# New Zealand

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| New Zealand’s Bogor Goals Progress Report (as at 3 September 2018)[[1]](#footnote-1)\* | |
|  | **Highlights of Achievements and Areas for Improvement** |

* Average MFN duties are low and no import restrictions or prohibitions on commercial grounds.
* Public interest test has been introduced to evaluate whether proposed anti-dumping and countervailing duties are in the public interest or not.
* Measures to increase foreign participation and competition in the banking industry.
* The Goods and Service Tax (GST) has been extended to offshore providers of “remote” services and intangibles purchased in New Zealand.
* Foreign investment policies are open in comparison to international standards. Amendments proposed to consider residential land as sensitive land in order to screen potential investments in residential land.
* No specific trade concerns against New Zealand have been raised at WTO SPS and TBT Committees in recent years.
* Mutual Recognition Arrangements have been entered into with Australia and China with regards to supply chain security programs.
* Several intellectual property-related regulations have been amended recently.
* A revised set of Impact Analysis Requirements has been implemented, which includes clearer criteria for exemptions from the requirement to conduct a Regulatory Impact Assessment.

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|  | **Summary of Topics** |

Tariffs

On average, applied MFN duties at the 6 digit level are low at 2.0% in 2016 while agricultural products and non-agricultural products had average duties of 1.4% and 2.2% respectively. Tariffs continue to be reduced under trade agreements in effect. It was also announced that the next government review of tariff levels will take place in 2019.

Non-Tariff Measures

New Zealand generally does not apply import restrictions or prohibitions on commercial grounds or to protect the domestic industry, and technical regulations and sanitary and phytosanitary measures are in line with WTO provisions.

New Zealand has extended the suspension of anti-dumping duties for residential building materials until 30 June 2019. The government is introducing a public interest test to evaluate during the decision-making process whether proposed anti-dumping and countervailing duties are in the public interest or not.

Services

Within the banking sector, the introduction of the Dual Registration Policy for small foreign banks increases foreign participation and competition in New Zealand’s banking system. It provides clarification on the requirements for branching and the restrictions imposed on them. Also, a revised version of outsourcing policy for banks was released in October 2017 by the Reserve Bank of New Zealand. The revision provides greater guidance to banks on outsourcing services and offshoring of functions.

As of 1 October 2016, New Zealand extended its application of GST to cover offshore providers of “remote” services and intangibles purchased by New Zealand residents. The definition of “remote” services includes digital products (e.g. e-books and music) and non-digital services (e.g. insurance, consulting, accounting and legal services).

Investment

The Australian-New Zealand Infrastructure Pipeline portal was created in 2016 to provide more information on the investment opportunities available in both economies.

Foreign investment conditions in New Zealand are very open in comparison to international standards. New Zealand has been ranked as the top economy to do business in by the World Bank’s Doing Business initiative. Proposed foreign investments are only screened in certain cases: 1) sensitive land (e.g. nearby waterways); 2) business assets for more than NZD 100 million; and 3) fishing quotas.

Amendments have been proposed to the Overseas Investment Act in 2017. The current bill in Parliament proposes to consider residential land as sensitive land, and enhance information-gathering and enforcement powers of the Overseas Investment Office.

Standards and Conformance

New Zealand has been very active at the international level. On February 2017, New Zealand and Australia signed a bilateral agreement that focused on collaborating on many aspects. Also, New Zealand, as President of the Asia-Pacific Legal Metrology Forum (APLMF), has promoted the reduction of technical barriers and the harmonization in the area of legal metrology.

Regarding food products, new import health standards have been established in recent years for onions from China, rambutan from Viet Nam and salacca from Indonesia. In addition, the Food Safety Law Reform Bill was passed in February 2018, which strengthens responses to food safety issues, creates a better approach for enforcement of non-compliance and streamlines business compliance to benefit food exporters.

There have been no specific trade concerns against New Zealand raised in recent years at the WTO SPS and TBT Committees.

Customs Procedures

On July 2016, New Zealand and Australia signed a Mutual Recognition Arrangement on the supply chain security programs enforced in both economies. It is expected to further fast track custom procedures between them. New Zealand also negotiated a Mutual Recognition Arrangement with the General Administration of China Customs, which was implemented on 1 July 2017.

