

**THE EUROPEAN UNION – NEW ZEALAND
PARTNERSHIP.
EXAMPLE OF SUCCESSFUL TRANS-REGIONAL
COOPERATION**

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“The implementation of the Lisbon Treaty... also provides a new basis upon which New Zealand and the EU can work together.... From New Zealand's perspective, a united Europe not only provides security and prosperity for its members, but projects values globally that are important to us - democracy, good government, the rule of law and respect for human rights...”(Key, 2010)

INTRODUCTION

Main aim of this paper is to analyse the key points of NZ – EU cooperation focused on the areas of their cooperation, legislative framework providing the fundamental leaving points and the main aspects of the cooperation itself (<http://www.mfat.govt.nz>). The key questions of the paper are “why is this cooperation important for both the parties?”, “what are the EU priorities and New Zealand’s interest in such engagement?” as it may be specified as one of examples of successful trans-regional cooperation. The paper gives also an insight into 2004 enlargement and its impacts on the relations. For this purpose, we use term “East and Central European countries“, i.e. Central and Eastern European countries

(Poland, Slovakia, Estonia, Hungary, Latvia, Lithuania, Slovenia, and the Czech republic).

The paper is to analyse relations of New Zealand and the EU, as with a new actor enhancing development of Pacific also via the documents signed with the EU concerning this regional cooperation focused on support of regional development, humanitarian activities, support of trade, i.e. a support of building of independent and modern agriculture and industry of the LDCs (Less Developed Countries; in Pacific), and thus supporting state building process there.

The paper is to be divided into three main parts to provide a comprehensive view on this cooperation. The first part is to analyse gradual evaluation of their mutual cooperation stressing the role of New Zealand itself as well as the areas of their cooperation that evolved during the time. The second part is to provide fundamental legislative framework the cooperation is based on. We mention the most significant agreements, however, there many other agreements and initiatives concluded. The third, and the last part of the paper gives a close view of the EU –New Zealand relations after 2004 enlargement with a specific insight into attitudes/worries connected with this enlargement because the EU “newcomers” are mostly of agricultural character and agricultural products comprise the core of the New Zealand’s export.

Trade and economic relationship with the EU are significant for New Zealand as currently the EU is the second-largest trading partner of New Zealand.¹ As a country very active in the areas of peace and security it has entered into various agreements and declarations with the EU in the areas as disarmament and peace keeping missions, trade policy (discrimination of home exporters and free trade agreements), environmental issues (climate changes, fishing quotas), human rights, as the submitted paper is to prove.

The EU – Pacific Cooperation (Pacific island countries often referred as ACP countries; most of them face high rate of poverty, mal-administration, etc.)² lasts for more than 30 years

¹ In 2009, total trade amounted to nearly \$12.5 billion, with New Zealand exporting nearly \$5.5 billion in goods to the EU.

² ACP states are states having signed so-called Lomé Convention. ACP includes countries of Africa, Caribbean and Pacific.

and this long-term relation is based mainly on common historical roots, values and established trade cooperation. Developing cooperation resulted into requirement to adopt the first EU Strategy for the Pacific area. The main goal is to strengthened political dialogue and cooperation and thus improves efficiency of the provided assistance. We may consider adoption of such document a declaration of growing importance of this region in economic, political, and environmental areas because this region is rich in natural resources (e.g. wood, oil, fish, and minerals). In the environmental area, this region plays a significant role in elimination of impacts of climate changes.

1. DEVELOPMENT OF THE EU-NEW ZEALAND RELATIONS

1.1 INSIGHT INTO NEW ZEALAND'S POSITION IN INTERNATIONAL RELATIONS AS PROVIDING THE FRAMEWORK FOR COOPERATION WITH THE EU

However, New Zealand is considered to be a small country, during its short independent history it has proven its ability to play a significant role in international relations and to react on various world challenges. New Zealand introduced itself into international surrounding not only via military actions of joint corps of Australia and New Zealand (ANZAC), but also due to acts of its political leaders (for example prime minister Peter Fraser who understood the role of the country to provide military and security protection to the Pacific region as the World War II evidently proved that Great Britain had not been able to provide sufficient security to the region any more) and through alliances with the great powers and the country's membership in significant global as well as regional organisations.

