALAND

WHY DOES SINGAPORE MATTER TO NEW ZEALAND?

- Singapore is our **most significant trading partner** in South East Asia, and **fourth largest globally**.
- Centred in the Indo-Pacific and English speaking, Singapore is a gateway economy into the broader region and a critical financial and transport hub. In containerised trade, **18% of exports and 23% of imports go through or to the Port of Singapore**.
- Singapore is our most important defence partner in the region, with **military deployed there since World War II**. It is also plays a crucial role for regional stability.

WHY DOES NEW ZEALAND MATTER TO SINGAPORE?

- Complementary trading partner offering a reliable source of high quality food, **providing 48% of Singapore's milk and cream imports in 2022**.
- New Zealand was the **second country to recognise Singapore as an independent state and Singapore's first FTA partner**.
- We offer ballast for Singapore in the global geostrategic competition by defending the rules-based international order, including global trade rules.

WHAT DOES SUCCESS LOOK LIKE IN 2025?

s6(a)

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ARCHITECTURE

The New Zealand-Singapore Enhanced Partnership has five pillars: trade and economic; defence and security; people-to-people; science, technology and innovation; and climate change and green economy.

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MEETING BRIEFS

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Bilateral Meeting with Minister for Trade and Industry, Gan Kim Yong

Time and date: 11.00am – 12.00pm, Wednesday 20 December



Gan Kim Yong [*Gan*] was appointed Singapore's Minister for Trade and Industry in May 2021. Gan entered politics in 2001 following a career in the private sector and joined Cabinet in 2009. Gan was Minister of Health from 2011 to 2021 and co-chaired the taskforce set up in response to COVID-19. Gan studied at Cambridge University, obtaining a Masters degree in engineering in 1985. Gan's portfolio covers a range of issues such as economic development, digital economy, green economy, research and development, and regional and global trade architecture.

You met with Minister Gan when he visited New Zealand in July 2023.

Objectives

- Discuss next steps on bilateral priorities, including:
 - Shaping cooperation on supply chain resilience; and
- s6(a)

Talking points

- Note Singapore is our most significant trading partner in South East Asia [NZ\$2.4bn in exports; NZ\$8.1bn in imports]. It is a critical hub for New Zealand's supply lines and a likeminded partner in protecting international trade rules.
- Convey the importance we attach to the Enhanced Partnership. Renewed in 2022, this arrangement helps drive ambition from the top for two countries invested in being "pathfinders".
- Note that we look forward to sustaining political connections in the lead up to the 60th anniversary of diplomatic relations in 2025. s6(a)

Supply Chain Cooperation

- Confirm that we are committed to working with Singapore on meaningful outcomes on supply chain resilience. New Zealand's interests are tilted toward continuity of the supply chain itself, ensuring goods and services can continue to flow during times of crisis.
- Further confirm that we agree on the importance of ensuring access to critical goods during times of crises – it's a question of how best we can achieve that goal.
s6(a)
s6(a)
- Seek Minister Gans views on next steps for supply chain cooperation.

Green Economy

s6(a)

- Highlight the success of our bilateral cooperation in this area under the 'Climate Change and Green Economy' pillar of our Enhanced Partnership, including work in the aviation transport and energy sectors.

s6(a)

IPEF

- Note that we are pleased to have concluded the Supply Chain Agreement, the Clean Economy Agreement and the Fair Economy Agreement, s6(a)

s6(a)

- Highlight that the Clean Economy Agreement, for instance, offers potential collaboration on finding best in class solutions to climate problems shared across the region and driving investment toward transformative projects.
- Seek Minister Gan's insights on Singapore's interests for the longer-term development of IPEF. s6(a)
s6(a)

CPTPP

- Thank Singapore for being a constructive Vice Chair during our CPTPP host year and its support for developing terms of reference for the CPTPP's General Review.

- Note it is critical we maintain the relevance of CPTPP as the premier open-plurilateral free trade agreement. Any situation where CPTPP appears to stagnate would run counter to that objective.

s6(a)

Digital Economic Partnership Agreement (DEPA)

- On digital issues, welcome our very constructive and ongoing collaboration with Singapore on DEPA and note that we are pleased with the international attention it has received to date. s6(a)
s6(a)
- Note that we were really pleased that South Korea has recently joined s6(a)
s6(a)
- s6(a)

Regional Economic Cooperation

- Recognise the importance of economic integration as a crucial element of stability in the region. New Zealand values our close economic partnership with Singapore in our ASEAN-centred trade agreements, AANZFTA and RCEP. We hope to see the AANZFTA Upgrade enter into force in 2024 so that the region can begin to benefit.

*South and South East Asia Division
December 2023*

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s6(a)

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EVENT BRIEFS

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Event: Roundtable lunch: 'Resilient supply chains for a sustainable future'

Time and date: 1.00pm – 2:30pm, Wednesday 20 December

New Zealand High Commissioner's Residence, 28 Queen Astrid Park

Objectives

- Engage with the business community in Singapore on regional economic and geo-strategic conditions
- Share perspectives on how to achieve resilient and sustainable supply chains

Guests

Hon Todd McClay, Minister for Trade	NZ Government
HE Gabrielle Rush, NZ High Commissioner to Singapore	NZ Government
Vangelis Vitalis, Deputy-Secretary Trade & Economic Group MFAT	NZ Government
Deborah Geels, Deputy Secretary Asia & Americas Group MFAT	NZ Government
Maggie Christie, NZ Trade Commissioner to Singapore	NZ Government
Charles Kingston, Senior Private Secretary	NZ Government
Hannah Adams, First Secretary	NZ Government
s9(2)(a)	ANZ
	Beca

s9(2)(a)

Neste
Swire Shipping
Transparently AI

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Speaking notes

Theme for discussion: 'Resilient supply chains for a sustainable future'

- Singapore is our closest partner in South East Asia and one with whom we share close historical ties. Today, we share a similar view of the opportunities and challenges presented to us, both in the region and globally.
- Singapore is also New Zealand's fourth largest trading partner and a crucial gateway for us into the markets of South and South East Asia. New Zealand benefits from six trade agreements with Singapore, more than any other partner.
- These arrangements keep our bilateral relationship contemporary and resilient at a time when global turbulence poses a deep risk to small countries with global interests and exposure.
- I look forward to deeper cooperation in the aviation, transport and energy sectors to take the relationship to new heights.
- With food security and energy security top of mind for Singapore, New Zealand is well placed to be a useful partner. Our capacity to provide food beyond our borders through world class companies like Zespri and Fonterra is a wonderful opportunity to further deepen our countries' commitments to each other.
- We are also working with Singapore to enhance the resilience of our supply chains. The New Zealand Singapore Supply Chain Working Group held its first meeting in New Zealand earlier this year.
- I look forward to hearing from you about the Singapore market and how to maximise the value of this important relationship. I am also interested in dynamics of the region and how we can work together to navigate the shifting tides of trade globally.

Questions you may wish to ask of the group:

- With regard to Supply Chains – what specifically could be changed or improved to make doing business from New Zealand easier? Beyond the New Zealand – Singapore context, how are regional supply chains faring in South East Asia?
- To ANZ and Temasek – what are you seeing regarding investment flows in/out of New Zealand from Singapore? Are we considered an attractive market?
- To Neste – understanding the drive for decarbonisation as well as the critical importance of air links for New Zealand, where do you see policy trends going in this space?