Furthermore, the border clearance levy was implemented in 2016, which increases the cost of movement of people in and out of New Zealand. The revenue from the levy is expected to meet the costs generated by border clearance activities.

Intellectual Property Rights

As of 5 March 2018, amendments have been made to the following acts: Patent Regulations 2014, Trade Marks Regulations 2003, Trade Marks (International Registration) Regulations 2012 and Design Regulations 1954. A key change includes allowing applicants accessing IP services in Australia and New Zealand to provide an address for service in either Australia or New Zealand.

In 2017, IPONZ online case management system was improved to allow the regeneration of registration of grant certificates such as the grant of patents, registration of trade marks, protection of international trade marks designating New Zealand, registration of design and grant of patent variety right.

Competition Policy

In the dairy sector, the New Zealand government has amended its Dairy Industry Restructuring Act 2001 so as to continue with the provisions to manage the dominant market position of the leading dairy producer.

Government Procurement

New Zealand has an open and competitive government procurement framework in which international firms have same access to procurement opportunities as domestic firms do. The implementation of the Contract and Commercial Law Act 2017 which consolidated 13 laws was carried out on 1 September 2017. This consolidation eased government procurement by increasing accessibility as well as ensuring uniformity across the different regulations.

The Procurement Capability Index has been implemented widely across New Zealand’s government agencies in order to provide a measure of an agency’s procurement capabilities and serve as a benchmark for improvement.

Deregulation/Regulatory Review

As part of New Zealand’s efforts in updating its regulatory system, it released a document called “Government’s Expectations for Good Regulatory Practices” in April 2017, which identified the features that a good regulatory practice should have. In addition, it identifies the actions that regulatory agencies should take to discharge their regulatory stewardship obligations.

A revised Impact Analysis Requirement was put in practice in 2017 to assist agencies in the evaluation of policy proposals before decisions are made. It includes clearer criteria for exemptions from the requirement to conduct a Regulatory Impact Assessment.

Dispute Mediation

New Zealand concluded a dispute with Indonesia on trade restrictions imposed on agricultural products in 2017.

Mobility of Business People

The introduction of electronic gates in four New Zealand airports is streamlining passport control procedures and it is gradually being expanded to include passport holders from more economies. In November 2017, this system became available to Chinese visitors.

Transparency

In its efforts to improve the availability of data to the public, New Zealand adopted the International Open Data Charter in March 2018, which is a set of principles and best practices for governments to release open data.

RTA/FTAs

New Zealand has 10 FTAs/RTAs in force[[2]](#footnote-2). On 14 June 2017, New Zealand signed the Pacific Agreement on Closer Economic Relations (PACER) Plus. In addition, the Comprehensive and Progressive Agreement for Trans-Pacific Partnerships (CPTPP) was signed by 11 economies on 8 March 2018. New Zealand is currently participating in negotiations for the Regional Comprehensive Economic Partnership.

1. \* This brief report was prepared with information from New Zealand’s submission of 2018 APEC Individual Action Plan (IAP) template; Customs Service; Parliamentary Council Office; Ministry of Business, Innovation & Employment; WTO SPS and TBT Information Systems; WTO World Tariff Profiles 2017; New Zealand Gazette; The Reserve Bank of New Zealand; Land Information New Zealand; Asia-Pacific Legal Metrology Forum; New Zealand Intellectual Property Office; Commerce Commission New Zealand; New Zealand Government Procurement Office; New Zealand Treasury; New Zealand Inland Revenue; and Ministry of Foreign Affairs and Trade websites. [↑](#footnote-ref-1)
2. New Zealand’s RTA/FTAs in force are the following ones: New Zealand-Australia (1983); New Zealand-Singapore (2001); New Zealand-Thailand (2005); P4 (2006); New Zealand-China (2008); ASEAN-Australia-New Zealand (2010); New Zealand-Malaysia (2010); New Zealand-Hong Kong, China (2011); New Zealand-Chinese Taipei (2013); and New Zealand-Korea (2015) [↑](#footnote-ref-2)