

NZ's evolving diplomatic linkages with the EU

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Aims of foreign policy

- MFAT mission statement: “New Zealand’s security and prosperity interests are advanced and protected, our voice is heard abroad” (2009 Annual Report, p. 8).
- Historically many posts in Europe have been established to protect trading interests.
- An important motivation for Poland (2004) was political influence.
- Stockholm (2008) seen as promoting science and technology links and innovation.

NZ diplomatic posts in Europe

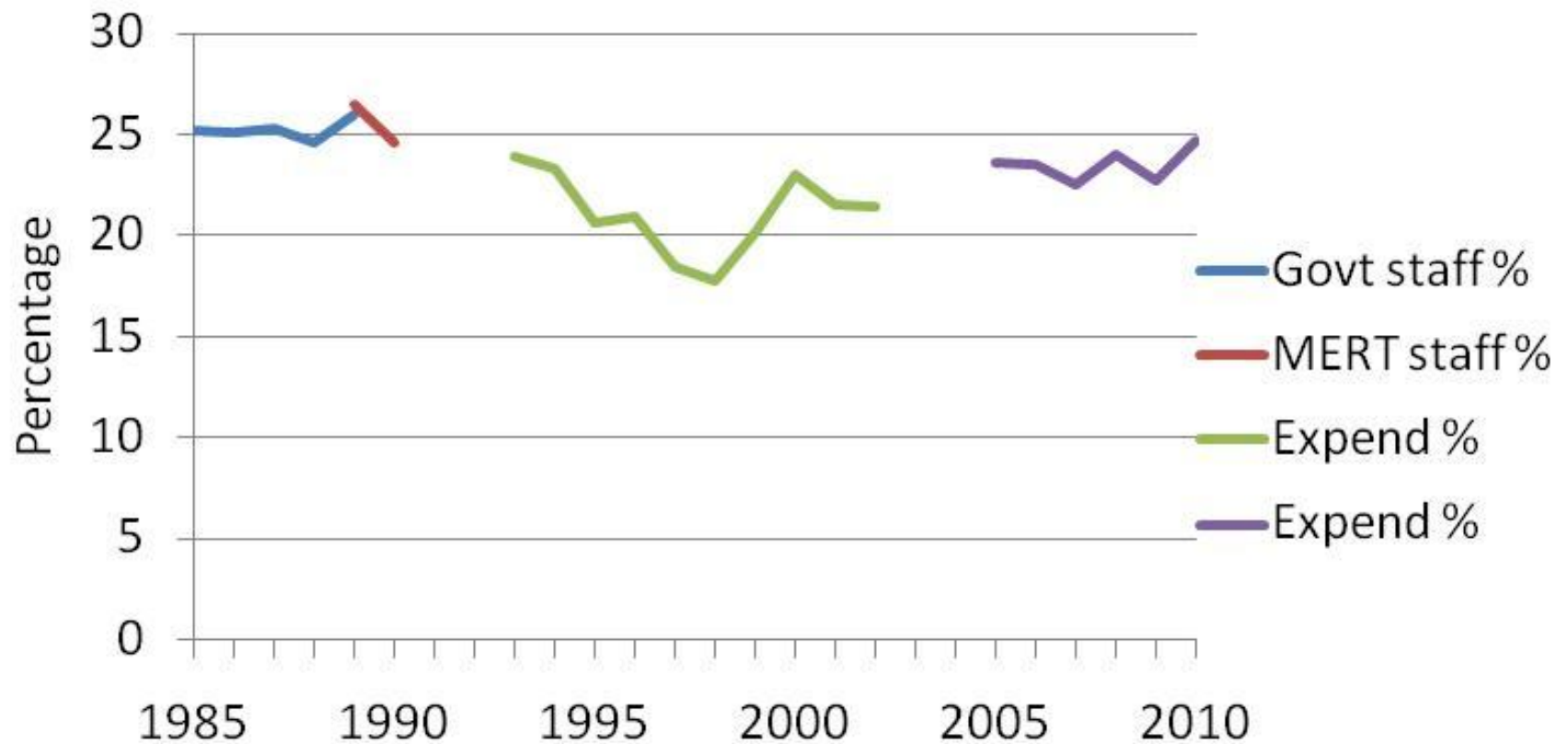
Location	Years open
Athens, Greece	1964-1991
Brussels, Belgium (and EU)	1961-
Bonn/Berlin, Germany	1966/2000-
The Hague, Netherlands	1950-
Rome, Italy	1965-
London, United Kingdom	1871-
Madrid, Spain	1991-
Moscow, Russia	1944-50, 1973-
Paris, France	1950-
Stockholm, Sweden	2008-
Vienna, Austria	1973-1990 (UN Permanent Mission remained), 2011-
Warsaw, Poland	2004-

