

## Introduction

New Zealand is an island country located in the southwestern Pacific Ocean comprising two main landmasses (the North Island and the South Island) and numerous smaller islands. The geography of New Zealand is highly varied, from snowcapped mountains to lowland plains. The government system is a parliamentary democracy and a Commonwealth realm; the chief of state is the queen of the United Kingdom, and the head of government is the prime minister. New Zealand has a free market economy in which the prices of goods and services are determined in a free price system. New Zealand is a member of the Asia-Pacific Economic Cooperation (APEC) and the Trans-Pacific Partnership (TPP).



**Location:** Oceania

**Capital City:** Wellington (+12 GMT)

**Chief of State:** Queen Elizabeth II represented by Governor General Dame Patricia Lee Reddy

**Head of Govt.:** Prime Minister Jacinda Ardern

**Currency:** New Zealand dollar (NZD)

**Major Languages:** <p>English (de facto official) 89.8%, Maori (de jure official) 3.5%, Samoan 2%, Hindi 1.6%, French 1.2%, Northern Chinese 1.2%, Yue 1%, Other or not stated 20.5%</p>

**Primary Religions:** <p>Christian 44.3% (Catholic 11.6%, Anglican 10.8%, Presbyterian and Congregational 7.8%, Methodist, 2.4%, Pentecostal 1.8%, other 9.9%), Hindu 2.1%, Buddhist 1.4%, Maori Christian 1.3%, Islam 1.1%, other religion 1.4% (includes Judaism, Spiritualism and New Age religions, Baha&#39;i, Asian religions other than Buddhism), no religion 38.5%, not stated or unidentified 12.3%</p>

**Calling Code:** 64

**Voltage:** 230

## Key Websites

Main Government Page: [govt.nz](http://govt.nz)

Commerce Ministry: [mbie.govt.nz](http://mbie.govt.nz)

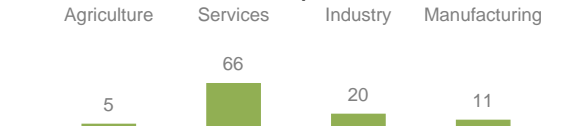
Export Promotion Agency: [nzte.govt.nz](http://nzte.govt.nz)

Investment Promotion [nzte.govt.nz](http://nzte.govt.nz)  
Agency:

## Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developed
GDP, PPP (current international \$):	\$197.07 billion (2017)
GDP growth (annual %):	3.03% (2017)
GDP per capita, PPP (current international \$):	\$41,109.01 (2017)
Manufacturing, value added (% of GDP):	11.44% (2015)
Current account balance (BoP, current US\$):	-\$5.54 billion (2017)
Inflation, consumer prices (annual %):	1.85% (2017)
Labor force, total:	2,662,134 (2017)
Unemployment, total (% of total labor force) (modeled ILO estimate):	4.88% (2017)
Imports of goods and services (current US\$):	\$48.28 billion (2016)
Exports of goods and services (current US\$):	\$48.87 billion (2016)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	1 / 178
EY Globalization Index	21 / 60
Global Competitiveness Index	18 / 139
Global Enabling Trade Index	18 / 136
Global Services Location Index	52 / 55
Index of Economic Freedom	3 / 179
International Logistics Performance Index (LPI)	15 / 160
Inward FDI Potential Index	35 / 139
KOF Index of Globalization	30 / 185
Networked Readiness Index (NRI)	17 / 139
Open Budget Index	1 / 115

## Risk Assessment (Provided by Coface)

**Country rating: A2** - The political and economic situation is good. A basically stable and efficient business environment nonetheless leaves room for improvement. Corporate default probability is low on average.

**Business Climate rating: A1** - The business environment is very good. Corporate financial information is available and reliable. Debt collection is efficient. Institutional quality is very good. Intercompany transactions run smoothly in environments rated A1.

### Strengths

- Proximity to Asia and Australia
- Touristic appeal
- Large and competitive agricultural sector
- Balanced public accounts; contained public debt
- Dynamic demographics thanks to immigration
- Quality of life

### Weaknesses

- Dependency on foreign investment
- High household and corporate debt levels (particularly in agriculture)
- Reliance on Chinese demand
- Shortages of skilled labor
- Housing shortage and housing price surge (+60% since 2008)
- Lack of R&D
- Insularity

## U.S. Embassy

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<https://nz.usembassy.gov>