

New Zealand in the Digital Asia-Pacific

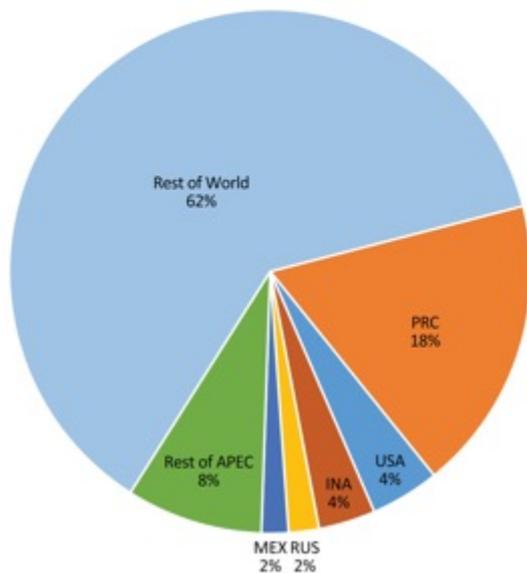
Anna Curzon

Chief Product Officer, Xero
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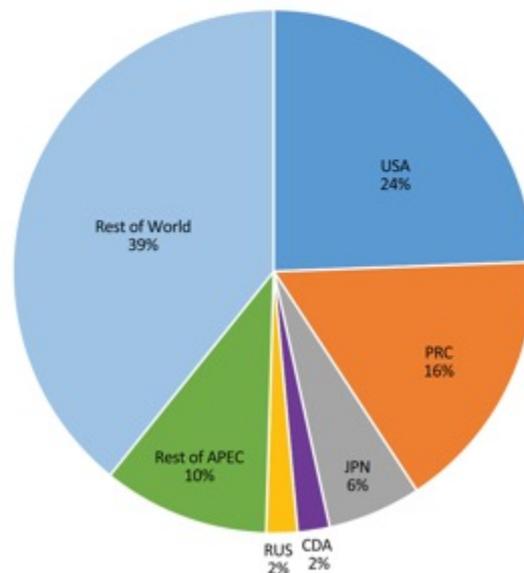


Population



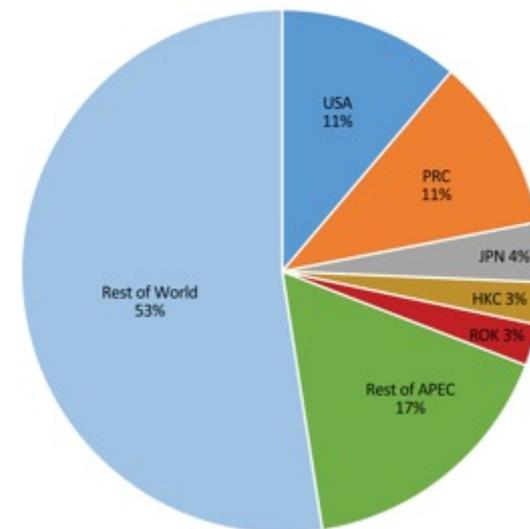
38%
of global population

GDP



61%
of global GDP

Trade



47%
of global trade



APEC matters to New Zealand business

73% of exports

70% of imports

18 of our 19 Free Trade Agreements

3 largest economies in the world

2021 Priorities

THEME:

People, Place, Prosperity

Tāngata, Taiao, me te Taurikura



People

Advancing social and economic progress

Promoting indigenous economic development

Enhancing women's participation in trade

Building MSME capabilities



Place

Adopting principles for
climate change leadership

Developing a framework for renewable
energy transition and trade

Levelling the playing field for environmentally
responsible production and trade

Creating a sustainable, inclusive, digitally-
enhanced and trade-friendly APEC food system



Prosperity

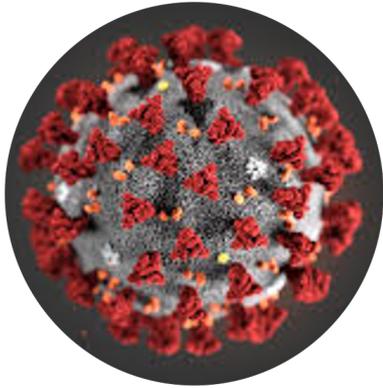
Supporting the rules-based trading system