Event: Reception with the New Zealand Chamber of Commerce

Time and date: 5:30pm – 7:00pm, Wednesday 20 December
New Zealand High Commission, One George St

Objectives

- Introduce yourself and new Government priorities to local “champions” of New Zealand – Chamber of Commerce members, business representatives, Singaporean officials and academics

Format

- After-work drinks and nibbles, standing event. You will deliver short remarks followed by Q&A with time to meet guests.

Agenda

5.30pm	Guests arrive
5.45pm	High Commissioner Gabby Rush opens event, introduces Minister
5.50pm	Minister to make short remarks (5 minutes) Q&A (approx. 10 minutes)
6.05pm	Opportunity for networking
7.00pm	Depart

Guests

- You will receive an updated list of guests upon arrival in Singapore.

Speaking notes

- I would like to begin by thanking the New Zealand High Commission in Singapore and the New Zealand Chamber of Commerce in Singapore for organising this event.
- I want to also acknowledge the many leading exporters, sector representatives, diplomats, and other leaders we have joining us in the room.
- Singapore is our closest partner in South East Asia and one with whom we share deep historical ties. We also share a similar view of the opportunities and challenges presented to us, both in the region and globally.
- Singapore is also New Zealand's fourth largest trading partner and a crucial gateway for us into the markets of South and South East Asia.
- The importance of our relationship is represented by the number of New Zealanders who choose to come here to expand or set up businesses.
- It is also represented in the number of regional agreements that both countries are party to. New Zealand benefits from six trade agreements with Singapore, more than any other partner.
- These agreements keep our bilateral relationship contemporary and resilient at a time when global turbulence poses a deep risk to small countries with global interests and exposure.
- The incoming Coalition Government is closely focused on growing New Zealand's economic prosperity. A key feature of that is making sure New Zealand is an export powerhouse.
- We have signalled that we will undertake a record number of trade missions in this Government's first term, and this will include coming to Singapore. I look forward to this engagement – which I hope will involve many of you in this room – strengthening vital connections between Kiwi and Singapore businesses.
- The value of our relationship with Singapore goes far beyond the trade statistics. In an increasingly complex and contested world, it is essential New Zealand works with friends and partners to support our exporters, strengthen our supply chains and assure our region's security. We must position ourselves to not just endure the headwinds we are facing, but grow in spite of them.
- New Zealand is at its best when we are looking outwards, engaging in the world and showcasing what we have to offer. It is imperative we continue to collaborate on a global scale to establish optimal trading conditions, with the flexibility to adapt to whatever global challenges exist at a particular point in time.
- We look forward to working with our friends in Singapore to do this.

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Overview of the Singapore – New Zealand Bilateral Relationship

The bilateral relationship with Singapore is close and long-standing, supported by well-established defence ties and a broad range of cooperation across a variety of government agencies. Singapore is s6(a) and an important strategic partner for New Zealand. We share a similar view of the opportunities and challenges presented to us in the region and globally and, as smaller and trade dependent nations, a commitment to the international rules-based order.

The Enhanced Partnership

2 New Zealand's bilateral relationship with Singapore is underscored by the New Zealand-Singapore Enhanced Partnership, launched in May 2019. The arrangement deepens our bilateral cooperation across five main pillars: trade and economic; defence and security; people-to-people; science, technology and innovation; and (since 2022) climate change and green economy. Key elements include the upgrade of our bilateral Free Trade Agreement, a suite of arts and culture initiatives, a Science, Technology and Innovation Arrangement, enhanced defence cooperation and a Cyber Security Arrangement, as well as an improved Working Holiday Scheme. There continues to be solid engagement across all five pillars.

Trade and Economic

3 The upgrade of our Free Trade Agreement with Singapore, the Closer Economic Partnership (CEP), was agreed to under the trade and economic pillar and came into force in early 2020. The upgrade contained provisions relating to e-commerce, regulatory cooperation, customs clearance and technical barriers to trade. s6(a)
s6(a)

Defence and Security

4 s6(a)

There is significant bilateral engagement across all levels of New Zealand Defence, coordinated by the Singapore-based Defence Adviser, including annual talks at the Ministerial, Permanent Secretary, Chief of Defence Forces, and Single Service (Navy, Army and Air Force) levels, as well as the annual Shangri-La Dialogue (at which Singapore hosts defence ministers from around the world). The annual Defence Dialogue between defence secretaries took place in September 2023.

5 2021 marked the 50th anniversary of the Five Power Defence Arrangements (FPDA) between Australia, Malaysia, New Zealand, Singapore, and United Kingdom. Under FPDA, Australia, the UK, and New Zealand defence personnel have been present in Singapore since

1971. A New Zealand Defence Support Unit is based in the Sembawang Naval Installation. Our armed forces exercise and train together regularly under FPDA – the HMNZS Te Mana and the HMNZS Aotearoa participated in exercise Bersama Lima in October 2023 and also spent time in port in Singapore.

6 There has also been solid engagement under the Cyber Security Arrangement since 2020, s6(a)

Science, Technology and Innovation

7 At the heart of the Science, Technology and Innovation pillar are joint research programmes on data science and future foods. The New Zealand Government has committed NZ\$57 million to the joint programme over a 5 year period, which Singapore matches. As the current funded projects will soon draw to a close, discussions are under way with Singapore on future areas of joint research, including low carbon technology.

People to People

8 Under the People to People pillar, New Zealand visitors to Singapore are now able to stay for 90 days and intra-corporate transferees (transfers of employees between international offices) are eligible for a stay of eight years, up from five. Access for travellers to New Zealand's e-Gate and to Singapore's equivalent, a refreshed reciprocal Working Holiday Scheme and significantly improved business visa conditions for New Zealanders are also part of the arrangement.

9 There are also a range of initiatives in arts and culture, education and training cooperation, and public service exchanges. This includes a Memorandum of Understanding between Te Papa and the National Museum of Singapore promoting exchange and collaboration as well as an Annual Post-Graduate Scholarship for a New Zealand official to study in Singapore. An arrangement between New Zealand's National Library and its Singapore equivalent was upgraded in September 2023.

Green Economy and Climate Change

10 This pillar includes initiatives on energy transition technology, carbon markets, hydrogen, sustainable transport and waste management, as set out in the brief on Green Economy below. New Zealand hosted Singapore officials for an inaugural climate change policy dialogue in April 2023.

Cooperation following COVID-19

11 It is worth noting the significant influence that the COVID-19 pandemic had on the bilateral relationship between New Zealand and Singapore. The two countries worked closely

together during the height of the pandemic to ensure essential supply lines remained open for food and medical supplies and to promote multilateral approaches to combat the virus. We also cooperated closely on COVID-19 management, with a series of valued exchanges at both ministerial and officials level. There continues to be interest in Singapore and New Zealand health leaders working together including the potential for cooperation on pandemic preparedness.

Tourism

12 Singapore has led Asia's outbound recovery through its Changi airport regional hub. Singapore arrivals have been strong with New Zealand welcoming 41,000 Singaporeans in the twelve months ending September 2023. This represents a 64% recovery of 2019 visitor levels (which is encouraging as borders have only been opened for 16 months).

13 Singapore presents a growing opportunity for New Zealand with potential visitor pool of 1.2 million people. s6(a)

Tourism New Zealand works with airlines and travel sellers on joint ventures to promote New Zealand as a destination. Tourism New Zealand's office in Singapore also serves as a regional hub for all greater Asia market activity.

Education

14 Singapore was New Zealand's 15th largest source country for international students in 2022, with 365 student enrolments from Singapore. The University sector received the largest number of enrolments that year, with 315 enrolments representing 86.3% of all Singaporean students in New Zealand.

