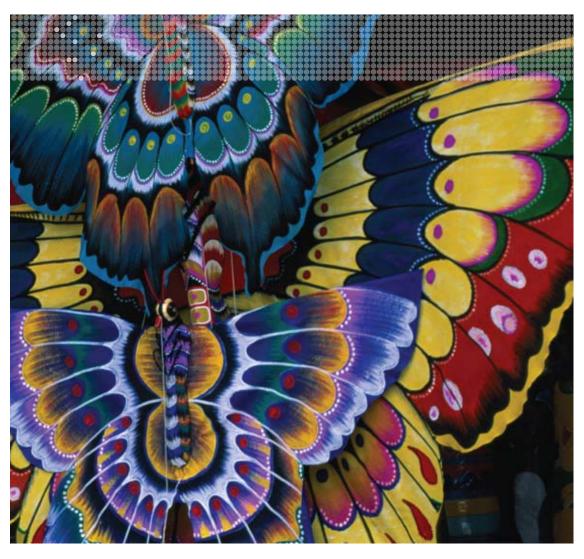


# AGREEMENT ESTABLISHING THE ASEAN – AUSTRALIA – NEW ZEALAND FREE TRADE AREA

BRUNEI // CAMBODIA // INDONESIA // LAOS // MALAYSIA // MYANMAR // PHILIPPINES // SINGAPORE // THAILAND // VIET NAM



This Ministry of Foreign Affairs and Trade publication provides an overview and a practical business guide to the Agreement Establishing the ASEAN – Australia – New Zealand Free Trade Area. A full copy of the Agreement and associated documents can be obtained at www.ASEAN.FTA.govt.nz.

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BRUNEI // CAMBODIA // INDONESIA // LAOS // MALAYSIA // MYANMAR // PHILIPPINES // SINGAPORE // THAILAND // VIET NAM



OPENING MESSAGE FROM TRADE MINISTER

THE AGREEMENT ESTABLISHING THE
ASEAN – AUSTRALIA – NEW ZEALAND
FREE TRADE AREA IS A SIGNIFICANT
ACHIEVEMENT – THE FIRST COMPREHENSIVE
FTA THAT ASEAN HAS CONCLUDED.
IT REPRESENTS A MAJOR MILESTONE FOR
NEW ZEALAND'S TRADE NEGOTIATIONS
AGENDA AND PROMISES TO DELIVER
SIGNIFICANT BENEFITS TO THE ECONOMY.

The agreement is of intrinsic importance for New Zealand. Our economic growth and wellbeing depend on how successful we are at marketing ourselves and selling our goods and services in overseas markets. The ASEAN-Australia-New Zealand FTA opens up new opportunities for making New Zealand exports more competitive in the region and in raising the profile of our businesses.

Through this FTA, New Zealand businesses will be better able to ride the wave of progress in one of the world's most dynamic and rapidly developing economic regions. With a combined population of 566 million people, the ASEAN countries account for US\$1,400 billion in global trade. At a time when

ASEAN is entering into other trade arrangements with a number of New Zealand's competitors, the FTA allows New Zealand companies to maintain a competitive position in this important market.

ASEAN is New Zealand's third largest export market. Exports there have grown 121% since 2000, to around \$4.6 billion in 2008. Tariff reductions arising as a result of the FTA will see significant expansion of opportunities for New Zealand businesses who are currently active or looking to engage within the region. Within 12 years 99 percent of New Zealand's current trade with the key markets of Indonesia, Malaysia, the Philippines and Vietnam will be duty-free.



In addition to reductions in tariffs, the agreement will also facilitate trade through enhanced cooperation in areas where non-tariff barriers to trade often exist, such as customs, sanitary and phytosanitary measures and intellectual property.

Important progress has also been made in FTA to protect investments between countries in the region – ensuring that New Zealand investors are well-placed to make the most of the potential that the emergent economies of the ASEAN region offer.

Separate from, but alongside with, the FTA, New Zealand has also signed Memoranda of Agreement on Labour Cooperation and Environmental Cooperation with the Philippines. These memoranda open the way for increased cooperation and dialogue in these areas, resulting in improved policies and practices in both countries.