Working to realise FTAAP

Building an enabling environment
for digital technology

Rebuilding and revitalising economies

Disruption



Pandemic
health & economic
impacts



Threats to trade rules
Economic nationalism

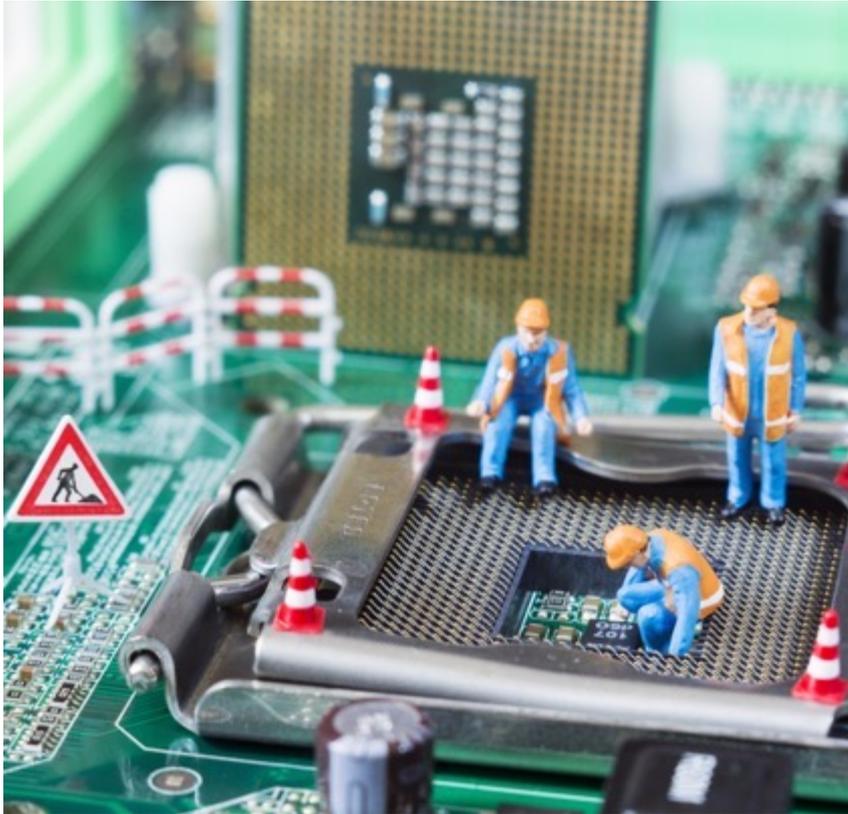


Sustainability,
Inclusion