However, New Zealand's key area of cooperation is mainly the Pacific region, the country is an active member in many international organizations and associations, as UN, Association of Southeast Asian Nations (ASEAN), OECD, WTO (for example here, New Zealand has joint so -called Doha Development Agenda), IMF, International Energy Agency, and forms part of many regional alliances, such as APEC, CER or

the Pacific Islands Forum. It has signed many free trade agreements for example with Australia, China, Chile,... Its growing position in this region has been declared by the country's membership in The Asian Development Bank, it participates at the Colombo Plan (upon which New Zealand is bound to provide financial and technical support to its Asian partners).

Moreover, New Zealand has proven to be an active UN member state as it participates at the UN programs and is a member of the UN Economic and Social Commission for Asia and Pacific. (CIA World Factbook, 2003) The country stresses its position as a Pacific actor also through its active work in various regional groupings, as South Pacific Commission (regional organisation that provides assistance and help to the countries having under their administration non-self governing areas of the South Pacific), South Pacific Forum, and others.

Concerning the EU, it has developed into a key player in various international issues and the EU market is the second biggest market for New Zealand (just after Australia, it is approximately 15 per cent of the total country's export), and since the EU economic power and opportunities have also grown due to accession of new member states (hereinafter referred to C8), thus it is becoming the most rapidly growing market for New Zealand's products (butter, fruits, sheep products and others). There is not only economic and trade areas of cooperation as recognised many times, this paper is to prove other significant layers of mutual cooperation, thus naming it a "partnership".

Concerning New Zealand's foreign policy, one may state that since the second half of the 20th century mainly there have been new issues dealt as security and human rights. As the country's foreign policy and its role in international relations is crucial also for analysis the NZ -EU partnership, it is necessary to draw up fundamental lines in the foreign policy of New Zealand. Upon the close analyse of all the relevant facts, we may state the following lines of its development.

Historical line and economic line –historical roots of the country underlying the strong ties to Great Britain not only in the state-building area (i.e. from colony to dominion up to recognised and respected independent state) but also considering its trade and exports as the country needed to find

new economic and trade partners in a long-term vision. Therefore, for example, rate of export to the most important Asian partners (as Japan, South Korea, Hong Kong, and Taiwan) increased in 17 % and reached 4. 540 mil. NZ dollar in the period of 1991 – 1993 (that represents one quarter of the whole New Zealand's export in the given period; Statistics New Zealand).

Another line is a *security line* that draws the development of the country from ANZAC (joint troops with Australia) into ANZUS, a military pact with USA, Australia up to their independent army. Within this line of foreign policy, and in accordance with its obligations in the Pacific, New Zealand fulfils also its security obligations in the peace-keeping processes mostly via humanitarian and material aid and assistance.

Last but not least, there is present an *environmental line* that is interlinked with and has eminent impact not only on the country's foreign policy but also on its military/security issues as New Zealand is proclaimed to be "a green", non-nuclear country.

As a proof of their well established and recognised foreign policy, after the Second World War New Zealand was given a mandate above the West Samoa, administration of Tokelau, and altogether with Australia and Great Britain they shared also administration of Nauru Island. (Sinclair 1987: 185)

As a result of the post-war development, the country entered close relations with its closest neighbour, Australia, through various agreements. In the 90th of the last century New Zealand, besides Australia, more and more traded with countries of Asian continent also through its membership in APEC that provides New Zealand definite advantages (14 of the 20 most important markets of New Zealand are APEC member countries as well as there are the three strongest world economies – USA, China and Japan; approximately 70 per cent of New Zealand's total trade and 60 per cent of direct foreign investments comprise the APEC countries.) (<http://www.mfat.govt.nz>)

New Zealand, altogether with Australia, is the most important donor country in the Pacific area and both the countries recently announced an increase in their share on the aid provided in the region. Therefore, both the countries

support all the cooperation with the EU and projects realised via EU. The EU opens another dimension of development of the Pacific for New Zealand as it declares that the region's future is New Zealand's responsibility.

Significant support for the EU cooperation is underlined also by the fact that 11 from 15 Pacific countries (hereinafter referred to PICs) are small developing island countries (LDCs, small according their population that is under or around 250.000 inhabitants). (Mauritius Declaration and Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of SIDS. 2005) Therefore, Pacific has a network of regional organisations and institutions which play an important role in addressing these development challenges. Therefore, New Zealand together with Australia advocate for Pacific regionalism and the Pacific Plan, and offers significant support to these regional organisations in the Pacific.

