

21 November 2004



MEAT INDUSTRY ASSOCIATION OF NEW ZEALAND PRESS RELEASE

Launch of New Zealand – China Free Trade Agreement Negotiations

Meat Industry Association of New Zealand (Inc)

“The Meat Industry Association welcomes the announcement from our Prime Minister Helen Clark that the process of negotiating a free trade agreement between New Zealand and China is about to commence”, says Chief Executive Caryll Shailer.

China is already New Zealand’s 4th largest trading partner, accounting for just under NZ\$1.4 billion in export value in 2003. Meat and related animal co-product exports (excluding wool) of NZ\$330 million already make up a sizeable 24% of this total and underline the importance of the Chinese market for New Zealand’s meat industry.

“The Chinese market is somewhat different to many of our established markets. There is strong demand for the full range of products harvested from the animal such as offals, skins and animal fats, as well as the more high profile meat products from both sheep and cattle. As China’s economy develops further the opportunities for the range of high quality items that New Zealand produces will undoubtedly increase.”

“The key to grasping these opportunities will be the existence of a trade friendly environment that allows exporters to operate under a transparent system of internationally accepted and recognised rules; enhanced by negotiated bilateral commitments ensuring free trade between New Zealand and China. This will create the environment for long-term business relationships to be established to satisfy the growing market demand in China for New Zealand’s high quality meat and associated products” Caryll Shailer says.

The meat industry has actively contributed to the feasibility study conducted by Government to reach this point in the Free Trade Agreement process and looks forward to ongoing dialogue and input during the negotiation phase that will further strengthen New Zealand’s bilateral relationship with China.

“While significant work is still ahead, the launch of the Free Trade Agreement process is an important milestone”, Caryll Shailer says, “and the meat industry looks forward to a successful and enduring outcome to the negotiations.”

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Background Information for Editors

In October 2003 the Minister of Trade Negotiations, Hon Jim Sutton, announced the agreement with China to develop a Trade and Economic Co-operation framework to “facilitate and promote bilateral trade and investment”. This framework was signed in May 2004 and triggered a “Joint Feasibility Study” on a Free Trade Agreement (FTA) between New Zealand and China.

The Association combined its resources with Meat and Wool New Zealand, Deer Industry New Zealand and National Council of New Zealand Wool Interests to compile a submission to Government spanning the

interests and objectives of the respective stakeholders in negotiations with China. The feasibility study was scheduled to be completed in November 2004.