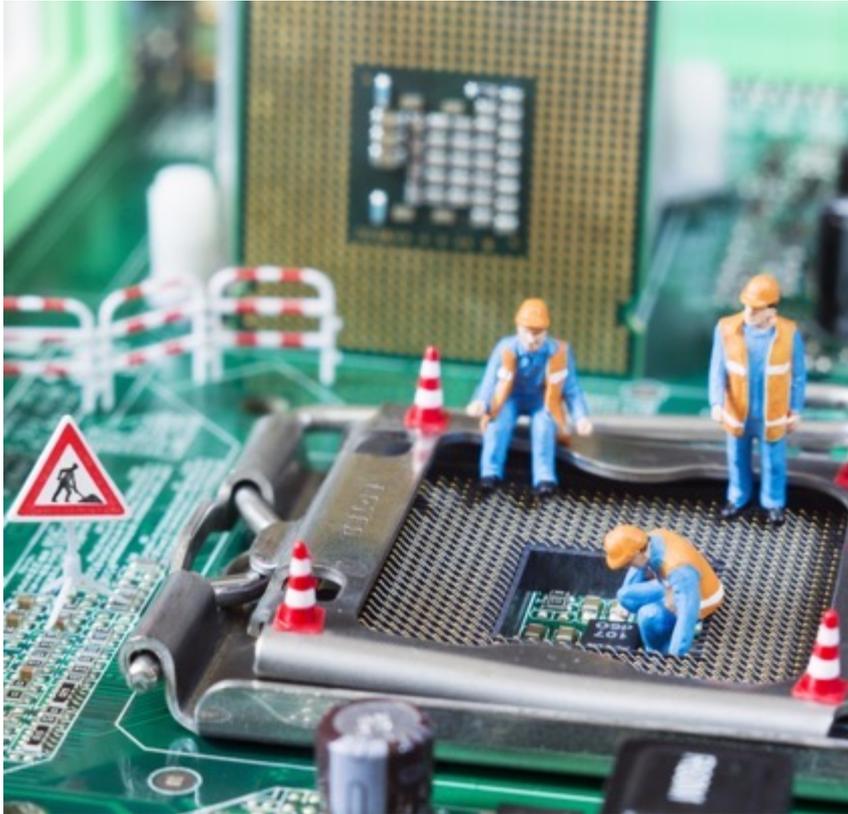
Emerging tech

ABAC Digital Working Group



Digital Trade
Interoperability

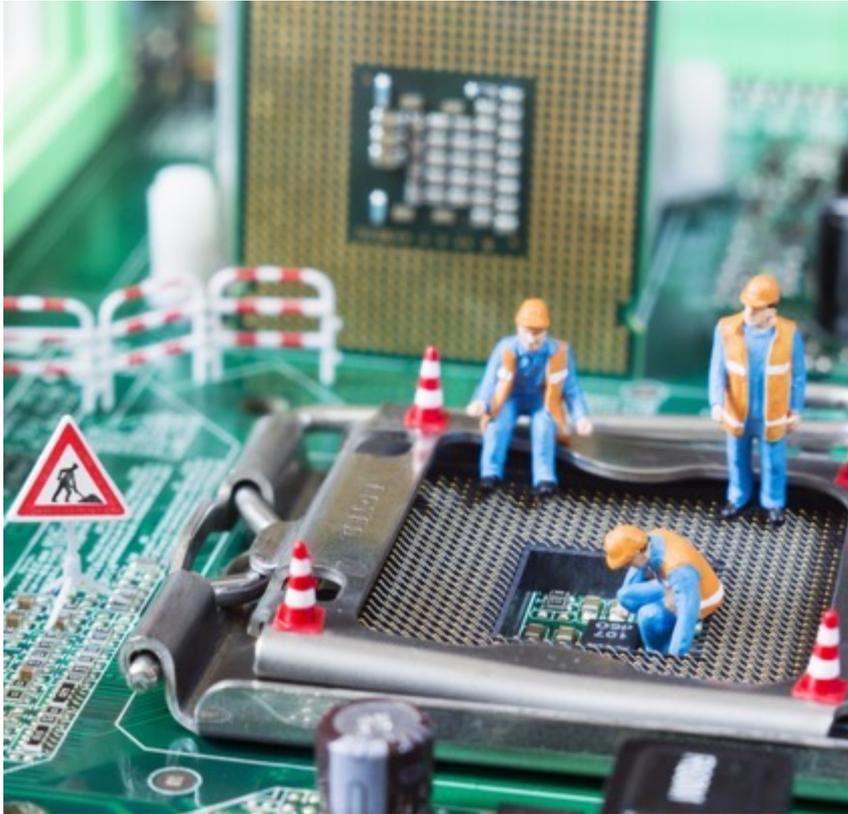
ABAC Digital Working Group



Digital Trade
Interoperability

Emerging Tech/AI

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Digital Trade
Interoperability