ODA represents one of the most significant frameworks of this trans-regional cooperation as it comprises an important source of national income for these islands. Cooperation with the EU is highly appreciated in this area as such supporting program is highly needed because of the nature of the region and problems it is facing. Nowadays, the demographic pressures are increasing in these island countries since they are the most populated islands. This matter is directly interlinked with many other destabilising factors as instable political situation; not well established system of political parties evoking the fact that parliamentary politics is often volatile then; and in many of these countries a turnover of national leaders is quite high, and this affects the durability of the programmes of economic reform.

As already mentioned, regional cooperation is also evident in peacekeeping (e.g. in Bougainville and Guadalcanal visited by contingents from a number of PICs). PICs draw also confidence from the presence of New Zealand and Australian forces nearby and their contributions to training for security forces as well as surveillance, disaster relief, civil construction (in New Zealand's case, it is under the Mutual Assistance Programme).

In the context of this paper, it is needed to stress that the role of regional organisations is a crucial one³ because they generally bring together the PICs⁴ with Australia and New Zealand and such condition opens there occasions on which the PICs join with other developing countries. Therefore, they are essential for example in negotiations with the European Union in multilateral negotiations on environmental, development issues and other issues (see below) and for example, as a result of this process eight of PICs have reached preferential access to the EU market.⁵

One of the most recent and the most significant initiatives is **Pacific Partnerships For Development** initiated by Kevin Rudd to increase Australia's and New Zealand's development assistance to PNG and other PICs based on a new policy framework to help them meet the United Nations Millennium Development Goals. The Partnerships gives an effect to Australia's and New Zealand's commitment under the **Paris Declaration on Aid Effectiveness** and the **Accra Agenda for Action** to increasingly align assistance with partner government planning and implementation systems; and AAA

³ The Pacific Island governments have formed a network of sub-regional organizations to pool their resources for development with eight primary regional organizations: The Pacific Islands Forum (PIF); The Forum Fisheries Agency (FFA); the Secretariat of the Pacific Community (SPC); the South Pacific Regional Environment Programme (SPREP); the South Pacific Applied Geoscience Commission (SOPAC); The University of the Pacific (USP); South Pacific Tourism Organization (SPTO); Pacific Island Development Programme (PIDP).

⁴ PICs –Pacific Island Countries

⁵Moreover, a number of other IGOs and International NGO organizations are active in this area, and/or coordinating or funding the programs, as Asian Development Bank, Economic and Social Commission for Asia and the Pacific, Food and Agriculture Organization of the United Nations, United Nations Development Programme; UNESCO, United Nations Fund For Population Activities, START-OCEANIA, and The Asia-Pacific Network for Global Change Research Foundation for the South Pacific, International Ocean Institute of the South Pacific, South Pacific Action Committee for Human Ecology and the Environment, World Wide Fund for Nature, and others. Other IO usually in association with one or more of the above organizations, for example the World Bank, the World Health Organization (WHO), the World Conservation Monitoring Centre, World Meteorological Organization, The United Nations Environment Programme, The Alliance of Small Island States, and bilateral donor organizations.

that is a supporting document of the Paris declaration focused on lower-income countries through aid effectiveness.

1.2 AREAS OF MUTUAL COOPERATION

However cooperation with the EU has lasted over 30 years, but cooperation with Europe and single EU member states may be tracked back to the colonisation history of the country (naturally, then we could not speak about the EU member states). This cooperation was mainly developed with the countries -colonisers having their areas in the Pacific. Therefore, we may see a long tradition in interconnection of these two areas. We do not agree that such a “partnership” may be defined just after the EU establishment because by those times there was very active trading cooperation and communication with the European countries.

Naturally, the most developed and active contact was with their motherland –Great Britain, however it needs to be given that also France, Netherlands and Germany were represented here. Gradually also the areas and depth of cooperation have extended. Modern history of their mutual engagement and cooperation started, undoubtedly, since 1947 (Westminster Statute Act) when New Zealand started its fully independent domestic also foreign policy, however we may claim that this Act was just an official and formal declaration of the existing conditions and state.

Areas of Mutual Cooperation

Under a close analysis of this trans-regional cooperation, we may state the following mutually interlined lines of cooperation:

➤ Historical line

As mentioned above, the roots may be tracked to the period of colonisation underlying strong ties to Great Britain not only in the state-building area but also considering its trade and exports. Therefore, we may declare deep roots of cooperation with Europe, later on extended to the EU.

The key EU members for New Zealand to cooperate are Germany, Britain and France in political and economic

spheres. They are important trading partners for New Zealand and provide markets for New Zealand's service industries.

