

**Speech by VM Austin at the 7<sup>th</sup> Global Dairy Forum: Embracing Sustainable Consumption for a Shared Future of Growth - the 7<sup>th</sup> CIIE 2024**

Hosted by CFNA

Shanghai, 6 November 2024

Location Virtual

Tēnā koutou, tēnā koutou, tēnā koutou katoa. Nimen Hao and a good afternoon.

Distinguished guests, Ladies and Gentlemen, my name is Charlotte Austin, it is a pleasure to represent the New Zealand government and our agriculture trade and cooperation here in China at the New Zealand Embassy in Beijing. First I would like to offer my sincere apologies for not attending in person, I sincerely wish I could have been present; however, it is my privilege to be able to provide some comments at this forum on the shared future growth of New Zealand and China dairy trade and consumption. I would like to extend a special 'kia ora' or 'thank you' to CNFA President Cao and Vice President Madame Yu for inviting New Zealand's comments today.

New Zealand's dairy industry's history stretches back more than 150 years and its success has always relied on our ability to provide markets around the world with high quality, safe products that are tailored to their requirements. Ever since the first New Zealand dairy delegation visited China over 50 years ago

, the New Zealand-China relationship and dairy trade has been of great importance to both countries, to our economies, and to our people.

Today, New Zealand exports 95% of our dairy products to more than 150 markets around the world. China is by far our largest, with approximately 35% of New Zealand dairy exports coming to China. This is by no means a one way relationship, as New Zealand is the preferred and top supplier of imported dairy products to China; for example, of Chinas total dairy imports nearly 50% are from New Zealand – in Quarter 1 of 2024 approximately 92% of imported Whole Milk Powder in China comes from New Zealand.

These impressive stats notwithstanding, I believe that there is still a lot of room for innovation, collaboration, and industry growth. Dairy consumption in China continues to be low by international standards, but it is expected to grow over the next 10 years as incomes keep on rising and consumers shift from ‘drinking milk’ to ‘eating milk.’ By that I mean consuming a broader range of dairy products and products made using dairy ingredients. I believe that New Zealand is in a unique position to help China meet this demand: New Zealand is planning to double our exports in the next ten years, and supplying dairy to China is an important part of this ambition.

We also know that the agricultural links between China and New Zealand extend well beyond trade. Built on enduring people to people relationships, our cooperation includes two-way investment, and government-to-government collaboration in areas such as food safety, risk assessment, food quality research and standards, plant health and genetics. It is only through this close cooperation, and closer relations at all levels that we can achieve our respective goals.

2024 has seen considerable engagement between China and New Zealand including our senior leaders. Our relationship was bolstered by the first leaders level visit to New Zealand since 2017, when Premier Li Qiang was hosted by New Zealand's Prime Minister Christopher Luxon in June. Dairy featured highly on this programme including, witnessed by our leaders MPI and SAMR signing a new Memorandum of Arrangement on Infant Formula Cooperation. Infant formula consumers, babies and infants are some of the most valued and vulnerable members of our populations. Regulating and ensuring nutritious and safe products for children is something both our countries place great importance upon and cooperation continues to be a very practical demonstration of the trust and confidence between our countries.

New Zealand's Minister of Trade and Agriculture is currently in Shanghai to attend this very trade show, CIIE for his second visit to China this year, highlighting the New Zealand government places on our relationship with China.

This year is also a milestone as it marks the 10<sup>th</sup> anniversary of the establishment of the China-New Zealand comprehensive strategic partnership.

New Zealand's food production and regulatory systems for which my Ministry are responsible for are geared for meeting the requirements of global customers and our trading partners for safety, authenticity, nutrition, and quality. Our reputation as a high-quality producer of safe food is of great importance to us, and we work hard to ensure it is maintained.

In New Zealand, we are already seeing what global leadership in sustainable dairy looks like. Everywhere around the globe sustainability is fast becoming a core operating consideration of the food industry. We usually hear about it in the context of managing environmental impacts. However, it's important to also consider the longevity of industries and with it their impact on the sustainability of the communities that depend on them. The challenges posed by climate change, food security, community development and how we do business in the 21<sup>st</sup> century has brought sustainability to the forefront of the minds of all governments, including here in China.

New Zealand is deeply committed to playing its part in ensuring agricultural industries and producers have a strong and sustainable future. We are all committed to producing safe and creative products for discerning customers, while reducing the

impact on our planet. It is challenges that often lead to innovation and later today you will hear in depth from my colleague Dr Melanie Bromwich in her session on some of the specific New Zealand dairy farmer and company challenges and innovations.

Through mutual understanding and knowledge exchange, I believe we can better tackle these challenges while maintaining the supply of safe, high quality, and nutritious dairy products for consumers here in China and around the world, ensuring a sustainable future for our dairy industries.

Conferences like this are important to support exchange and dialogue toward this goal. I again would like to thank CFNA for inviting me to speak at today's conference.

Once more I apologise for not attending in person, but am pleased to continue to work with CFNA and support this worthwhile conference. With our joint efforts, I look forward to seeing New Zealand and China continue our active cooperation in the sustainable development of our dairy industries, and partners in a dairy trade that contributes to consumer wellbeing and prosperity of both our countries.

No reira, tēnā tātou katoa – xiexie dajia - thank you