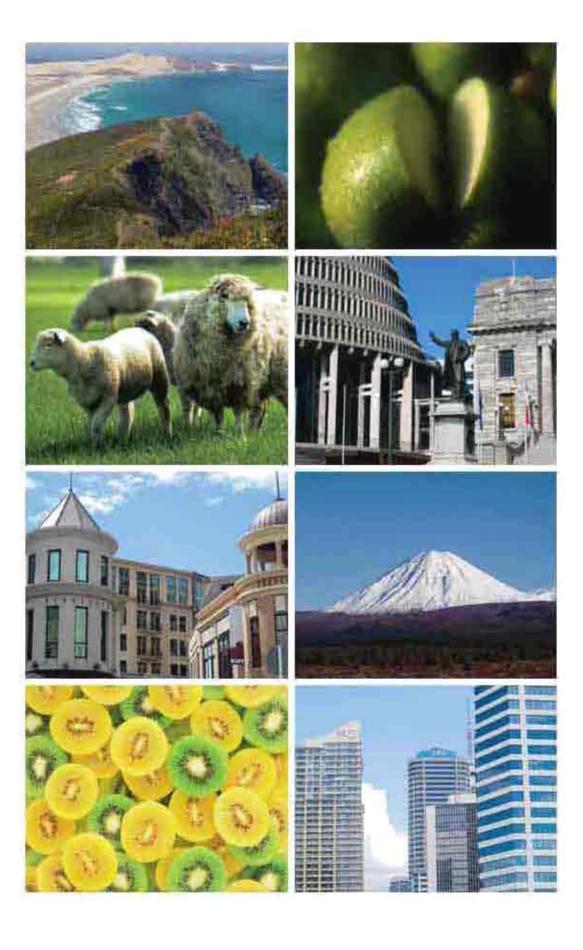
As the first FTA of this scope entered into by the ASEAN countries, we can expect the interest in the agreement to be substantial, further broadening the scope for increasing the profile of New Zealand businesses within the region. The signing of the FTA represents an important stepping stone in assuring our place within regional integration and is a sign of bright prospects for New Zealand's flourishing economic engagement with this important region.

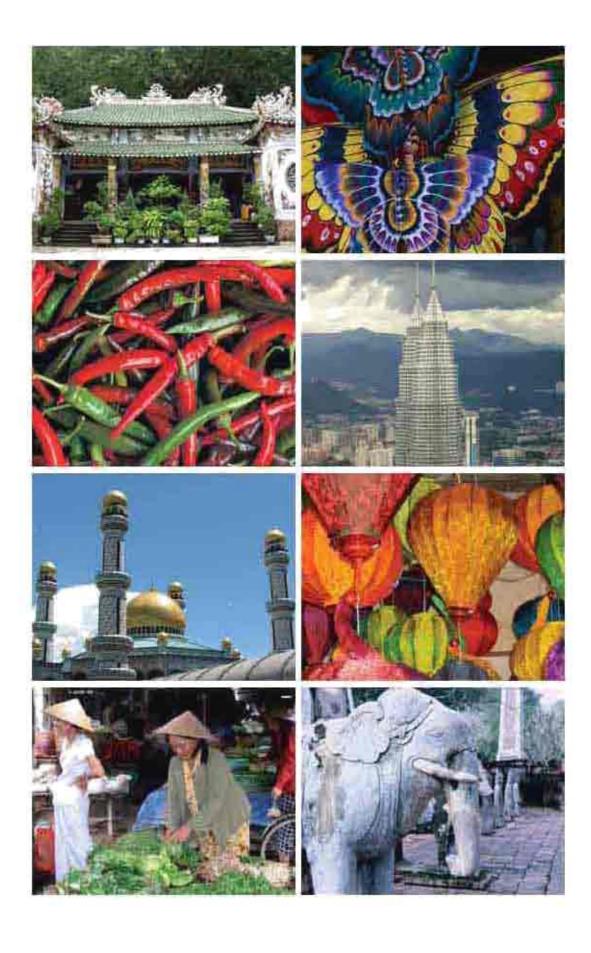


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# 1

# WHAT IS THE ASEAN FREE TRADE AGREEMENT?

The Agreement Establishing the ASEAN –
Australia – New Zealand Free Trade Area
(ASEAN FTA) will liberalise and facilitate trade
in goods, services and investment between
New Zealand, Australia and the ASEAN
(Association of Southeast Asian Nations)
economies. It contains measures to improve
business flows and promote cooperation in a
broad range of economic areas of mutual interest.

The key elements of the ASEAN FTA, which are set out in more detail in this Guide, include:

# Liberalised trade in goods

The eventual removal of tariffs on 99 percent of New Zealand's current exports to the four key ASEAN markets of Indonesia, Malaysia, the Philippines and Viet Nam, which will equate to an annual duty saving of approximately \$50 million based on current trade.