15 Singapore and New Zealand signed a refreshed Education Cooperation Arrangement in 2022. We have regular education policy dialogues with Singapore, recently on early childhood education, healthy active learning curriculum, and vocational and technical education. A dialogue focused on digital education is planned for 2024. New Zealand also cooperates with Singapore on education policy and system resilience in multilateral fora, particularly APEC.

16 The Prime Minister Scholarships for Asia (PMSA) relaunched in early 2022, following the announcement that New Zealand's borders were to reopen. Since its inception in 2013, Singapore has received 203 PMSA students, representing the 5th largest cohort of New Zealand students.

*South and South East Asia Division
December 2023*

Singapore Trade and Economic Relationship

New Zealand and Singapore enjoy a complementary and dispute free trade relationship. The two countries have been long-standing, close partners in pursuing ambitious trade and economic integration outcomes in the Asia-Pacific. Singapore also has considerable economic importance for New Zealand as a commercial and transport hub for South East Asia.

2 Singapore is now our fourth largest global trading partner by two way trade, with approximately NZ\$10.42 billion in goods and services traded in the year ending September 2023. It is also our seventh largest export destination, with exports totalling \$2.36 billion in the same year. New Zealand now shares more trade agreements with Singapore than any other partner: the CEP, Trans-Pacific Strategic Economic Partnership (P4), AANZFTA, CPTPP, RCEP and DEPA.

3 Singapore is also an important likeminded partner in protecting international trade rules and expanding into new trade areas. We work closely with Singapore in APEC, the WTO and the Small Advanced Economies Initiative. Singapore is a constructive partner in APEC and shares our commitment to APEC as an institution for economic integration in the region.

IPEF

4 s6(a)

s6(a)

IPEF

involves 14 countries from across the region, including New Zealand and Singapore. IPEF has involved four pillars of negotiations: trade, supply chains, clean economy, and fair economy. In November the group substantially concluded Clean Economy and Fair Economy Agreements, and Ministers signed the Supply Chain Agreement concluded back in May. Negotiations on the trade pillar continue.

s6(a)

Closer Economic Partnership (CEP)

7 The Singapore CEP, signed in 2001, is one of New Zealand's oldest free trade agreements, second only to the CER with Australia. As part of the New Zealand-Singapore Enhanced Partnership announced in 2019, the CEP was upgraded to bring the agreement in line with modern FTA practice. s6(a)

It reinforces the role of New Zealand and Singapore as leaders in trade and economic integration and serves as a model for future agreements within the wider Asia-Pacific region.

ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)

8 Singapore is part of AANZFTA and is a champion for the FTA in the region. AANZFTA has been in force since 2010 and was recently upgraded to reflect modern trade policy and practice. New Zealand signed the AANZFTA Upgrade in August 2023, s6(a)

e are encouraging parties to ratify so that the agreement can enter into force.

9 The AANZFTA Upgrade provides better conditions for investors and service providers, more streamlined customs procedures, stronger e-commerce rules, as well as cooperation on trade and sustainable development. Strengthening our shared trade architecture with ASEAN is critical for New Zealand's trade diversification and to build economic resilience in a context where the Indo-Pacific is becoming an increasingly contested region.

Comprehensive and Progressive Trans Pacific Partnership (CPTPP)

10 New Zealand is the current Chair of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, (CPTPP) and hosted a final Senior Officials' Meeting (SOM5) for 2023 on 11 and 12 December. Our year as Chair has been a successful one with key highlights including welcoming the United Kingdom (UK) into CPTPP and agreeing the Terms of Reference (ToR) for the CPTPP General Review. Canada will commence its term as Chair on 1 January 2024.

s6(a)

12 Singapore was Chair of the CPTPP Commission for 2022 and is a current Vice-Chair of the Agreement.

Regional Comprehensive Economic Partnership (RCEP)

13 In addition to ASEAN members, RCEP members include Australia, China, Japan, South Korea and New Zealand. Singapore and New Zealand have similar views within RCEP, s6(a)

14 Since entry into force in 2022, RCEP has made important but incremental progress on implementation. s6(a)
s6(a)

Digital Economy Partnership Agreement (DEPA)

15 DEPA, the world's first standalone digital trade agreement signed between New Zealand, Chile, and Singapore (collectively the DEPA Parties), continues to attract international interest. Under DEPA auspices, New Zealand and Singapore are bilaterally cooperating on e-certification and paperless trading.

16 South Korea, our sixth largest trading partner with an impressive digital economy, joined DEPA this year. s6(a)
s6(a)

s6(a)

*Trade and Economic Group
December 2023*

NZTE engagement in Singapore

NZTE Singapore engages with over 100 New Zealand export companies annually and is currently working closely with 51 target market¹ exporters across food, manufacturing, and consumer goods (23), technology and services (17), and specialised manufacturing (11). The key sectors of engagement in Singapore are food and beverage (F&B), technology and manufacturing. Opportunities for growth exist in the tech (gaming, services, and artificial intelligence) and sustainability sectors, while F&B continues to grow steadily.

Food and Beverage (F&B)

2 NZTE is working with over 20 New Zealand F&B companies, undertaking projects that will enable companies to collaborate and make a greater impact in this sector. s9(2)(b)(ii)
s9(2)(b)(ii)

3 As Singapore imports more than 90% of its F&B, there is great potential for New Zealand exporters for growth in this sector. NZTE has been supporting companies targeting the restaurant sector, as this comprises the largest proportion of food service channels (39%). Over the last ten years, F&B export values to Singapore have doubled. In the year ending September 2023, F&B exports were worth NZ\$655 million.

4 There is growing awareness and preference for healthy eating and food products in Singapore due to Singaporean Government promotion of health and wellness. New Zealand companies can take advantage of this opportunity.

Technology and Services

5 Financial technology (FinTech) is the fastest growing subsector of tech in Singapore. The Singapore ICT market is estimated to be worth NZ\$72.10 billion in 2023 and is expected to reach NZ\$115.45 billion by 2028.

6 New Zealand technology companies in Singapore are developing and supplying solutions to the telecommunications, financial services, payments, security, hospitality and retail sectors. s9(2)(b)(ii)
s9(2)(b)(ii)

¹ NZTE defines a target market as a strategic opportunity for growth, where NZTE will work alongside a customer over the next couple of years. The customer must be strategically committed to the market and invest time, money and resources.

7 Opportunities for New Zealand companies in Singapore are emerging in artificial intelligence (AI). Gaming, tech and IT companies can look to take advantage of this potential for weightless export growth. s9(2)(b)(ii)
s9(2)(b)(ii)

Manufacturing

8 The manufacturing sector accounted for 21% of Singapore's growth domestic product (GDP) in the year ended December 2022.² This was driven by sustained global demand for electronics and precision engineering, particularly in semiconductors and semiconductor equipment.

9 NZTE is currently working with more than 11 New Zealand manufacturing companies in areas such as aviation, marine and infrastructure, s9(2)(b)(ii)
s9(2)(b)(ii)

10 Singapore is a country known for its world-class infrastructure. It has created an ecosystem to support new infrastructure and strongly supports companies and investors to nurture development in this sector. The Singapore Government is streamlining regulatory requirements and standards to make processes simpler and more efficient for companies.