➤ **Economic line**

“Trade issues, while still important, are today only one part of the issues and agenda with Europe. This is the result of closer engagement with the EU across a wide range of areas. The EU and New Zealand now have extremely useful sectorial agreements with the EU,.....”

(John Key, Prime Minister of New Zealand)⁶

As already mentioned, the country was facing one of the most critical economic challenges when Great Britain joined the EC - it extremely jeopardised New Zealand's economy as Great Britain was a traditional market country for most of the New Zealand's production (not only of dairy products) from the very beginning of colonial history of the country. Therefore, the main task for all the post - war governments in economic area was to find a substitution for this traditional country of New Zealand's export. One of the best solution taken those times, as proved, was a diversification of the country's overseas markets through higher or more active participation in foreign relations, e.g. via IGO's, and mainly through bilateral trade agreements (e.g. CER with Australia as one of the first ones)

As recognised by the Ministry of Foreign Affairs and Trade of New Zealand, the European Union is a market of the largest extend which is constantly growing in a higher rate comparing to the country's other ones. (<http://www.mfat.govt.nz>) The primary products are sheep meat, fruit, wine, medical products and New Zealand imports nearly \$7 billion in goods from the EU each year, mainly vehicles, medical products and other manufactured items.

All the relations with the EU are undetermined and underlined by an issue of agriculture as New Zealand may be considered a traditional exporter of agricultural products (as listed above). Another floor for extended NZ -EU cooperation is open due to New Zealand's membership in the Asia Europe

⁶ These agreements concern for example science and technology, animal products. See: John Key: Europa Lecture: Europe's Place in New Zealand's Foreign Policy.

Meeting (ASEM)⁷ that provides a further opportunity for these two actors to engage more and effectively in the regional issues.

Except direct investments to the country and trade rate that are constantly of high numbers, tourism is another significant area within the economic line as Europe is the second largest visitor market for **tourism**. Europeans stay longer in New Zealand and consequently spend more. Another layer is represented by an issue of study and participation in working holiday schemes. In comparison, per a year there are around 10,000 working holidaymakers from the UK, then 7,000 from Germany, and approximately 3,000 from France so it is clear that the UK is the largest European source of tourists to New Zealand. (Statistics New Zealand. New Zealand Official Yearbook, 2002)

As mentioned above, economic relationship with the UK is deeply rooted in the history and currently they are kept deep and extensive also via number of various agreements covering their bilateral cooperation in the areas as defence, health and social security issues, tourism, and other.

Germany has appeared in the last decades as a partner raising its importance for New Zealand. According to statistic data of 2009 and comparing to other EU member states, Germany has proved to be the largest country –importer of New Zealand’s products within the EU imports from New Zealand (amounting to around \$1.804 billion) importing mainly sheep-meat, fish, and fruit (kiwifruit, apples). Despite of the past disagreement concerning nuclear testing in the Pacific (dispute around Murroroa Atol testing), France is another significant player as the second largest European investor in New Zealand (Britain is the first one) also through activities of companies as Yoplait, Alcatel, AXA, and others. (<http://www.mfat.govt.nz>)

⁷ Since 1996 ASEM provides a forum for dialogue between European and Asian heads of government meet every two years on agenda comprising trade and financial area, culture and education, transport, immigration, climate change and disaster preparedness, food security and development, employment, energy security, and others.

➤ **Security line**

“Looking across the range of issues on which we interact, you will see many examples where New Zealand works with Europe to make the world fairer and safer.”.....

....“This illustrates the importance that New Zealand attaches to working with European partners on peace and security initiatives.”

(John Key, Prime Minister of New Zealand; Key 2010)

Within this cooperation with the European partners joined in NATO, New Zealand’s military and civilian personnel takes a part for example in the International Assistance Force in Afghanistan in reconstruction processes, then the country closely cooperates in Bamyan province through EUPOL (the EU Police Mission team).⁸

➤ **Science, Technology, and Education**

Cooperation in this area is based mainly on the Cooperation Agreement (as New Zealand took part in the 6th Frame program for 2002-2006). This agreement established procedures in the areas of environment and higher and university education. The first pilot project was launched in 2004 and now it is implemented through consortium of 7 universities (4 universities from the EU member states and 3 are New Zealand’s universities). These activities are focused mostly on student mobility. Another effect of activities and steps taken within this line is an establishment of Centres of the EU studies that are supported by the European Commission that prove their great deal in research activities concerning the EU.

➤ **Climate changes** - Nine EU member states participate in the Global Research Alliance on Agricultural Greenhouse Gas Emissions, an initiative by New Zealand.