## Rules to govern trade

Robust rules which will allow New Zealand exporters to effectively take advantage of the preferential conditions offered under the ASEAN FTA for trade in goods, without undue compliance costs, as well as rules to counter unexpected surges in imported goods from ASEAN economies.

# Liberalised trade in services

New Zealand service providers will benefit from ASEAN economies improving their commitments in services, particularly in the context of education services.

## Movement of people

New Zealand will benefit from provisions to better facilitate the movement of business people within the ASEAN region.







#### Enhanced protection for investment

New Zealand will benefit from enhanced protections for investments established in ASEAN economies. The ASEAN FTA also provides New Zealand investors with access to binding investor-state arbitration procedures if an ASEAN Government breaches certain investment provisions.

### Measures to improve business flows

Better opportunities for New Zealand business in the ASEAN region.

The ASEAN FTA also contains measures relating to customs procedures and cooperation, sanitary and phytosanitary measures, standards, technical regulations and conformity assessment procedures, electronic commerce, intellectual property and competition policy. These are all designed to reduce barriers to doing business in ASEAN, as well as to improve dialogue and cooperation between New Zealand and the ASEAN member countries.

The ASEAN FTA also establishes an overarching framework for cooperation to enhance the benefits of the FTA, with the objective of building on the existing relationships and creating new opportunities.

# Dispute settlement

The ASEAN FTA includes a robust consultation and dispute settlement mechanism to resolve any disputes that arise concerning the operation, implementation or application of the Agreement.

The Members of ASEAN are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam.

# Associated Documents: Environment and Labour

In conjunction with the ASEAN FTA, bilateral treaties with the Philippines covering labour and environmental cooperation have also been concluded. They are not explicitly linked with the ASEAN FTA, but they have been concluded in the context of it. These treaties will enhance communication and cooperation on these issues and assist in meeting the shared objectives of raising working standards and improving environmental protection in New Zealand and the Philippines. These treaties will supplement similar instruments New Zealand already has with other ASEAN partners (Thailand, Brunei and Singapore) as well as those currently being negotiated with Malaysia in the context of ongoing bilateral FTA negotiations.

# Associated Documents: Temporary Employment Entry / Working Holiday Schemes

Alongside the FTA negotiations, but not as part of the FTA itself, New Zealand has entered into arrangements with two ASEAN nations (the Philippines, and Viet Nam) to allow limited temporary employment entry into New Zealand. New Zealand has also agreed with to start Working Holiday Scheme negotiations with each of those countries.

# 2

# THE PATH TO THE ASEAN FREE TRADE AGREEMENT

In late November 2004, leaders from ASEAN, Australia and New Zealand agreed to launch negotiations for an FTA involving the 10 countries of ASEAN, as well as Australia and New Zealand. Leaders agreed that the FTA would be comprehensive, covering trade in goods, services and investment. Negotiations began in early 2005 and, after 16 rounds of negotiations, were substantively concluded in late August 2008. The ASEAN FTA was signed in February 2009 and is expected to enter into force on 1 July 2009.

New Zealand has a long history of economic and trade cooperation with ASEAN. With more than 70 percent of New Zealand's trade and investment occurring in the Asia-Pacific region, the potential contribution to broader regional integration initiatives that flows from entering into a comprehensive FTA with ASEAN is expected to be significant.

New Zealand and each of the ASEAN economies (with the sole exception being Laos) are members of the World Trade Organization (WTO). Trade reform and liberalisation through negotiations at the WTO remains New Zealand's primary trade policy objective. Entering into a comprehensive FTA with ASEAN is expected to help maintain momentum and provide a "building block" towards New Zealand's wider goal of multilateral trade liberalisation.



At the regional level, seven ASEAN economies (Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam) are also members of the Asia Pacific Economic Cooperation Forum (APEC). APEC continues to make progress in facilitating trade and opening markets in member economies.

Additionally, New Zealand and the ASEAN countries are all involved in the East Asia Summit (EAS) process. Within the EAS, a Comprehensive Economic Partnership for East Asia (CEPEA) is proposed. The ASEAN FTA will help support further progress on CEPEA.

Together, the 12 countries involved in the ASEAN FTA have a combined population of 566 million people and an estimated GDP exceeding US\$700 billion. Agreement to move to FTA negotiations followed four years of economic and technical cooperation under the AFTA-CER Closer Economic Partnership – which had been agreed in 2000.





