



INTERNATIONAL TRADE
BY THOMAS MANNING



NZTE to the rescue

Since it was first established by Mike Moore as 'TradeCom' in 1986, New Zealand Trade & Enterprise (NZTE) has played a vital part in the quadrupling of New Zealand's export trade (from 1986's \$21bn to 2019's \$83.6bn) and in the post-COVID-19 world, NZTE is poised to play an even more critically important role.

According to NZTE's mission statement their purpose is to 'grow a productive, sustainable and inclusive New Zealand driven by exports and supported by quality investment' all of which have taken on new urgency after what we knew as 'business as usual' has been turned on its head.

The collapse of the New Zealand's inbound international tourism and hospitality sectors after the indefinite closure of borders worldwide, means New Zealand's export trade must shoulder an even greater economic burden than in the past and NZTE will be a key player in enabling the export sector to do this.

The size of the task ahead should not be underestimated as Treasury is forecasting New Zealand exports will fall 8.7 per cent in 2020 and 16.1 per cent in 2021.

In its 2020 Budget, the Government acknowledged the new challenges exporters face by allocating a NZ\$216 million package from the

COVID-19 Response and Recovery Fund to assist NZTE to expand the scope and intensity of support it provides to exporters.

In commenting on the COVID-19 funding, NZTE Chair Andrew Ferrier noted that new trade development strategies are needed as the global trade environment has changed profoundly and that while New Zealand's export sector overall will be a critical enabler in a sustained domestic economic recovery, strong outcomes in the Food and Beverage, Technology and Specialised Manufacturing sectors will be a prime focus.



NZTE's intentions are to increase New Zealand's environmental sustainability as a source of competitive advantage, a focus on switching from volume to value and on delivering more value to Māori exporters and investors.

With immediate effect, NZTE is going to significantly increase the range of exporters who can qualify for intensive support and will provide them with tailored NZTE and NZ Inc. resources to better access overseas markets and establish global partnerships.

In the digital sphere, NZTE is going to boost its reach across the export sector to deliver practical services including content and tools and a new initiative focussing on supply chains and capability in freight and logistics for the medium term.

NZTE will help switch the focus of exports from volume to value

NZTE's team of in-market business development managers will be enlarged so that they can be 'boots on the ground' for New Zealand exporters while international travel remains restricted and they will be available to deputise for exporters in meeting customers, vetting new employees and interviewing distributors during the period international travel is restricted.

'MyFreight' is another NZTE COVID-19 initiative (in collaboration with the Ministry of Transport, Air

New Zealand and freight forwarders) which provides MOT funding support for charter flights to meet immediate freight needs which cannot be met by scheduled services.

Air New Zealand's 787-9 fleet has been made available for belly-hold air cargo charter flights at a reduced cost made possible, apart from MOT funding support, because the return legs of charter flights will carry essential goods, equipment and critical imports for the health system and other Government needs as well as for importers.

Freight charter pricing and daily updates on current capacity (including on scheduled services) is available in the NZTE website's 'Air Freight Options' section ([covid19.nzte.govt.nz/page/air-freight-option-for-immediate-export](https://nzte.govt.nz/page/air-freight-option-for-immediate-export)).

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