



## Report on the 12th round of negotiations for a Trade Agreement between the European Union and New Zealand

14 – 31 March 2022

### **Summary**

*Following negotiating sessions in October 2021, the 12th round of negotiations for an EU-New Zealand Trade Agreement was held from 14 to 31 March 2022, by videoconference. To use the momentum and make up for the significant time difference, the round was extended by one extra week compared to the original plans. The discussions covered most areas of the future agreement. The Chief Negotiators committed to continue working intersessionally. The way forward and timeline for the negotiations will be decided in view of the further progress made.*

### **Details per negotiating area during this round**

**Trade in Goods:** both sides continued to work towards finalization of the chapter, with the discussions focusing on the EU's request to be exempted from New Zealand's import customs' fees, the only outstanding element in the text.

**Rules of origin:** the discussions covered the full text of General Provisions (Section A), parts of the Introductory Notes and product specific rules related to fisheries, textiles, agricultural and processed agricultural products, machinery. EU insisted on its standard vessels conditions. Follow-up discussions will be held to develop common understanding of the interpretation of certain product specific rules for agricultural and processed agricultural products, to continue discussion on fishery related issues as well as on the text for origin procedures (Section B) and other parts of the rules of origin chapter text.

**Geographical Indications (GIs):** a constructive session where both sides agreed most of the text. Important progress has also been made on the conflicting GI names.

**Wine and Spirits Annex:** constructive discussion of the outstanding issues, with a focus on wine making practices. Progress was also made on the text of the Annex. Both sides agreed on the need for further meetings to keep momentum.

**Trade in Services:** both sides continued the discussions on the text of the chapters dealing with trade in services. Further progress could be made on various provisions throughout the text, notably in the general provisions and the provisions on cross-border trade in services, entry and temporary stay of natural persons for business

purposes and international maritime transport services. The next offers for services and investment were also discussed.

**Intellectual Property Rights:** several remaining sensitive areas will require further work. However, open issues were discussed in a number of sections of the IPR Chapter and additional text has been agreed based on compromise solutions.

**Digital Trade:** both sides discussed all the remaining open issues. The constructive discussions allowed for closure of two additional articles – paper-less trading and electronic authentication, while other articles require further negotiations.

**Sanitary and Phyto-Sanitary measures:** both sides discussed the remaining issues of sustainable food systems (SFS) and the SPS Committee. Agreement was reached on risk assessment, AMR and the relationship to the Veterinary Agreement.

**Good Regulatory Practice:** a positive discussion overall, but more discussions are needed on the scope of commitments to be taken and the need for additional flexibility.

**Legal group:** continued good discussions on the chapters containing the institutional, final provisions and exceptions. Progress was made notably on the final and institutional provisions. The discussions in the exceptions chapter focused on the tax exception and involved tax experts on both sides. Negotiations on the dispute settlement chapter have been closed.

**Competition and Subsidies:** both sides discussed the section on Subsidies of the Competition chapter. Progress was made on a number of the provisions, although issues related to the actual scope of the chapter remain outstanding and have an impact on the finalisation of other parts of the chapter.

**Government Procurement:** a short discussion was held, but further progress depends on the exchange of revised offers.

**Investment:** both sides made overall good progress. The text was further cleaned and both sides indicated their expectations for the remaining outstanding issues, i.e. the provision on Prohibition of Performance Requirements and the screening thresholds.

**State-Owned Enterprises:** good progress was made on a number of technical issues and identified a limited number of outstanding provisions where a solution at technical level would be possible, for other issues higher level decision may be necessary.

**Trade and Sustainable Development:** both sides held constructive discussions and provisionally closed the articles on trade and biodiversity, trade and forests, green goods and services and sustainability schemes. Further progress was made on trade and gender and in consolidating the TSD dispute settlement provisions. In addition, both sides discussed thoroughly the commitments to the effective implementation of the ILO conventions and Multilateral Environmental Agreements ratified, including the Paris Agreement, as well as the precautionary principle.