



## GOODS MARKET ACCESS CONDITIONS



The EU-New Zealand Free Trade Agreement ('FTA') will bring tariffs to 0% on all products exported from the EU to New Zealand, right from day one. The FTA also contains more flexible and modern rules of origin that recognise the complexity of many supply chains. The documentation on origin follows the latest standard based on self-certification by businesses to make the utilisation of the FTA as easy as possible, especially for small and medium sized companies. The FTA provides greater certainty and transparency for exporters.

EU firms exported €6.258bn of goods to New Zealand in 2022 and imported €2.807bn from New Zealand in the same year. Thanks to the FTA, removing tariffs alone could save EU businesses some €140 million in duties per year on goods exports to New Zealand, while overall bilateral trade is expected to grow by up to 30% within a decade.<sup>1</sup>

### Tariffs

New Zealand is an open market for imports. It has a simple average tariff rate across all goods of less than 2% for non-preferential trade and does not administer any tariff rate quotas.

Approximately 95% of goods from non-preferential trading partners, including the EU, currently enter New Zealand duty free. **The FTA liberalises the remaining 5%**, opening new opportunities and creating a level playing field for EU exporters in the New Zealand market.

A number of **EU industrial products** will benefit from the elimination of tariffs under the FTA, including:

- Machinery (current tariffs up to 5%)
- Chemicals (current tariffs up to 5%)
- Motor vehicles and parts (current tariffs up to 10%)
- Electrical and electronic machinery (current tariffs up to 5%)
- Pharmaceuticals (current tariffs up to 5%)
- Shoes, clothing and textiles (current tariffs up to 10%)

**EU food and beverages** will also stand to gain from easier access to the New Zealand market due to tariff elimination. Among others, New Zealand will liberalise at entry into force EU pig meat, wine and sparkling wine, chocolate, sugar confectionary and biscuits (current tariffs 5%). The tariff elimination schedule for New Zealand can be found [here](#).



<sup>1</sup> European Commission, Trade Sustainability Impact Assessment in support of FTA negotiations between the EU and New Zealand, March 2020, available [here](#).

In addition to full tariff liberalisation, the FTA provides for additional trade facilitation possibilities, such as the prohibition of export duties and taxes, the duty-free treatment of repaired and remanufactured goods and the recognition of the “Made in the EU” labelling marking.

## Rules of Origin

Products are considered as originating in the EU under the FTA if they are:

- Wholly obtained in the EU (by agriculture, mining, fishing etc.) or produced in the EU exclusively from materials originating in the EU or in New Zealand.
- Products produced in the EU incorporating materials that are not originating there or in New Zealand, provided that such materials have undergone sufficient working or processing within the EU.

The FTA sets out a set of working or processing procedures or other requirements for products based on their HS Codes to qualify for origin status (**Product-specific rules of origin**). Therefore, you will need to check the HS codes of products intended to be imported into New Zealand to find their respective originating requirements. The product-specific rules could be based in particular on value addition, a change in tariff classification requirement or a specified process.

Materials from New Zealand can be counted as originating in the EU and vice versa, as well as any processing that has been done on non-originating materials in either party. This is called full bilateral **cumulation**.

For products not meeting the product-specific rules, there is the possibility to apply **tolerance** allowing the use of 10% in value of non-originating materials - which the product specific rule would not allow to be used - in the production process of a product without affecting its originating status. This tolerance does not apply to textiles and clothing, which have other specific tolerance rules.

The FTA helps to reduce transaction costs for exporters using **simple documentary requirements**: rather than requiring a government certificate, origin can now be established either on the basis of a statement by the exporter to this effect or the importer’s knowledge of the product.

## Where to find applicable tariffs and rules of origin

The European Commission’s [Access2Markets database](#) has all you need to know about applicable tariffs, taxes and requirements when you trade with third countries. To find the rules of origin applicable to your product, use the Rules of Origin Self-Assessment Online Tool in Access2Markets, known as [ROSA](#).

The information on the Access2Markets database is copyright protected and access is limited to users logging on the portal from the EU territory. However, European companies’ offices outside of the EU can request access by filling in the following [contact form](#).

Refer to the EU SME Guide for more information on the benefits of the EU-New Zealand FTA and guidance on doing business in New Zealand.