Investment

11 Singapore remains one of the largest Asian foreign investors (marginally behind Greater China then followed by Japan) with total foreign direct investment (FDI) into New Zealand at NZ\$9.1 billion as of 31 March 2023.³

s9(2)(b)(ii)

13 Singapore company Olam received the green light from the Overseas Investment Office for a NZ\$100 million-plus dairy processing plant build at Tokoroa in south Waikato. Its recently incorporated subsidiary Olam Food Ingredients New Zealand has said it plans to begin operating the site in the third quarter of 2023. Parent company Olam International, a global food and agribusiness operation, is 53 per cent owned by Temasek Holdings Singapore, which is 100 per cent owned by the Singapore Government.

² World Bank figures are calculated by calendar year; included are the most current available figures.

³ Stats NZ calculates FDI once per tax year to March.

s9(2)(b)(ii)

Key Challenges Impacting New Zealand Businesses in Singapore

14 Due to the accessibility of Singapore as a trade partner, many trade agencies and large companies from other countries have invested in marketing campaigns in Singapore in recent years. Because of this, New Zealand exporters face high competition from international producers driving an even greater need for companies to clearly define their point of difference in this fast-paced competitive environment.

s6(a)

16 A further challenge is the lower demands for foodservice due the lack of tourists in Singapore (the number of travellers from China is still not back to pre-COVID-19 levels).

s6(a)

This has an impact on the demand for F&B goods from
New Zealand.

*New Zealand Trade and Enterprise
December 2023*

Green Economy

Singapore's strategy for achieving its international climate commitments (it has committed to peaking emissions before 2030, and net zero emissions by 2050) relies on international trade, and includes greening business and industry, investing in green technologies, shoring up a stable supply of imported alternative energy (including low carbon hydrogen and sustainable fuels), and pursuing effective international cooperation.

2 To this end Singapore has been pursuing a range of "green economy" agreements with its partners. These are a new type of instrument combining trade, economic and climate objectives, and covering areas such as green supply chains, sustainable agriculture and food systems, the build environment, clean energy trade, carbon markets, green finance, and the circular economy. One of Singapore's core objectives is to shore up a stable regional supply of alternative energy, including low carbon hydrogen and sustainable aviation and shipping fuels.

3 Singapore concluded its first green economy agreement with Australia in October 2022⁴, and is actively working on initiatives in these areas with other partners s6(a)

New Zealand's Green Economy Cooperation with Singapore

4 Bilaterally, though we do not have a formal Green Economy Agreement, we have made some tangible progress under the "Climate Change and Green Economy" pillar of the New Zealand-Singapore Enhanced Partnership, including:

- A Hydrogen Cooperation Arrangement which provides a framework for information exchange on the use and deployment of low-carbon hydrogen across energy and transport sectors; and cooperation including on approaches to domestic regulation. s6(a)
- A Sustainable Aviation Arrangement (involving Government, airlines and airports) which is enabling cooperation and information exchange around sustainable aviation fuel (SAF), the electrification of fleets and airport infrastructure. s6(a)
s6(a)
- Other green transition-related activities including a climate change policy dialogue held in New Zealand in April, work on mitigation and carbon markets (including dialogue and joint capacity building in the ASEAN region), and exploring potential cooperation on green shipping, low emissions vehicles and waste management.

⁴ The Australia-Singapore Green Economy Agreement covers clean energy trade, sustainable agriculture and food systems, environmental goods and services, carbon markets, carbon capture, utilisation and storage technology (CCUS), private sector investment and green finance flows, and the circular economy. s6(a)

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5 New Zealand and Singapore are also cooperating on “green” initiatives under other pillars of the Enhanced Partnership; s6(a)
s6(a)

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s6(a)

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December 2023*

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Supply Chain Partnership

Singapore is a critical transshipment hub for New Zealand imports and exports, a gateway for our trade with South East Asia (approximately 18% of New Zealand's containerised exports and 23% of containerised imports go through the Port of Singapore as the next/last international port). Singapore's geographical location along the world's major trade, shipping and aviation routes (with 4 billion people in a 7 hour flight radius) has long made it ideal for moving goods and people around the region.

2 In 2020, in the face of global supply chain disruptions, New Zealand and Singapore initiated a commitment - joined by a number of other countries - to ensure supply chain continuity and ensure tariffs or other trade barriers are not imposed on essential goods and services, including medical supplies. That commitment was subsequently picked up in other fora such as the WHO and APEC. Another initiative, the Singapore-New Zealand Airfreight Project (SNAP), provided a secure 'air bridge' to carry essential foods to Singapore and medical supplies back to New Zealand. The SNAP initiative was heavily symbolic as evidence of New Zealand being a "friend in need" to Singapore, and has not been forgotten.

3 New Zealand and Singapore are now working together as part of the New Zealand Singapore Supply Chain Working Group (SCWG) to identify further ways to enhance supply chain resilience. The objectives are to support the needs of trading businesses in New Zealand and Singapore as they prepare for future global supply chain disruptions and to build a network of key supply chain stakeholders between New Zealand and Singapore.

4 The SCWG formally met for the first time in June 2023. This comprised 1) an inter-agency scoping dialogue on the direction of the New Zealand – Singapore Supply Chain Working Group; and 2) a deep dive on the challenges facing New Zealand primary producers, including with supply chains. The engagement included representatives (on the New Zealand side) from MFAT, Ministry of Transport, Customs, NZTE and MPI and (on the Singapore side) from Ministry of Trade and Industry, Maritime & Port Authority, Infocom Media Development Authority, Ministry of Transport and the Civil Aviation Authority of Singapore.

s6(a)

s6(a)

7 New Zealand and Singapore are also cooperating on supply chain initiatives under the IPEF Supply Chain Agreement signed in November. The IPEF Supply Chain Agreement provides a platform for the fourteen IPEF members to cooperate in improving the resilience, efficiency, productivity, sustainability, transparency, diversification, security, fairness, and inclusivity of supply chains involving IPEF countries. Bilateral supply chain cooperation between New Zealand and Singapore should complement the implementation of undertakings made within the IPEF context.

*South and South East Asia Division
December 2023*

Food Security

s6(a)

the Singapore Government has ramped up its effort to turn the city-state into a high-tech agrifood hub.

2 Singapore has set an ambitious target of increasing domestic food production to meet 30% of its nutritional needs by 2030 – the “30 by 30” initiative – and created the Singapore Food Agency to support this goal. With only 1% of land set aside for food production, the strategy has been focused on establishing urban vertical farms, developing the technology for producing alternative proteins (plant based and cell cultured) and urban aquaculture farming.

3 s6(a)

Most recently, Malaysia’s ban on the export of chicken affected 30% of Singapore’s chicken supply in 2022. Earlier in 2020 the pandemic saw supermarket shelves emptied and emergency stockpiles heavily drawn upon. During this time, Singapore recognised New Zealand as an important and trusted food exporter, and requested our assistance. As a result, the Singapore-New Zealand Airfreight Project (SNAP) ran from April to August 2020, with New Zealand sending food (mostly meat, eggs and fruit) and in return Singapore supplying COVID-19 testing kits and other medical supplies.

Singapore as a hub for New Zealand exporters

3 With unparalleled air and sea connectivity in the region, Singapore is well placed in theory to be a hub for New Zealand food and beverage exporters. s6(a)
s6(a)

Innovation ecosystem

4 Singapore has ambitions to become a leading global hub for sustainable agrifood technology solutions. These include alternative proteins (cell cultured meats or plant based proteins), aquaculture and urban agriculture. s6(a)

Singapore also sees innovation as key to securing its place in the future global economy. Singapore is a good location to identify like-minded partners, design products to Asian preferences, safeguard intellectual property, scale technology-intensive

infrastructure, and launch dedicated go-to-market strategies. Various government agencies are working closely together to ensure Singapore has the right infrastructure and technology in place, while also creating a conducive economic environment that supports innovators and enterprises.