⁸ The first New Zealand’s deployment under NATO was in Bosnia; Afghanistan is the second one but considering the extent it may not be compared to that of Bosnia.

- Another area is relating to **culture** and issues of **migration**.

2. LEGAL FRAMEWORK FOR COOPERATION

“We have been fortunate that New Zealand's location in the Asia-Pacific region has, in the last few decades, brought significant economic advantages to New Zealand.

Europe, too, has begun to shift its focus towards the Asia-Pacific as member states seek to tap into the region's flourishing economic activity. There is also recognition of the growing global influence of the regional heavy weights, India and China.In my view, the relationship between New Zealand and the EU provides significant potential for both sides in this changing geopolitical environment.....”

(John Key, Prime Minister of New Zealand; Key, 2010)

Having introduced the roots and main areas of cooperation, this part of the paper is to provide the fundamental treaties and agreements that enhance this trans-regional cooperation we may define as one of the most effective and successful project of trans-regional cooperation. The core point in this cooperation is focused not on New Zealand only, but many of the treaties, agreements, and initiatives are focused more regionally, i.e. to the Pacific region. New Zealand plays a key role in such negotiations as being a key player here and thus it is a significant and key partner for the EU. Therefore some of the documents analysed below concern not only New Zealand (and/or Australia) but also the whole region as a matter of the EU's regional interest, here.

New Zealand's priorities in this area of trans-regional cooperation is to support the EU reforms, common agricultural policy, strengthening global liberalization of trade within WTO and as declared by New Zealand, it is willing to support innovative attitude to agricultural reforms as well as regular consultations and communication with representatives of the EP and EC.

Framework for cooperation we may classified into the following groups:

- 1) General agreements and treaties
- 2) Sectorial Agreements
- 3) Meetings/negotiations
- 4) Membership/activity in regional organisations

The most significant treaties and agreements are as follows:

- ▶ EU Pacific Strategy
- ▶ European Consensus on Development
- ▶ Cotonou Agreement (+ revised CA)
- ▶ Lomé Convention
- ▶ Joint declaration on EU – NZ relations 1999
- ▶ Priorities for future cooperation 2004
- ▶ Mauritius Declaration and Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of SIDS, 2005.

The most frequent meetings/negotiations are (see below):

- Troika meetings
- Annual meetings of higher representatives
- Inter-parliamentary meetings
- Various joint political statements with Australia and New Zealand.

2.1. THE MOST SIGNIFICANT TREATIES AND AGREEMENTS

Mutual relations of the PICs and the EU were at their beginnings based on so –called **Lome Conventions** and at the present time the main framework of their mutual cooperation is represented by 2000 **Cotonou Agreement**. (Mauritius Declaration and Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of SIDS, 2005) The main goal of the EU, in general, is to support successful stabilisation of the PICs in economic, political and social areas. This agreement is based on **three complementary pillars:**

- ▶ development cooperation
- ▶ economic and trade cooperation
- ▶ political dimension.

From the very beginning, the EU – New Zealand bilateral relations are primarily based on **1999 Joint declaration on EU and New Zealand Relations** as amended in **2007**. It put the emphasis on close ties of the EU and New Zealand, it contains also number of common goals as for example support of democracy, legal state, keeping human rights, support the UN position in this region, sustainable development, protection of environment and many other matters of development in the area of South Pacific.(<http://ec.europa.eu>)

Cooperation between EU and New Zealand follows the Council Regulation No 1934/2006 valid for period of 2007 up to 2013. (Council Regulation (EC) No 1934/2006) The above Joint Declaration was later on supplemented by an action plan “**Priorities for Future Cooperation**” adopted at summit of the EU and New Zealand representatives in March 2004. This Joint Declaration defines fundamental framework for regular political dialogue at the level of ministers as well as at the level of consultations between the EU and New Zealand thus it provides the base for common meetings and negotiations (e.g. regular meetings of ministers, state secretaries or other high representatives of the ministries or inter-parliamentary meetings).

As said in the Declaration,

“the European Union and New Zealand guided by their close historical, political, economic and cultural connections; encouraged by their shared commitment to human rights, fundamental freedoms, civil liberties and democracy; recognising the strong links that already exist; committed to addressing international conflicts in view of preserving or restoring peace and security; wishing to enhance consultations on bilateral and international issues of mutual interest, and to increase practical cooperation in areas of mutual interest; having regard to their common commitment to free and open market principles and the strengthening of the multilateral trading system in accordance with the aims and principles of the WTO, and the development of a healthy and prosperous world economy; taking account of the ‘Joint Declaration on Relations between New Zealand and the European Union’ of 1999 and the ‘New Zealand and the European Union: priorities for future cooperation’ document of 2004;.....

have decided to consolidate as well as to broaden and deepen the overall framework of their relationship with a view to extending the already established cooperation further into the future.....”.

