



Office of Hon Tim Groser

Minister of Trade

Minister Responsible for International Climate Change Negotiations

Associate Minister of Foreign Affairs

Professor Doug Sellman
Professor Jennie Connor
Alcohol Action NZ
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Dear Professor Sellman and Professor Connor

Thank you for your letter dated 1 August 2011 regarding alcohol and the Trans-Pacific Partnership (TPP) negotiations.

I would like to assure you that the questions you raise are not new and are not confined to TPP. Indeed, many of the international trade agreements to which New Zealand is already a party contain obligations that are relevant to the way in which we regulate the commercial sale and trade of products such as alcohol. That is why we have taken care in our trade negotiations to preserve our right to regulate for legitimate public policy purposes.

We have made commitments in a range of World Trade Organisation (WTO) agreements, for instance, which impact on the distribution of goods, on intellectual property, and on product standards, packaging and labelling. All are relevant to alcohol sale and regulation. New Zealand's free trade agreements with specific countries may also cover these topics.

In all our existing international trade agreements, however, the New Zealand Government has included provisions that ensure it retains the ability to regulate for reasons related to health, safety and the environment. Amongst other things, this means that we preserve our right to regulate alcohol business activity consistent with public health outcomes.

The Alcohol Reform Bill, which was reported back from Select Committee on 25 August, is evidence that, although we have signed up to a number of international trade agreements New Zealand is still able to regulate the sale and supply of alcohol.

This balance remains central to our approach to the TPP negotiations. I hope that this eases concern that we might ultimately trade away the country's ability to limit the commercialisation of alcohol.

It is true that trade negotiations, like most policy processes, have both a public and a private component. In response to your concern, therefore, that alcohol deals are being considered and lobbied for out of public view, New Zealand's TPP negotiators have made substantial efforts to be open about the issues and engage with stakeholders – critics and supporters alike – at each step of the process. This helps to ensure that legitimate interests are reflected at the negotiating table. Consultation of this nature will continue as the TPP negotiations progress, and if you wish to discuss your concerns further then you should contact Brody Sinclair at the Ministry of Foreign Affairs and Trade by phone 04 439 8345 or email brody.sinclair@mfat.govt.nz

Our goal in TPP is not to undermine the ability of future New Zealand governments to regulate, but rather to negotiate an Asia-Pacific regional free trade agreement that contributes to stronger economic performance so that we can generate more jobs and higher incomes for New Zealanders. New Zealand's record on the negotiation and implementation of free trade agreements shows that it is possible to negotiate deals that maximise net benefit to New Zealand without making unacceptable policy compromises.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Tim Groser', written in a cursive style.

Tim Groser
Minister of Trade