Working with New Zealand

5 The agrifood relationship between Singapore and New Zealand is deep and long-standing. Collaboration at the government level spans multiple departments - NZTE, MBE, MPI and Customs. Equally across the private sector, relationships between importers and exporters are well developed, aided in part by the bigger exporters having large regional offices in Singapore (e.g. Fonterra and Zespri). Officials are currently focused on progressing the Singapore New Zealand Supply Chains Working Group to explore further opportunities to strengthen supply chain resilience, including food security. Singapore has established a 'Food Pact' with Australia to support exporters, importers and consumers by increasing high-quality and reliable food; support Singapore as a transshipment hub for food and increase cooperation on global food security issues. s6(a)

*New Zealand High Commission in Singapore
December 2023*

Singapore Political Update

Prime Minister Lee Hsien Loong's centre-right People's Action Party (PAP) has governed Singapore since independence in 1965. At the 2020 General Election, the PAP received 61.24% of all votes and secured 83 seats in Parliament, with the opposition Workers' Party gaining 10 seats. In a major development last month, Prime Minister Lee made the long awaited announcement of his intention "if all goes well" to hand over leadership of the ruling PAP by November 2024, and in advance of a general election (which must be held before the end of 2025). Lee confirmed current Deputy Prime Minister and Finance Minister, Lawrence Wong, as his successor.

2 The political succession has been well choreographed, with Prime Minister Lee's earlier plan to retire before his 70th birthday (he is now 71) delayed by COVID-19. It will be only the third time Singapore has changed leader since Lee Kuan Yew, father of the current Prime Minister, founded the Republic. s6(a)

s6(a)

4 Wong is an experienced Minister in Lee's Cabinet. Wong rose to prominence heading the Government's COVID-19 taskforce that led Singapore's highly successful response to the pandemic. s6(a) Wong was appointed Finance Minister in 2021 and Deputy Prime Minister in 2022. Wong has had good engagement with New Zealand, including a meeting with Prime Minister Luxon during Luxon's visit to Singapore as Leader of the Opposition in 2022. Wong also spent time in New Zealand as a recipient of the New Zealand Prime Minister's ASEAN Fellowship in 2009 when he was serving as CEO of Singapore's Energy Market Authority.

*New Zealand High Commission in Singapore
December 2023*

Singapore Trade and Economic Update

Singapore's economy is known for being open, trade-oriented, and characterised by a high degree of stability. The Singapore Government plays a significant role in the economy and takes a proactive approach to economic planning. Singapore's unemployment rate rarely surpasses 2% and its workforce is highly skilled. Its strategic location on the Straits of Malacca makes it a major hub for international trade and finance with the Port of Singapore one of the world's busiest and most efficient container ports. The United States is Singapore's largest source of FDI, while China is Singapore's top goods export market. Singapore has a well-diversified trade profile compared to other economies in the region, with only around 15% of its goods going to China.

Increasing capital flows and 're-shoring' into Singapore from the region

2 In recent years, and particularly since the pandemic, there has been an influx of Chinese capital into Singapore as well as relocation of high net worth individuals and companies. Singapore's Economic Development board reported that an unprecedented surge in global semiconductor demand in 2022 saw Singapore benefit from an inflow of electronic and manufacturing projects. Singapore's reputation as the 'safe haven' of Asia has been increasingly evident. More recently, the Monetary Authority of Singapore (MAS) has offered attractive tax rules, residency programmes, and other relocation incentives for the setting up of family offices (FO) in Singapore.

Rising costs of living and inflation continue to be a drag on the economy

3 Singapore is facing similar economic challenges to the rest of the region – a rising cost of living, high inflation and sharp increases in property prices. Core inflation (excluding private transport and accommodation costs) has continued on a downward trend since peaking in February 2023 and is now (at 3%) at its lowest level since mid-2022. While numbers are still high versus the pre-pandemic average, headline inflation (or the overall consumer price index) has also eased from early 2022. Singapore's central bank has a unique method of conducting monetary policy, by tweaking the exchange rate of its dollar instead of changing domestic interest rates like most other economies. This has largely been an effective tool to manage the economic challenges of the post pandemic period.

4 Singapore made headlines in early December for retaining its position as the world's most expensive city for 2023 (along with Zurich), according to the Economist Intelligence Unit. The city state has the world's highest transport prices, due to strict government controls for private car ownership. It is also amongst the most expensive for clothing, groceries and alcohol. Unlike New Zealand, where house prices have dropped following high interest rates, Singapore's property market remained strong through and after the COVID-19 pandemic. Private home prices rose by 10.6% in 2021 and 8.6% in 2022. Reports for 2023 are that prices have flat lined although official figures are yet to be released.

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Moderate economic growth prospects for 2024

5 Singapore's economic growth for 2023 is expected to come in at around 1%. The latest projection released in November by the Ministry for Trade and Industry noted that the US economy has performed better than expected, but that growth in the US and Europe is expected to moderate due to the cumulative effects of monetary policy tightening. Likewise, China's growth is likely to slow further from weaknesses in its property sector, domestic consumption and subdued external demand.

*New Zealand High Commission in Singapore
December 2023*

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Singapore Key Facts and Figures

Geography/Demographics	
Land area	734.3 sq. km
Population	5.91 million (2023)
Official languages	Chinese, Malay, Tamil, English
Ethnic groups	Chinese (74%), Malay (13%), Indian (9%), other (4%)
Religions	Buddhist (31%), Christian (19%); Islam (16%), Taoist (8%), Hindu (5%), None (20%), other (1%)
Politics	
Political system	Parliamentary Republic
National government	People's Action Party
Head of State	President Tharman Shanmugaratnam
Head of Government	Prime Minister Lee Hsien Loong
Economic (2023 estimates, SGD)	
GDP	\$163 billion
Real GDP growth	1%
Goods exports	\$153 billion
Goods imports	\$137 billion
Current account balance	+\$30.1 billion
New Zealand Goods and Services Trade with Singapore (year ended September 2023, NZD)	
Total two-way trade	\$10.42 billion
Ranking	Singapore is NZ's 4 th largest trading partner for total trade value
New Zealand Goods Trade (year ended September 2023, NZD)	
NZ goods exports	\$1.75 billion
Main exports	Dairy, mineral fuels and oils, food preparations, meat, offal.
NZ imports	\$4.24 billion
Main imports	Mineral fuels and oils, food preparations, machinery, medical equipment, plastics.
New Zealand Trade in Services (year ended September 2023, NZD)	
NZ services exports	\$607.54 million
Main exports	Travel, transport, business services, telecommunications
NZ imports	\$3.81 billion
Main imports	Transport, business services, telecommunications, insurance
Investment Singapore to NZ as of 31 March 2023, NZD	
Foreign Direct Investment	\$9.1 billion

Rt Hon Christopher Luxon
Prime Minister
Parliament Buildings
WELLINGTON

Dear Prime Minister

APPROVAL IN PRINCIPLE – TRAVEL TO GENEVA, DUBAI AND NEW DELHI

I seek your approval to travel to Geneva, Dubai and New Delhi from 23 January to 28 January 2024 in my capacity as Minister for Trade. The primary purpose is to contribute to preparations for the 13th World Trade Organisation (WTO) Ministerial Conference (MC13) in order to ensure that the outcome reflects New Zealand's interests. I will be a Vice-Chair of MC13 which will be held from 26-29 February 2024 in Abu Dhabi.

