

## Media Release

14 November 2009

### **Obama support for TPP announced today – fantastic news says Meat & Wool New Zealand and the Meat Industry Association**

Meat & Wool New Zealand and the Meat Industry Association say US President Barack Obama's support for moving ahead with negotiations to join the Trans Pacific Partnership (TPP) is fantastic news and congratulations must go to New Zealand Prime Minister John Key, Trade Minister Tim Groser and officials for achieving what is likely to be a hugely significant agreement for New Zealand in the context of world trade.

Meat & Wool New Zealand Chairman, Mike Petersen said this announcement continues the recent momentum of trade liberalisation and Free Trade Agreements (FTA) with our major trading partners. This progress is even more important in the absence of a successful conclusion to the WTO round which remains our most important trade priority.

"The US economy is the biggest in the world with a large number of affluent consumers that value our premium meat products.

"Economically and geographically the US would be a very important addition to our bilateral trade agreements, adding to the Pacific rim of agreements and building on those already developed with a range of countries in Asia."

Meat Industry Association, Chairman Bill Falconer said the news was a significant signal with the US being New Zealand's largest beef export destination receiving 178,000 tonnes (50% total New Zealand volume) in 2008 and generating NZ\$786 million (42% of total NZ beef export value).

The US is New Zealand's 4th largest lamb export market taking 6% of sheepmeat exports by volume. 37% of New Zealand lamb shipments to the US are chilled.

Mr Falconer said US per capita lamb consumption at 1.1lb is low by key market standards, but it did present a long term opportunity to raise consumption.

Mr Petersen said the TPP, once it includes the US, would bring equality between Australia and New Zealand, given the access arrangements Australia has to the USA under their FTA.

“We congratulate President Obama on taking this important step while working through a number of important domestic issues, and it reinforces our view that encouraging a better trading environment will hasten the recovery of global economy.”

Mr Petersen said the news justified the hard work undertaken by Meat & Wool New Zealand with farming and political leaders over many years.

Meat & Wool New Zealand has had a presence in the in the US for over 50 years with a staff member based in Washington, charged with strengthening our trade opportunities in this important market.

More recently, the Meat Industry Association and Meat & Wool New Zealand has supported the US NZ Partnership Forum held every 18 months between senior business and political leaders from both countries.

Mr Falconer said both the MIA and Meat & Wool New Zealand has committed over a long period of time to strengthening these relationships and building a platform of support in the US for a trade agreement of this nature.

**For more information please contact: Meat & Wool New Zealand Chairman, Mike Petersen 021 243 7344.**