(The European Union And New Zealand Joint Declaration on Relations and Cooperation 2006: 2)

The Council through its decisions (as the Revised Cotonou Agreement and European Consensus on Development; common political statement taken by the EP) provides a new base and new impulse for deepening the relations and cooperation between the EU and Pacific region as a whole.

As declared in the documents, the EU and New Zealand declare and mutually recognise that they have a variety of common views in the area of foreign and security policies, as expressed in declaration of importance of such issues as support of democracy, legal state establishment and development, and human rights protection. The main goal of such meetings is elaboration and summary of analyses and strategies for the Pacific region (as mentioned, to support peace, stability and prosperity in the region) to strengthen further mutual cooperation and communication, and gradually provide a consistent and compact framework for practical activities.

At the EU regional level, funds for regional economic integration are allocated from the European Development Fund. The main emphasis is put on development of human resources, industrial and business capacities through trade agreements and integration of PICs countries of the region into the world economy as representatives of the EU see regional integration to be a way to stability and development in the Pacific region. As another very important area a sustainable utilization of natural resources and environment is considered, for example through fights against illegal fishery. Another funding of these activities are for example national programs of individual countries, European Investment Bank sources, and many others.

The key strategy established for period of 2005-2010 was **Pacific Plan**, a strategy of the EU for the Pacific area adopted at the Pacific Forum summit with four key areas as good administration of public affairs (i.e. effective and just

utilisation of sources and more transparent governments); economic growth and sustainable development. Security matters are to be reached through improvement of political and social conditions for security and protection. Economic growth is to be strengthened via support of trade and investments through improvement of infrastructure and higher level of involvement of private sector into economic processes in ACPs (Pacific region countries; <http://europa.eu>).

In 2006 as a reflection of growing importance of this area not only from economic but also from political and environmental point of view, there was adopted the **EU-Pacific Strategy**, the EU strategy for the area of Pacific providing a framework for EU relations with 15 ACP countries, 3 overseas territories in the Pacific focused on strengthening of political dialogue and cooperation as well as improvement of aid efficiency.

Its strategic goals may be put into the three main areas of activity:

- 1, enforcement of political dialogue as a new goal in 2008 via annual dialogues between the Pacific Forum and the EU concerning security matters, economic relations, and environmental issues;
2. development cooperation focused on economic growth and sustainable development;
3. the third goal is focused on improvement of development cooperation efficiency.

The main points stressed by the EU is fight against poverty and its most widest elimination in a context of sustainable development and in compliance with Paris declaration on aid effectiveness (on development aid provision) and other related documents.

Moreover, based on regular consultations, the EU has adopted number of joint political declarations altogether with Australia and New Zealand and has entered into a serial of independent agreements with these countries.

Gradual process connected to need of flexible acts and procedures will hopefully manage to provide a sufficient framework for better representation of the EU in the Pacific region via deepened political dialogue resulting into effective and gainful cooperation for all the actors.

Priorities for future cooperation 2004 (A strategy for a strengthened partnership, 2006) may be considered to be a document putting stress on such future challenges as it is an addition to the above Joint Declaration taken at the summit of the EU and New Zealand representatives in March 2004. Its main importance lays in the fact that it provides the basic framework for regular political dialogue at the level of ministers or at the level of consultations of EU and New Zealand.

As a result of all these activities, **Economic Partnership Agreement** was also adopted (EPA; 2004) focused on support of regional integration and economic development, political reforms, poverty reduction through for example sustainable management of resources (e.g. of fishery). The main idea when adopting EPA was that it gradually substituted preferential access contained in the Cotonou as these agreements may be considered the main tool for economic and trade cooperation within EU and ACP cooperation.

EPA is an inseparable part of the Cotonou Agreement and its provisions clearly support smooth and gradual integration of the ACP countries to the world economy and thus contributing to the poverty reduction in these countries. Thus the EPA may be defined mainly as a definite tool for regional development. EPA is based on 4 main pillars – partnership, regional integration, development, and cooperation with WTO.