Europe contained 10/53 of NZ's diplomatic posts in 2010.

Changes in foreign representation priorities?

- Some NZ politicians have seen Asia as becoming more important to NZ.
- E.g. 1996-97 estimates asked MFAT to focus on trade opportunities in Asia and the Pacific, while also enhancing other relationships.
- Clark Labour government (1999-2008) considered Europe to be important.
- Importance shared values, intrinsic value of cultural inter-change, connections provide ideas, skills and technology that improve productivity

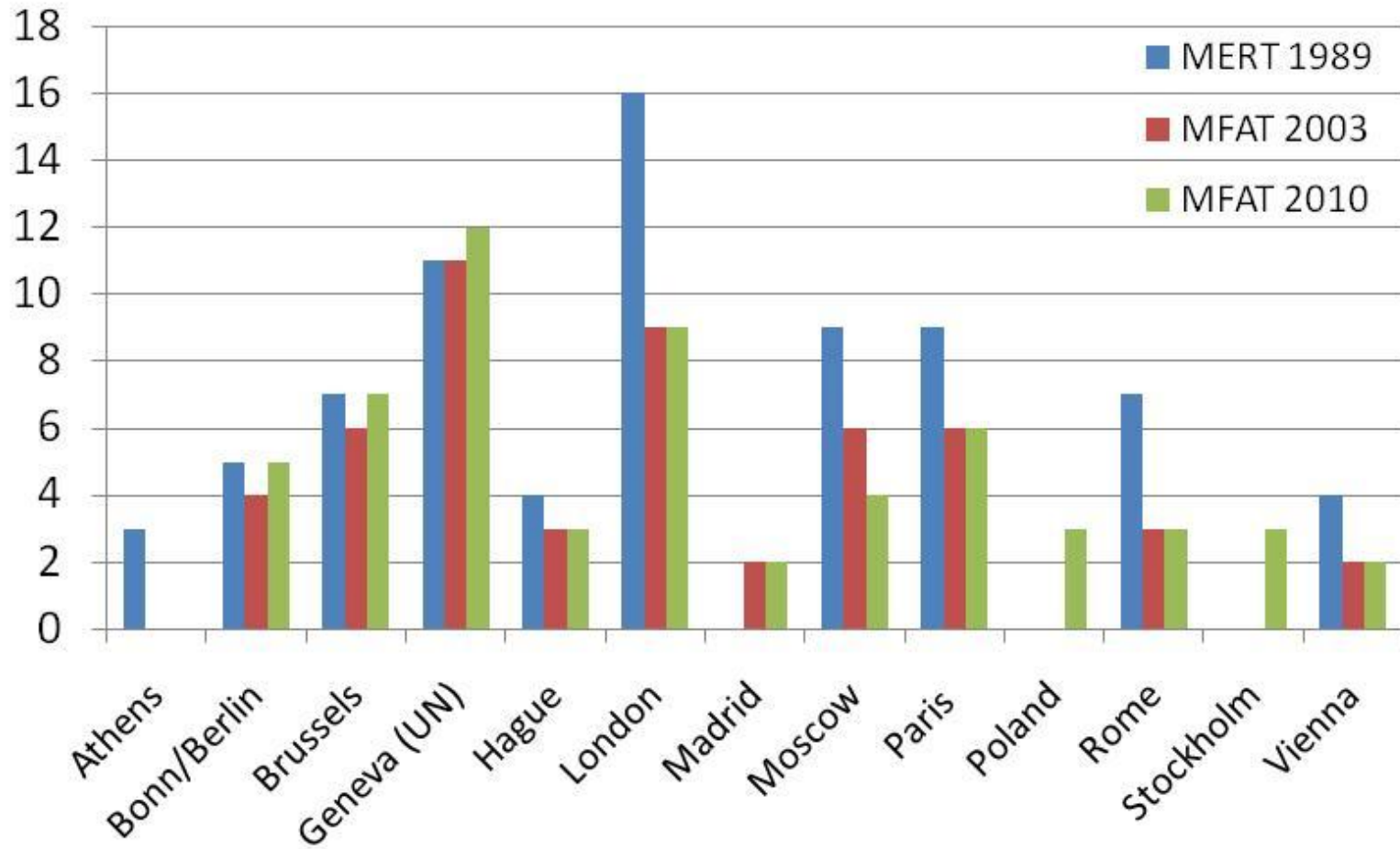
Percentage of NZ government overseas staff in Europe and percent of expenditure on representation in other countries on Europe