Out of scope

I also propose to travel via New Delhi on my return journey to New Zealand to debrief my Trade Minister counterpart on information relevant to India's interests from my discussions in Geneva and Dubai. s6(a)

I will be accompanied by one staff member from my office, a senior official from the Ministry of Foreign Affairs and Trade, and I will be supported by staff from the New Zealand Permanent Mission to the World Trade Organisation while in Geneva, the New Zealand Embassy to the United Arab Emirates while in Dubai, and the New Zealand High Commission to India while in New Delhi. Final costs will be determined once the itinerary is confirmed, but the estimated cost of travel for me and my staff member is \$8150 (rounded, including contingency, excluding flights). Attached is an indicative programme and a budget.

Acting Ministers for my portfolios whilst I am travelling are listed below:

- Agriculture [office to fill]
- Forestry: [office to fill]
- Trade: [office to fill]
- Hunting and Fishing: [office to fill]

Yours sincerely

Hon Todd McClay

Minister for Trade

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Annex One: Indicative Programme (23 January –29 January 2022)

Tuesday 23 January:

- Depart New Zealand for Geneva (evening)

Wednesday 24 January:

- Arrive in Geneva (midday)
- Meet with heads of key WTO groupings (including G33 & Cairns Group)
- Meet with WTO Director General & Deputy Director General
- Evening reception

Thursday 25 January:

- Meeting with Pacific Permanent Representatives
- Further bilateral meetings
- Depart for Dubai (afternoon)

Friday 26 January:

- Meet with UAE Trade Minister
- Meet with other relevant Ministers (as available)
- Depart for New Delhi (afternoon)
- Arrive New Delhi (evening)

Saturday 27 January:

- Meet with Indian Minister for Commerce and Industry
- Lunch/dinner event and/or afternoon tea with business representatives (if desired)
- Depart for Auckland (evening)

Sunday 28 January:

- Arrive in Auckland

Annex Two: Indicative Budget

	Minister	Staff
Flights	\$ office	\$ office
Ground transport	\$0	\$0
Accommodation	\$ 1937	\$ 1634
Per Diems	\$ 546	\$ 546
Facilitation	\$0	\$0
Representation	\$825	
Visas	\$0	\$0
Gifts	\$1300	N/A
Subtotal	\$4608	\$2180
Contingency 20%	\$922	\$436
TOTAL	\$5530	\$2616
\$8146		

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Rt Hon Christopher Luxon
Prime Minister
Parliament Buildings
WELLINGTON 6160

Dear Prime Minister

APPROVAL IN PRINCIPLE – TRAVEL TO INDIA AND SINGAPORE 18–21 DECEMBER 2023

I seek your approval to travel to India and Singapore from 18–21 December 2023 in my capacity as Minister for Trade. The purpose of the travel is to establish a relationship and build rapport with my Ministerial counterparts to strengthen New Zealand's economic partnerships with India and Singapore.

Lifting our relationship with **India** is a strategic priority for New Zealand. s6(a) and this early engagement will send a clear and impactful message about the priority and commitment that we ascribe to this relationship. My visit will build connections and relationship capital which will help inform a NZ Inc. approach to strengthening and deepening relations with India. Bilateral visits are particularly important for establishing the political connections s6(a) to developing the bilateral relationship.

The main objective of the visit will be to meet my counterpart Commerce Minister Goyal to underline New Zealand's commitment to progress the bilateral relationship and lay the foundations for future trade and economic opportunities, including discussion of prospects for a Free Trade Agreement with India. I will also engage with key industry leaders who have vested interest in growing the New Zealand-India trade and economic partnership. This will present an opportunity to signal our desire for a step-change in the relationship to both India and to our respective business communities.

To maximise my time in the region, I also plan to spend one day in **Singapore**, on the way back to New Zealand. Singapore is our most significant trading partner in South East Asia and a critical hub for New Zealand's supply lines. It is also a "pathfinder" for international trade initiatives and a key partner in protecting international trade rules. My visit will highlight importance of our trade policy priorities with Singapore, including cooperation on supply chain resilience and the transition to a green economy. The main objective of this visit would be to establish my relationship with Singapore's Minister for Trade and Industry Gan. I will also engage with key Singaporean trade stakeholders and connect with New Zealand businesses based in Singapore.

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Page 2 of

I will be accompanied by one staff member from my office. Final costs will be determined once the itinerary is confirmed, but the estimated cost of travel for me and my staff member is \$xx.

Acting Ministers for my portfolios whilst I am travelling are listed below:

- xx

Yours sincerely

Hon Todd McClay
Minister for Trade

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Annex One: Indicative Programme

Monday 18 December

- Depart New Zealand for New Delhi

Tuesday 19 December

- Roundtable and working lunch with New Zealand businesses in India
- Speaking engagement with business and industry leaders
- Meeting with Indian Minister Piyush Goyal
- Depart New Delhi for Singapore

Wednesday 20 December

- Meeting with Singapore's Trade Minister Gan
- Roundtable with key Singapore business/trade stakeholders
- Event with New Zealand Chamber of Commerce Singapore
- Depart Singapore for New Zealand

Thursday 21 December

- Arrive in New Zealand

Annex Two: Indicative Budget – India and Singapore

	Minister	Staff
Flights	\$xx	\$xx
Airport facilitation	\$700.00	Nil
Ground transport	Nil	Nil
Accommodation	Nil	Nil
Per Diems	\$136.00	\$136.00
Representation/Events	\$4,650.00	Nil
Gifts	\$500.00	Nil
Subtotal	\$XX	\$XX
Contingency 20%	\$XX	\$XX
TOTAL	\$XX	\$XX
<u>TOTAL \$XX</u>		

Informal Note — Catch-up with Minister Goyal in January 2024

Summary/Context

Proposed engagement with Minister Goyal

- You have expressed interest in visiting India en route to New Zealand following pre-WTO MC13 discussions in Geneva and Abu Dhabi. The window for the full itinerary is 23-28 January 2024 between Cabinet commitments in Wellington.
- During your visit to New Delhi in December 2023, you undertook to be in touch with your counterpart, Minister Goyal, before MC13. s6(a)

It would also provide another opportunity to demonstrate New Zealand's genuine intent in growing our relationship with India.

Considerations

- India's Republic Day public holiday occurs on Friday 26 January. The Indian Government and general public will be focused on nationwide celebrations (France's President Macron is invited as "Chief Guest"), which will be a significant limiting factor for meaningful engagement. s6(a)

- s6(a)

- s6(b)(i)

s6(a)

MFAT advice

- Officials therefore recommend that any debrief to Minister Goyal takes place by phone rather than in-person in India.
- This would allow greater flexibility on timing, especially if Goyal has commitments on or after Republic Day (noting these may not be in New Delhi).
- s6(a)

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s6(a)

Next steps

- The New Zealand High Commission in New Delhi stands ready to make enquiries about Minister Goyal's interest in receiving a debrief on your pre-MC13 discussions.

