

Scotland to benefit from UK trade deal with New Zealand

- Prime Minister seals free trade deal with New Zealand PM Jacinda Ardern
- Boost to British exporters and small businesses as both countries ditch tariffs and cut red tape
- More opportunities to live and work in New Zealand and deeper cooperation on digital trade and climate change

A comprehensive trade agreement with New Zealand will cut red tape for businesses, end tariffs on UK exports and create new opportunities for tech and services companies, while making it easier for UK professionals to live and work in New Zealand.

The ground-breaking deal was agreed in a video call between Prime Minister Boris Johnson and New Zealand Prime Minister Jacinda Ardern, after 16 months of talks by Department for International Trade negotiators.

UK-New Zealand trade was worth £2.3 billion last year and is set to grow under the deal. The deal will remove barriers to trade and deepen access for our advanced tech and services companies, while making it easier for smaller businesses to break into the New Zealand market.

Tariffs as high as 10% will be removed on a huge range of UK goods, from clothing and footwear to buses, ships, bulldozers and excavators, giving British exporters an advantage over international rivals in the New Zealand import market - a market which is expected to grow by around 30% by 2030. High-quality New Zealand products loved by British consumers, from Sauvignon Blanc wine to Manuka honey and kiwi fruits, will be cheaper to buy.

UK workers will benefit from improved business travel arrangements and professionals such as lawyers and architects will be able to work in New Zealand more easily, allowing UK companies to set up shop and bring the best British talent with them. Both sides have also committed to a mobility dialogue outside the trade agreement that will consider how people-to-people links can be deepened further.

The New Zealand trade deal follows advanced free trade agreements already struck with Australia and Japan and helps pave the way for UK to join Trans-Pacific Partnership (CPTPP), a free trade area of 11 Pacific nations with a GDP of £8.4 trillion in 2020.

Prime Minister Boris Johnson said:

This is great trade deal for the United Kingdom, cementing our long friendship with New Zealand and furthering our ties with the Indo-Pacific.

It will benefit businesses and consumers across the country, cutting costs for exporters and opening up access for our workers.

This is a fantastic week for Global Britain. On Tuesday we raised almost £10bn in investment for the industries of the future, and this new deal will help drive green growth here and on the other side of the world in New Zealand.

New Zealand Prime Minister Jacinda Ardern said:

The United Kingdom and New Zealand are great friends and close partners. The historical connections that bind us run deep.

This world-leading free trade agreement lays the foundations for even stronger connections as both countries embark on a new phase in our relationship. It is good for our economies, our businesses and our people.

The deal will provide benefits for people and businesses across the UK:

- Edinburgh's financial and insurance services companies will benefit from greater access to New Zealand's market and easier digital trade and business travel.
- Welsh auto companies that exported £3.4m of road vehicles to New Zealand last year will now benefit from the removal of tariffs of up to 10%, while manufacturing companies like Zip-Clip and K-form will also see the removal of tariffs up to 5% on metal goods and construction products.
- Northern Ireland's Wrightbus, from Ballymena, will benefit from the removal of a 10% tariff on buses, helping to boost £2.4m of road vehicle exports to New Zealand last year. Textile producers, such as Ulster Weavers, who exported £1.5m to New Zealand last year, will also benefit from the removal of tariffs of up to 10%.

International Trade Secretary Anne-Marie Trevelyan said:

This deal is a win-win for two like-minded democracies who believe in free and fair trade. It delivers for families, workers and businesses across Britain, and sets the stage for greater cooperation between our two nations on global challenges like digital trade and climate change.

It is a vital part of our plan to level up the country: slashing costs and red tape for exporters, building new trade routes for our services companies and refocusing Britain on the dynamic economies of Asia-Pacific.

Scottish Secretary Alister Jack said:

This modern and progressive trade deal with New Zealand is hugely exciting for Scotland and the whole of the UK.

Our thriving financial services sector, whisky and food producers are set to receive a boost, while our auto-industry will benefit from the removal of tariffs of between 5% and 10% on vehicles.

As well as bringing new opportunities to Scottish farmers who produce globally sought after produce, the deal also lays the foundations for access to the fast-growing Asian market through accession to CPTPP – a huge free trade area of 11 Pacific nations with a GDP of £9 trillion in 2019.

I know our New Zealand trade envoy, David Mundell, will be banging the drum for Scottish exports as this great deal takes effect.