



23rd January 2025

Committee Secretariat
Foreign Affairs, Defence, and Trade Committee
Parliament Buildings
Wellington

Via email: fadt@parliament.govt.nz

**Re: International Treaty Examination of the Agreement on Climate Change,
Trade and Sustainability**

Tēnā koe,

Export New Zealand (ExportNZ) and the New Zealand International Business Forum (NZIBF) would like to write in support of the ratification and implementation of the Agreement on Climate Change, Trade, and Sustainability (ACCTS).

ACCTS represents an innovative approach with economies not normally counted amongst our close trading partners. Our organisations note the positive initiatives that are included in this agreement, notably:

- The removal of tariff and non-tariff barriers on 300 environmental and energy-saving goods and services.
- The inclusion of wood and wool products in the definition of environmental goods.
- Established guidelines to inform the design and implementation of voluntary eco-labelling programmes.
- The establishment of a clear framework to restrict and eliminate fossil fuel subsidies in signatory countries.

The National Interest Analysis highlights positive market access outcomes for wood and wool, which are important primary product sector exports. However, we note that the immediate commercial impact of the ACCTS for New Zealand exporters, as it currently stands, remains negligible due to the types of goods and services covered by the agreement, the size of the signatory countries, the level of applied tariffs in those economies and New Zealand's relatively modest trade volume with these countries.

We understand that the agreement is designed to be an open, "living" document with an accession process for new signatories, and provisions to review and expand the goods market access list. Therefore, we hope more countries will sign on to the agreement and expect New Zealand will be proactive in adding new goods and services to the market access list that

advantage New Zealand producers and exporters. Our organisations expect this agreement to grow, increasing the commercial opportunities for New Zealand exporters.

We also anticipate that ACCTS could be further strengthened by including undertakings and commitments relevant to the global sustainability agenda, for example in relation to carbon accounting in both agricultural and maritime spheres.

ExportNZ and NZIBF recommend that the Committee:

- Note our views on the limited commercial opportunities for New Zealand exporters through this agreement,
- Note our expectations on the future of the agreement, and
- Note our support for New Zealand's ratification of the agreement.

Yours Sincerely,



Joshua Tan
Executive Director
Export New Zealand



Stephen Jacobi
Executive Director
New Zealand International Business Forum

About Export New Zealand

ExportNZ is a national industry association representing a diverse range of exporters throughout New Zealand. ExportNZ is a division of BusinessNZ, New Zealand's peak business advocacy body. We are a not-for-profit membership organisation and have approximately 2,000 export members around the country. Our regional network extends through the Employers and Manufacturers Association, Business Central, Business Canterbury, and Business South.

ExportNZ advocates for, inspires, connects, and celebrates New Zealand exporters. We aim to build a thriving ecosystem that supports each other.

We are exporters helping exporters.

Our value proposition for members is a mixture of policy and advocacy, education and training, networking, trade missions and inspiration through awards events and conferences. Notably, we run a BusinessNZ Chief Technology Officers Group, incorporating the largest innovation-driven companies in New Zealand, many of which export.

About New Zealand International Business Forum

NZIBF provides a voice to articulate the needs and priorities of New Zealand's international business community, and in particular the importance of open markets, to the New Zealand Government and public stakeholders. The NZIBF Board brings together leaders from amongst New Zealand's largest internationally oriented companies and peak business organisations, representing many exporters of all sizes.

Incorporated in May 2007, NZIBF works with companies, business organisations and government agencies to implement projects in the international trade and economic sphere, including working to develop New Zealand's key international business relationships and conducting activities to promote New Zealand's competitiveness. NZIBF is primarily funded by its members. It receives no direct government funding for its operating budget but from time to time may receive funding for jointly funded projects.