



# Ten key benefits of the UK-New Zealand Free Trade Agreement

- 1. Stronger allies**

Our shared history, common values and commitment to free trade is matched by a dedication to high standards and the rule of law. It makes complete sense to do a trade deal with New Zealand, which will make us stronger allies.
- 2. Red tape cut for small businesses**

Red tape will be slashed for the 6,200 UK SMEs who export goods to New Zealand. These businesses employed 245,000 people in 2019.<sup>1</sup> A dedicated chapter in the agreement includes practical support and advice on participation in trade promotion programmes.
- 3. More attractive investment opportunities**

This agreement will increase investment opportunities in both countries, making it easier for UK investors to expand their footprint and become more profitable in New Zealand. Raising screening thresholds for UK investors will lead to savings for UK businesses, who owned over £950m worth of foreign direct investment in New Zealand in 2019.<sup>2</sup>
- 4. Tariff-free access for British goods**

UK exporters will no longer have to pay tariffs on any goods, so they can do business at lower costs and gain an advantage over international rivals in the NZ import market, a market which is expected to grow by around 30% by 2030.<sup>3</sup> These tariff reductions include clothing (up to 10%), footwear (up to 10%), buses (5%), ships (up to 5%) and bulldozers and excavators (up to 5%).
- 5. Global leadership on climate and environment**

This deal includes a ground-breaking environment chapter that reinforces our commitments to the Paris Agreement and our efforts to meet net zero. It will also encourage trade and investment in low carbon goods, services and technology, with the most comprehensive list of environmental goods with liberalised tariffs in a trade deal to date.
- 6. Opening new digital markets**

The deal will cut red tape for our advanced tech and services companies and make it easier for smaller businesses to break into the New Zealand market. The free flow of trusted data, essential for modern businesses, will be guaranteed between the UK and New Zealand. In 2019, 40% of £673 million services exported to New Zealand were delivered digitally.<sup>4</sup>
- 7. Supporting UK professionals to operate in New Zealand**

It will be easier for UK lawyers, architects and other professionals to work in New Zealand, allowing UK companies to set up in New Zealand and bring the best British talent with them.
- 8. More opportunities to live and work in New Zealand**

Brits will be able to work more freely in New Zealand thanks to unprecedented new commitments that allow UK service suppliers to deliver contracts. Family members will also be able to join long term company transferees in New Zealand.
- 9. Opening the door to huge trans-pacific trade opportunities**

This deal is another step towards our accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Joining CPTPP will hitch the UK to some of the world's biggest and fastest-growing economies, populated by half a billion people and with a joint GDP of £8.4 trillion in 2020.<sup>5</sup>
- 10. Kiwi quality at lower prices**

Removing tariffs will make high-quality products that British consumers love more affordable, including Marlborough Sauvignon Blanc, Manuka Honey and kiwi fruit.

HMRC 'Business Characteristics 2019' 1

ONS 'Foreign direct investment involving UK companies: 2019' 2

DIT 'Global trade outlook - September 2021 report' 3

ONS 'Trade in Services by Modes of Supply, UK:2019' 4

IMF 'World Economic Outlook, April 2021' 5