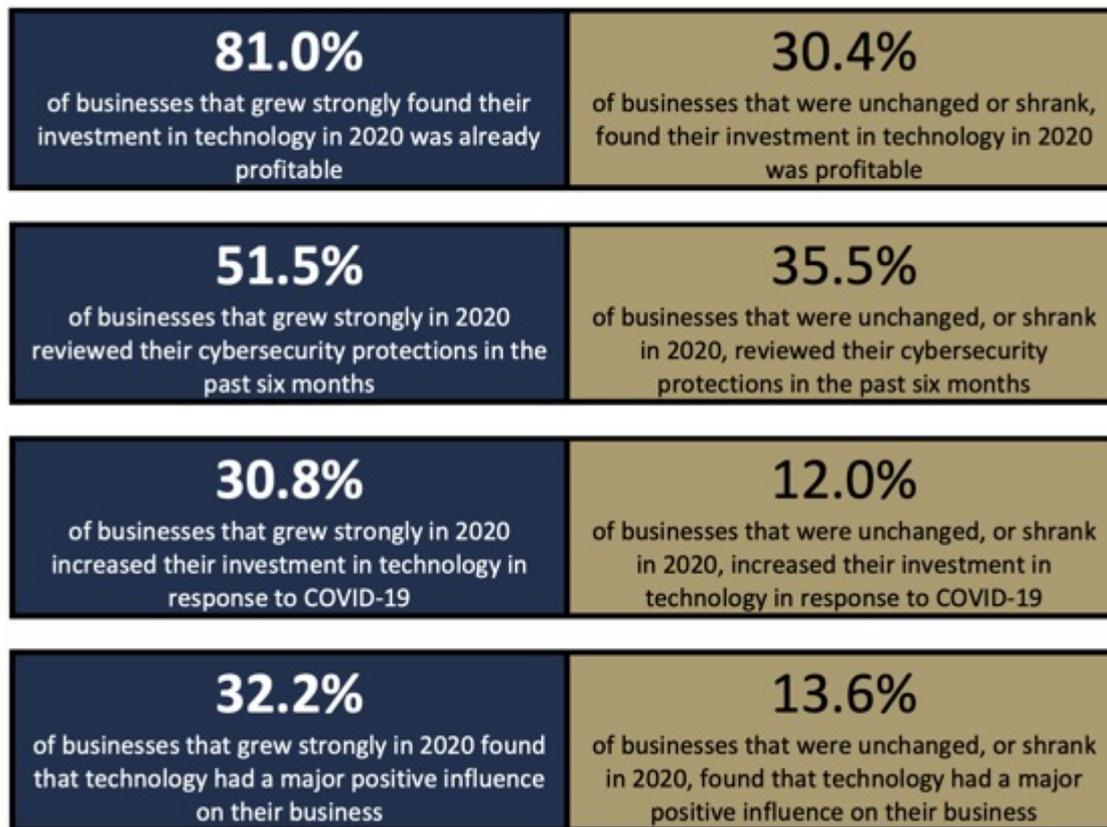
Emerging Tech/AI

Digitalisation
of small businesses

Qualities shared by resilient small businesses

| Successful companies... | Average (Asia-Pacific) |
|--|------------------------|
| Already profitably invested in technology | 58% |
| Earned 10% or more of revenue from online sales | 67% |
| Received 10% or more of sales through new payment technologies e.g. ApplePay, Alipay | 72% |

Technology is critical to growth





The Impact of Cloud

- Xero research (pre-COVID) found that a 20% uptake in cloud-based technology would add up to \$6.2 billion in annual GDP growth for NZ
- Also benefits to real wages and exports
- Businesses were more productive, agile and strategic
- But barriers included the time, skill and knowledge to use it well, concerns about privacy and security, lack of infrastructure and cost

Supportive digital ecosystems and skills are needed for small-business success



Technical proficiency & infrastructure

- Digital literacy, skills, capability
- Access to and interoperability of infrastructure
- Awareness of opportunities and tools
- Regulatory sandboxes



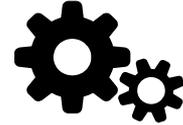
E-commerce platforms & marketplaces

Platforms & marketplaces reduce trade costs
...But challenges around access/dominant players



E-payments

Fintech can reduce costs, corruption, support unbanked populations
Alternative financing also important



E-government

Helps efficiency – but must be cost-effective and accessible

Digital transformation



Digital transformation



Digital transformation



Kia ora – thank you



Contact ABAC New Zealand via:
www.tradeworks.org.nz