South and South East Asia Division
Ministry of Foreign Affairs and Trade
8 January 2024

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From: NEW DELHI <NDI@mfat.govt.nz>

Sent: Monday, 15 January 2024 7:03 PM

To: ...TRADE POSTS <TRADEPOSTS@mfat.govt.nz>; ...WLN TRADE DIVISIONS

<TRADEDIVISIONS@mfat.govt.nz>; ...SSEA POSTS <SSEAPOSTS@mfat.govt.nz>; FM.P/S Trade (Seemail) <PSTrade@mfat.govt.nz>; FM.P/S Agriculture (Seemail) <FMPSAgriculture@mfat.govt.nz>; FM.P/S MFA (Seemail) <PS.MFA@mfat.govt.nz>; FM.DPMC (FPA) (Seemail) <DPMCFPA@mfat.govt.nz>; FM.Transport Ministry (Seemail) <cables@transport.govt.nz>; FM.MPI (Seemail) <mfat.messages@mpi.govt.nz>; FM.Customs Service (Seemail) <cables@customs.govt.nz>; FM.NZTE (Seemail) <formalmessages@nzte.govt.nz>; FM.Environment Ministry (Seemail) <mfat.cables@mfe.govt.nz>; FM.MBIE Formal Messages (Seemail) <cables@mbie.govt.nz>; FM.Immigration NZ (Seemail) <immigrationcables@mbie.govt.nz>; FM.Education Ministry (Seemail) <Internationalunit2@minedu.govt.nz>; FM.EducationNZ (Seemail) <cables@enz.govt.nz>; FM.Asia NZ Foundation <FMA1@orange.mfat.govt.nz>; FM.Tourism NZ (Seemail) <formalmessages@tnz.govt.nz>

Subject: FORMAL MESSAGE: INDIA: VISIT BY HON TODD MCCLAY MINISTER FOR TRADE 19 DECEMBER 2023

[RESTRICTED]

Rāpopoto – Summary

Minister McClay's visit delivered a clear message to key stakeholders in the Indian relationship that India is a strategic priority for the new government, and made a warm connection with his trade counterpart Minister Piyush Goyal. He emphasised that there was alignment in New Zealand Cabinet on the need to broaden relations with India, including to help achieve the objective to double New Zealand's exports by value in 10 years, and deepen strategic and cultural connections. The Minister's engagements in Delhi provided an early opportunity for the Minister to get a sense of the opportunities in the complex Indian market as the new government begins to define its approach to the relationship.

Hohenga – Action

SEA, TPND – to note Minister McClay's offer to engage with Minister Goyal again before MC13, after his visit to Geneva in January.

SEA, TPND – s6(b)(i)

SEA, ECO, TPND – s9(2)(g)(i)

MPI – s6(b)(i)

SEA, ECO, MoT, NDI – s9(2)(b)(i)

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SEA, TPND – s9(2)(g)(i)

Pūrongo – Report

Programme and Objectives

Minister for Trade Hon Todd McClay visited New Delhi on 19 December on the first stop on his first overseas visit since being sworn in at the end of November. The Minister's short visit focused on objectives relating to his trade portfolio, including to show the strategic priority that the new government is placing on its relationship with India; establish connections with key Indian decision-makers; and to get a clear picture about opportunities and challenges setting out the path ahead.

2 The Minister's programme included:

- An introductory call on the Minister of Commerce and Industry, Hon Piyush Goyal;
- Breakfast with Campbell Wilson, CEO of Air India;
- An NZTE-led lunch with New Zealand business leaders in India;
- A speech and public-facing conversation with India G20 Sherpa Amitabh Kant about the direction of the economic and trade relationship;
- A 'green-room' session with key Indian business stakeholders;
- A visit to a high-end retailer showcasing New Zealand food and beverage products available in India;
- An engagement with Indian education agents and New Zealand alumni;
- An engagement with the MSME Business Forum;
- A visit to Akshardham Temple;
- To officially open the "Leaders' Photo Gallery" in the High Commission; and
- A briefing with NZ Inc agencies in India.

Meeting with Minister of Commerce and Industry Hon Piyush Goyal

3 Minister Goyal had stepped out from Parliament to make his evening meeting with Minister McClay. s6(a)

4 Minister McClay and Minister Goyal's first meeting was friendly and established a good personal connection between the ministers, who left the meeting on first name basis and with each other's mobile numbers. The conversation was enthusiastic and focused on cooperation opportunities to lift bilateral economic relations. s6(a)

5 Minister McClay emphasised Prime Minister Luxon's ambition for the relationship, noting that he had promised to visit India in 2024 and directed his ministers to get to know their Indian counterparts. s6(b)(i)

6 s6(b)(i)

7 s6(b)(i)

Minister McClay's said the New Zealand Minister of Education would visit India at an early opportunity s6(b)(i)

8 Minister McClay thanked Minister Goyal for intervening on New Zealand's market access issues for logs trade into India, following which MPI and the Department of Agriculture and Farmers Welfare had arrived at a solution to enable log exports to India to resume. s6(b)(i)

9 Minister McClay said that he knew that grapes were an export priority for India, and that as Minister of Agriculture, he would instruct his officials to prioritise India's request for grapes market access, and to start work on this in early 2024.

10 The Ministers noted that it was New Zealand's turn to host the Joint Trade Committee, which was a useful forum for advancing cooperation initiatives and working through NTB issues. s6(b)(i)

11 Additional Secretary Rajesh Agrawal noted his team's planned travel to Australia in January for inaugural ECTA talks, and that the timing would be convenient for the India-New Zealand JTC too. s6(b)(i)

12 s6(b)(i)

s6(b)(i)

13 s6(b)(i)

14 s6(b)(i)

15 s6(a)

New Zealand and India Economic Relations; "the Partnership Pathway"

16 In his key public-facing event, Minister McClay gave a speech and presented his vision for what New Zealand and India's relationship should be. He joined G20 Sherpa Amitabh Kant, s6(a) in a conversation about how the economic partnership could be taken forward.

17 s6(a)

18 s6(a)

Kant offered effusive support to the Minister's vision for comprehensive, more broad-based relations between India and New Zealand. In his view, New Zealand and India should prioritise agriculture cooperation, and encourage strategic partnership between India's National Dairy Development Board and Fonterra. Kant was supportive of the kiwifruit initiative to deliver support to India's kiwifruit growers in one or two states

s6(a)

19 Kant supported the effort to encourage direct flights between India and New Zealand as an essential way to lift traffic and business between India and New Zealand. Kant noted

the success of the New Zealand cricketers who had been auctioned that day in the Indian Premier League, including Daryl Mitchell's contract which reached NZD 2.7 million.

20 The speakers spoke about the potential value of IPEF in supporting more resilient supply chains in the region amongst "trusted geographies". Kant said that New Zealand was a country to trust and that India should be reducing its import duties to encourage the flow of components into India, facilitating its growth as a manufacturing and export hub. Kant said India should think seriously about an FTA with New Zealand. s6(a)

Direct Air Services

21 Minister McClay had breakfast with Air India CEO Campbell Wilson s9(2)(b)(ii)

Wilson was supportive of the importance on the India relationship articulated by Minister McClay, who noted that PM Luxon had also spoken of the priority of a direct flight. Minister McClay said he would try to fly Air India on his next visit via Australia.

22 Wilson acknowledged the strength of tourism demand from India - which is New Zealand's strongest post-pandemic recovery and growth market - but noted that this trend was the same across most key destinations for Indian travellers. Higher numbers of business travellers going to the US and Europe meant those markets would get new routes first, then Australia and New Zealand. s9(2)(b)(ii)

23 s6(a)

24 There was discussion about visa processing times affecting travel preferences from India including for education and tourism, which Minister McClay thought would be something that the new government looked at to make sure visa settings were fit for purpose.

