



Report on the fifth round of negotiations for a Free Trade Agreement between the European Union and New Zealand

8 – 12 July 2019, Brussels

Summary

The fifth round of negotiations for a Free Trade Agreement (FTA) between the European Union and New Zealand was held from 8 to 12 July 2019 in Brussels. The constructive discussions covered most areas of the future agreement, and have moved some of them close to reaching a provisional conclusion.

Details per negotiating area

Trade in Goods: Both sides continued to work on the chapter text, agreeing in principle the article on Temporary Admission and making substantial progress on those related to Remanufactured Goods as well as Definitions. Technical work will carry on to attempt to close the provisions which remain open. Both sides did not discuss market access for goods on this occasion.

Rules of Origin: Constructive discussions covered outstanding elements of General provisions (Section A) and the Origin Procedures (Section B). Both sides agreed on several elements, such as the use of all EU's official languages for the Statement of Origin. Both sides also started the detailed technical discussions on the Product Specific Rules.

Customs and Trade Facilitation: Both sides discussed the remaining provisions of the Trade Facilitation chapter. Constructive exchanges enabled sides to better understand each other's systems and positions, and to make progress towards concluding more articles.

Sanitary and Phyto-Sanitary measures: Constructive and detailed discussions allowed very substantial progress on several articles which have either been concluded (subject to final review), or are close to conclusion.

Trade Remedies: Both sides made some progress on the text related to the use of the WTO trade instruments, i.e. anti-dumping, anti-subsidy and global safeguard. Both sides also continued detailed discussions on the text regarding the bilateral safeguard clause, where some progress was made concerning procedural rules.

Trade in Services: Both sides continued their discussions on the market access offers for services and investment, exchanged during the previous round. Regarding the Trade in Services text, fruitful discussions were held on the general provisions, cross-border trade in services, entry and temporary stay of natural persons for business purposes and the regulatory framework sections dealing with domestic regulation, mutual recognition, delivery services, telecommunication services and international maritime transport services. Further progress was made on various provisions of the text, notably in areas like delivery services and domestic regulation. Useful discussions were held on areas of policy difference in various chapters.

Digital Trade: Both sides went through all open provisions. Detailed technical discussions were held on those articles, which require further internal consultations and intersessional follow-up. Some progress was made on a number of provisions.

Investment Liberalisation and Capital Movements: All the investment-related provisions were discussed, and useful exchanges took place in relation to the market access offers. Good progress was made with regard to the definitions, non-discrimination provisions and denial of benefits, as well as in the chapter on capital movements and payments. The text of the articles on performance requirements and on senior management and board of directors was further consolidated.

Public Procurement: Very good progress was achieved on the text, as several “GPA plus” provisions have been fully agreed, while further discussions will be necessary on the few remaining issues.

The initial market access offers exchanged in May were discussed in detail, including on possible ways forward with the objective to attain an ambitious and satisfactory outcome.

Small and Medium Enterprises: Good progress was achieved in cleaning text and clarifying positions. The remaining key issues are primarily related to the article on information sharing, and notably to links and the searchable database.

Trade and Sustainable Development: Both sides made further progress in consolidating the text, in particular in the articles on the context and objectives, trade and climate, and trade and forests. More in-depth exchanges on the remaining provisions took place that should allow substantial textual progress on a number of articles at the next round.

Energy and Raw Materials: Both sides used this round to start working on the text. Both agreed in particular that the text should promote sustainable/renewable energy.

Good Regulatory Practice: Both sides had good and constructive discussions on a new text proposal which New Zealand submitted in the run-up to the round.

Dispute Settlement and Legal: Both sides continued their discussions on the dispute settlement chapter including its Annexes on Rules of Procedure and Code of Conduct. Both sides agreed in principle on many areas relating to the concrete operation of the dispute settlement mechanism but certain areas remain outstanding. Both sides also continued discussions on the Exceptions chapter.

Wine Annex: Both sides started text based negotiations and merging of their respective proposals where possible in a joint working document. Progress was made in respect to some labelling provisions and some definitions.