2.2. Meetings/Negotiations

Another form of their mutual interaction, proven to be an effective one, are **Regular consultations at ministerial level** (so-called Troika meetings –representatives of EU, New Zealand, and Australia) and the main areas of negotiations are mainly matters of international relations under the EU common foreign and security policy. They are accompanied also by annual meetings of higher officials of the partners as well as meetings of the responsible representatives concerning specific matters of sectorial issues as fishery, trade with agricultural commodities, science and technologies and all the measures taken for its implementation and development in the region, and others.

Inter-parliamentary meetings have been established as one of the means of extension of cooperation held every 12 or 18 months either in the European Parliament or in Parliament of New Zealand. Such consultations are concerned mainly the areas of politics, economy and trade, and environment as the most latest and one of the most crucial in the region.

3. COOPERATION WITH EASTERN/ CENTRAL EUROPEAN COUNTRIES

...."We welcome the closer links forged with the new member states in Eastern and Southern Europe; particularly as they begin to look beyond the EU for likeminded partners in other regions."

as stated by John Key in his speech on importance of the EU activities for New Zealand in the occasion of the 50th anniversary of establishment of diplomatic relations with the EU. (Key 2010)

Number of articles, analyses and papers deal with pre- and post-enlargement development in the EU concerning interests of New Zealand. All of them deal with a threat to New Zealand's economic position.⁹

Stuart McMillan in his article "Enlargement of the European Union: Implications for NZ" (McMillan 2008) gives Poland as an example of particular interest to New Zealand because of the country's production of dairy and fruits production. As he provides, the economic issue was not the only dealt in New Zealand's environment, other issues discussed were environmental issues, il/legal migration, security as well as measures within food safety. As many other analysts, he also points out that *"...the risks are diverse. It is going to be harder for New Zealand, as it will be for other non-EU countries, to get the attention of EU ministers and officials. Because of New Zealand's small size, it will be harder for New Zealand than it will be for some others."* (McMillan 2008) However, mentioning many threats that may arise from such

⁹ The countries entering the EU in 2004, as listed above, are as "C8 countries" here.

big enlargement of the EU, he does not see any definite point of a constant threat (as proven below by statistic data).

Vlad Vernygora in his article “The EU and NZ: Time to move” recognised the same threat as stated that the EU markets and a cooperation itself is seen as a great challenge. Many of the “EU newcomers” (after 2004 enlargement mainly) are traditional agricultural countries and joining such a challenging economy is the EU’s one is, gives such countries new spaces and “power” and therefore, big challenges to keep their markets are waiting for New Zealand. (Vernygora 2007)

As stated by many experts as well as by Prime Minister John Key in his speech “Europa Lecture: Europe’s Place in New Zealand’s Foreign policy”, the main task the country’s foreign policy and business “experts and practitioners” are facing to is the way, form, institutions and tools of “*how to better interact with the nowadays EU*”. (Key 2010)

In recognition of an expanding size and importance of the EU, in 2005 New Zealand opened a new post in one of the accession countries, Poland (<http://www.mfat.govt.nz>) as representatives of New Zealand recognise these “new EU members” as significantly growing market for its export.¹⁰

The recent adoption of the Joint Declaration on Relations and Cooperation (between the EU and New Zealand), that is generally considered to be “road map” for mutual cooperation in the future, opened a floor for discussion and negotiations on the future cooperation especially with its new member states considering mainly adjustment of the EU Common Agricultural Policy (that is of an eminent interest of New Zealand).

Milenko Petrovic and Peter Barrer in their study “New Zealand and European Enlargement to the East: Milenko Petrovic and Peter Barrer Consider Whether New Zealand Can Improve Its Relations with the Eastern Newcomers to the European Union.” (Petrovic –Barrer 2004: 1-7) provide that in

¹⁰ However, undisputable economic interest of New Zealand in the EU, it plays also an active role in a security issues, e.g. at the present time, New Zealand contributes to peacekeeping efforts via the Military Liaison Officer with the UN Mission in Kosovo, and the country also provided an 8-member Liaison & Observation Team (LOT) and 3 staff officers with the European Union mission (EUFOR) in Bosnia. New Zealand also has one military observer attached to the UN Mission in Kosovo (UNMIK).

the contrary to the West-European countries, countries of Central and Eastern Europe (hereinafter referred to C8) have been for New Zealand “*terra incognita*” and the current relations in economic, trade and cultural areas of these two partners are “marginal at best”.