25 s9(2)(b)(ii)

Other scene-setting engagements

26 A lunch with NZTE customers and India-New Zealand Business Council (INZBC) members provided the Minister with insights about opportunities and challenges in India from companies with experience in-market. The lunch followed a visit to Le Marche, a

high-end supermarket in Delhi, showcasing New Zealand products. Companies, including Quality New Zealand, Valocity, Mainfreight, Rakon, STAAH, and Zespri underscored the need for patience in the India market, and the value of NZTE's support. Each company had ambitious growth plans. Businesses thanked the Minister for his early demonstration of support for the relationship and conveyed support for the Minister's efforts.

27 The Minister met with Indian companies and stakeholders with trade interests in New Zealand including Tata Consultancy Services and HCL Tech which have significant investments in New Zealand, and the Federation of Food Importers which has a close understanding of the opportunities and barriers for New Zealand food exporters.

28 The Minister had engagements with MSME Business Forum and education agents and alumni providing insights into the interests of small businesses in India interested in engaging with New Zealand, and opportunities for growth in the education partnership.

29 The Minister visited Akshardham Temple to meet and receive a blessing from Gnanmuidas Swami. Swami ji is s6(a) influential in the temple's organisation, which has an extensive network of temples on India and globally, including several across New Zealand.

Tākupu – Comment

30 The Minister's visit made an excellent start to establishing personal connections with key Indian stakeholders in the relationship, in particular, Minister Goyal. The Minister registered the new government's priority on the relationship with India widely, and had a number of valuable discussions about setting the path forward for the economic partnership.

31 The centrality of agricultural cooperation to the wider trade relationship was a dominant theme throughout his calls, and will feature more fully in future visits, including in his agriculture ministerial capacity. Minister McClay and Minister Goyal signaled a wish for further engagement in early 2024. Officials' level JTC talks will also help capitalise on momentum from this visit.

32 s6(a)

Minister
McClay's commitment to more frequent political engagement will undoubtedly help build resilience into a relationship where progress takes time and can be challenging, especially where the views and values of our respective governments conflict.

MUTU – ENDS

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s6(a)

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NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere



7 December 2023

Minister for Trade and Export Growth

For action by

12 December 2023

Minister for Trade's International Travel Opportunities 2023-24

BRIEFING Decision Submission

PURPOSE This paper recommends a range of international travel opportunities through to the end of 2024 under your trade portfolio.

Recommended referrals

Prime Minister	For information by	14 December 2023
Minister of Foreign Affairs	For information by	14 December 2023
Minister for Space	For information by	14 December 2023
Minister of State for Trade	For information by	14 December 2023

Contact details

NAME	ROLE	DIVISION	WORK PHONE
Ben King	Deputy Chief Executive Policy	Deputy Chief Executive Policy	s9(2)(a)

Minister's Office to complete

- | | | |
|----------------------------------------------|-----------------------------------------------|------------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Noted | <input type="checkbox"/> Referred |
| <input type="checkbox"/> Needs amendment | <input type="checkbox"/> Declined | <input type="checkbox"/> Withdrawn |
| <input type="checkbox"/> Overtaken by events | <input type="checkbox"/> See Minister's notes | |

Comments

Minister for Trade's International Travel Opportunities 2023-24

Key points

- Your relationships with foreign counterparts, participation at international meetings, and leadership of trade missions is vital to New Zealand's impact in the world on trade and economic matters.

s6(a), s9(2)(g)(i)

Timing	Destination	Details
Dec 19-20 2023	India Singapore	Bilateral visits

Out of scope

Minister for Trade's International Travel Opportunities 2023-24

- s6(a), s9(2)(g)(i)

These visits recognise the commitment for a record number of trade missions in the Government's first term and would enable exporters to benefit more fully from improved market access opportunities through the implementation and promotion of concluded trade agreements. Officials propose that leadership of the trade missions could be done by yourself, another Minister, or the Prime Minister as follows:

Timing	Destination	Details
Out of scope		
July – Sep	India	Prime Minister-led Trade Mission
Out of scope		

Out of scope

Signed by Vangelis Vitalis

Vangelis Vitalis
for Secretary of Foreign Affairs and Trade

Minister for Trade's International Travel Opportunities 2023-24

Recommendations

It is recommended that you:

- | | | |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1 | Note the value of actively engaging with foreign partners to prosecute the new Government's international priorities and interests; | Yes / No |
| 2 | Agree that Ministry officials discuss the listed international travel opportunities with your office to finalise your 2024 travel plans; | Yes / No |
| 3 | Note that these proposals may need to be revised during the course of the year to take into account new developments; | Yes / No |
| 4 | Refer a copy of this submission to the Prime Minister, the Minister of Foreign Affairs, Minister for Space, and the Minister of State for Trade for information. | Yes / No |

Hon Todd McClay
Minister for Trade

Date: / /

Minister for Trade's International Travel Opportunities 2023-24

Report

1. A key part of your role is engaging with Ministerial counterparts to advance and protect New Zealand's trade and economic interests. These engagements arise across a range of 'set-piece' international meetings; plurilateral or multilateral negotiations; and bilateral visits you choose to undertake to advance particular objectives and to support New Zealand businesses.
2. It is envisaged that you will undertake a high tempo of international engagement to take advantage of the intensity and energy of the new Government and underline that New Zealand is open for business and determined to prosecute with vigour its economic commercial interests. The approach proposed for your travel is also designed to support the objective of doubling our exports over the coming decade.
3. This submission outlines the Ministry's recommendations for international travel for you in 2024. In developing this advice, officials have been mindful of:
 - * the Government's stated priorities (for example India and conducting a record number of trade missions);
 - * complementing the proposed international travel opportunities identified in 2024 for the Prime Minister and, where relevant, other Ministers in order to maximise impact;
 - * leveraging significant set-piece regional and multilateral meetings where widespread Ministerial attendance is expected so as to provide for a range of bilateral meetings in a single offshore trip;
 - * focusing on key relationships and markets for the advancement of New Zealand's trade agenda;
 - * sequencing travel to signal the government's trade policy priorities in the current geostrategic context; and
 - * identifying potential synergies for travel within the scope of your other responsibilities through consultation with relevant NZ Inc. agencies.
4. On trade missions in particular, MFAT and NZTE have worked together on developing these suggestions. Trade mission execution involves a variety of government agencies, with MFAT and NZTE being the primary leads. For most high-level missions, MFAT is the coordinating agency and chief liaison point with DPMC and Ministerial offices, responsible for all programmes aside from the business delegation. NZTE is responsible for the business delegation and their programme. Other agencies may be responsible for specific narrative, elements and dedicated events within the mission programme. NZTE stand ready to support Ministers and NZ Inc. agencies to deliver high quality business delegation components of the trade missions.

Recommended Travel

Dec – Bilateral Visit, New Delhi, India; and Singapore

5. Officials are preparing your visit to New Delhi and Singapore for the week of 18 December 2023. As the world's most populous country and fifth-largest economy, India is a strategic priority worthy of substantial investment by New Zealand. The early visit to India would be a signal of intent from the Government to the importance of the broader bilateral relationship s6(a), s6(e)(vi), s9(2)(g)(i) The early visit to Singapore would underscore the shared interests New Zealand and Singapore have as small advanced economies in championing stability, openness and the fundamental

Minister for Trade's International Travel Opportunities 2023-24

Out of scope

s6(a)

January 15-19 – World Economic Forum Annual Meeting, Davos, Switzerland; and

Out of scope
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Minister for Trade's International Travel Opportunities 2023-24

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Minister for Trade's International Travel Opportunities 2023-24

Out of scope

s6(a), s9(2)(g)(i)

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