Europe's share of diplomatic resources seems to be staying roughly the same

- Expenditure shown is Policy Advice and Representation – Other Countries (M34). \$221m in 2008/09. MFAT's biggest appropriation.
- Excludes international institutions (2nd biggest appropriation) and foreign aid. Also excludes \$4m on building Asian knowledge.
- Changes in level capital charge and transfer some buildings to Crown (a large capital charge was due on them) mean caution is necessary
- Changes relating to transfer of assets (embassy buildings) to Crown probably cause the fluctuations in the late 1990s
- At most, Europe's share increased only slightly under last Labour government

Number of NZ diplomatic representatives in Europe (initial estimates, include multilateral)



Diplomatic representation in Europe

- 75 diplomats in 1989 (62 excl multilateral)
- 52 diplomats in 2003 (39 excl multilateral)
- 59 diplomats in 2010 (45 excl multilateral)

- Multilateral is calculated as all Geneva plus all Vienna except one staff member in 1989

- 2010 estimates are from MFAT's 'New Zealand representatives overseas.pdf'
 - 2010 for London includes 3 counsellors (all MFAT).
 - 2010 for Paris excludes economic and development counsellors (other depts).
 - 2010 for Brussels excludes education, science and food safety counsellors (other depts), but does include administrative counsellor.
 - 2010 for London excludes 1 attache, while Moscow excludes 2 attaches. They are MFAT staff doing administrative tasks.
 - Have got some advice on staff from Simon Rae at MFAT. He confirmed Vienna 2003 was 2.

What has been gained and lost

- Agreements on mutual recognition and Joint Declarations (2003 and 2007), maintenance traditional exports, better access for venison, temporary access rights NZs maintained
- Haven't succeeded in getting a wine or fisheries agreement or made progress on other trade issues
- In contrast, FTAs with Australia (1982), Singapore (2001), Thailand (2005), China (2008), Malaysia (2009).

Some recent developments

- UK added air tax costing 170 pounds per ticket to combat carbon emissions
- UK is NZ's 2nd biggest source of tourism revenue
- Emotional ties and warm personal relations between NZ and UK don't spill over into political relationship
- Current NZ Government has emphasised MFAT should concentrate on promoting trade.

Current government's view

- “at the end of the day the growth in our markets and our opportunities are in Asia.”
- "Are we really relevant in Spain or France or Poland? We are a small country that, sure, they enjoy engaging with, but ... we are easily forgotten when the visit is over. That is actually not the case in Asia. We are part of their world."
(John Key November 2009)
- One visit by John Key to Europe in first year, although Foreign Minister has visited several times.

Conclusion

- Europe seems to currently be getting a similar proportion of NZ's diplomatic resources to the mid-1980s
- Remains to be seen if this continues
- Some hints in private Trans Tasman newsletter that embassies may be consolidated, particularly in view fiscal pressures
- However, Vienna into full embassy from 2011