As stated in another article by Milenko Petrovic and – Peter Barrer “EU Enlargement to the East as an Opportunity for New Zealand”, while recognising that the 2004 enlargement may cause some social, political and economic consequences, concerning the EU –New Zealand relations, it would have no dramatic impact also considering New Zealand’s share on the EU market, however the C8 economies are of agricultural character. (Petrovic –Barrer 2003: 8-13)

In their article they rise a question to what extend may enter of the C8 to the EU market threaten New Zealand’s position as the current economic ties of New Zealand with the EU (and Europe itself) are mostly oriented on agricultural commodities to be exported to the EU, tourism of the EU citizens in New Zealand and vice –versa, import of EU commodities to the country, mainly machinery, and last but not least, the EU investments. “...*there are justifiable fears that NZ agricultural exports to the EU and investment inflow from EU countries into NZ could be negatively affected by the Enlargement.*” (Petrovic –Barrer 2003: 2)

However, we may see that the EU market’s importance to New Zealand gradually diminished in the last two decades, the EU market still comprises 16 per cent of New Zealand’s exports, and in numbers, trade between the EU and New Zealand has grown to NZ\$ 11 billion.

It is just to agree with statement of Milenko Petrovic and Peter Barrer in “EU Enlargement to the East as an Opportunity for New Zealand” that the only way how to secure and improve New Zealand’s position in the EU market lies in the matter to attract potential customers by a constant quality and diversification of assortment. I fully agree that, as proven in New Zealand’s history so many times, the only way is to intensify political and diplomatic activities also through the legislative framework of mutual cooperation (as above) to assure the most advantageous access for its commodities to the EU market while enhancing “two-way” cooperation with

the EU offering it some new opportunities for the crisis management and economic recovery.

CONCLUSION

Considering an economic crisis in the world culminating these days in the EU, and very low impact to the economy of New Zealand, from the current point of view we may state that the threats as mentioned above arising to New Zealand because of the C8 access to the EU, i.e. enlargement on traditional agricultural countries, have been minimized nowadays. Eventual limitation of the New Zealand export rate of New Zealand's commodities to the EU by C8 could arise just in case of increased support by C8 provided in favour of their domestic markets.

However, considering a long-time tradition of New Zealand's products in Europe and considering the fact that the crux of the crisis lies on the middle and upper classes, it is probable that such consumer will not leave its traditional commodities. Thus, from the economic point of view, in my opinion there is no mutual threat arising from the 2004 enlargement as export and vice-versa import rate of New Zealand - C8 countries, in general, comprises just very small amount of incomes.

I would agree with opinion of Matthew Gibbons given in his paper "EU Enlargement and its Effects on New Zealand's Trade with the EU" (Gibbons 2004: 17-18) where he states that concerning New Zealand's export to the New EU members - C8 countries prove much less importance as an export destination for New Zealand than the previous EU-15 countries had. Also concerning the commodity composition of New Zealand agricultural exports to the EU market, I may state that the actual threat of EU enlargement to New Zealand's export of agricultural exports should be rather low. And rate of export of C8 countries to New Zealand also comprises a low number.

Another risk may be seen in the matter of immigration to the country (and/or Australia) and this issue was and has been marginalised within the discussion concerning cooperation with the enlarged EU, since this country may be attractive right because keeping its status of well-balanced

economy (also due to well prepared and established net of free trade agreements with the Asian partners).

Another fact diminishing the real threat put on the country by C8 membership in the EU is that New Zealand's access to the EU for agricultural products is protected by agreements as reached at the Uruguay Trade Round. In my opinion, accession of the C8 countries just enhanced reform of the EU Common agricultural policy that provides a clear and definite outcome and framework for the current as well as future cooperation of New Zealand in this area and thus pushing New Zealand to much more defined position within this cooperation. I can see many vivid areas for mutual cooperation of New Zealand with the C8 countries, mainly in the area of science and education.

As stated in the Statement of Intent 2009–2012 of the Ministry of Foreign Affairs and Trade of New Zealand, specific medium-term indicators of success in the context of responding the world crisis and further EU cooperation rests in securing the maximum net benefit from a completed WTO Doha Round that should be put at the first place. Other point concern especially an effort to eliminate agricultural export subsidies completion of trade negotiations with the United States, Malaysia, the Gulf Cooperation Council, India and other countries; to complete further initiatives aimed to deepening of economic integration with Australia (as part of Single Economic Market project that increased engagement by New Zealand exporters in the key markets). (Statement of Intent 2009–2012, 2009: 26).

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