# 3

# THE STRATEGIC IMPORTANCE OF THE ASEAN FREE TRADE AGREEMENT

A core objective of New Zealand trade policy is to broaden and deepen the opportunities available to exporters by removing and reducing barriers to trade and investment, as well as to establish frameworks through which trade and investment linkages can evolve and expand. The ASEAN FTA, by removing trade and investment barriers, therefore advances New Zealand's trade policy objectives with a group of key trading partners.

The ASEAN economies represent a market of more than 566 million people, accounting for more than US\$1,400 billion in global trade. They are an increasingly important destination for New Zealand goods, service suppliers and outward investment.



This importance is reflected in the high rate of growth in trade between New Zealand and the ASEAN economies. New Zealand exports to the ASEAN countries have increased 121 percent since the year to June 2000 to around \$4.6 billion in the year to June 2008. Over the same period, imports from the ASEAN countries have increased 233 percent to almost \$7.0 billion in the year to June 2008.

The elimination of tariffs and other barriers to trade under the ASEAN FTA will open up further opportunities for New Zealand exporters throughout the ASEAN markets. Indeed, as a result of the ASEAN member countries' commitments under the FTA, tariffs will be eliminated on all key products of trade interest in major markets within twelve years. Significant commercial benefits will be provided to exporters through the elimination of tariffs on about 99 percent of New Zealand's exports to priority markets (namely, Indonesia, Malaysia, the Philippines and Viet Nam).

Indonesia, Malaysia, the Philippines and Viet Nam markets were deemed priority markets in negotiations with ASEAN as New Zealand already has high quality and comprehensive FTAs with Singapore, (Singapore-New Zealand Closer Economic Partnership), Brunei and Singapore, (Trans-Pacific-Strategic-Economic-Partnership-Agreement) Thailand, (Thailand-New Zealand Closer Economic Partnership). The Least Developed Country members of ASEAN (Cambodia, Laos and Myanmar), were not accorded the same priority as New Zealand has little to no current trade to these markets and these countries have, since 2001, had duty free and quota free access to the New Zealand market.



Beyond market access for goods, the ASEAN FTA will provide more opportunities, and greater certainty and transparency, for New Zealand service suppliers and investors wishing to operate in the ASEAN markets.

New Zealand's services trade into ASEAN has expanded in recent years, particularly in the sectors of tourism and education. In 2007, almost 87,000 ASEAN tourists visited New Zealand, making it one of New Zealand's larger tourism markets. In the area of education, ASEAN student numbers studying in New Zealand have grown to over 7,800 in 2007. The ASEAN FTA therefore provides a strong base from which to further build services trade, particularly in those services sectors where New Zealand has a rapidly growing commercial interest and relative comparative advantage, as ASEAN economies continue to develop and open further to foreign service providers.

In 2007, New Zealand investment in the ASEAN region totaled a little over \$3.76 billion. New Zealand's total investment in the ASEAN region has grown 61% since 2003. Singapore, Malaysia, Thailand and Indonesia are all among New Zealand's top 25 total investment destinations.

Investment from ASEAN member countries in the same period into New Zealand totaled almost \$8.22 billion (constituting 3.2% of total foreign investment in New Zealand), with almost \$1.64 billion being inward foreign direct investment. Singapore is New Zealand's fourth largest source of total investment, and has a direct investment stock of almost \$1.64 billion.

Reflecting this growing investment relationship between New Zealand and the ASEAN economies, the ASEAN FTA will provide greater security for New Zealand investors and investments in these markets, including through the potential for recourse to binding investor state arbitration procedures.

The economic cooperation components of the ASEAN FTA constitute an important subset of wider economic cooperation between New Zealand and ASEAN, contributing directly to New Zealand's strategic engagement with the ASEAN region and broader regional integration processes central to New Zealand's future economic prosperity and security.

With the increasing number of preferential trade agreements being concluded internationally, avoiding disadvantage in key export markets relative to competitors from third countries under such agreements is another important reason for New Zealand's pursuit of FTAs. The ASEAN FTA assists in addressing our defensive commercial interests of preserving and enhancing existing levels of competitiveness.

More generally, ASEAN is active in negotiating FTAs with other countries. It has agreements with China, Japan, Republic of Korea, and has recently concluded a goods-only agreement with India. ASEAN is also negotiating with a range of countries, including the EU. Protecting New Zealand exporters' competitive position in ASEAN vis-à-vis these competitors was therefore a key objective for the negotiations.



# HOW THE ASEAN FREE TRADE AGREEMENT FITS INTO THE WIDER TRADE AGENDA

Trade negotiations carried out under the WTO framework, involving all WTO members, remain the top trade priority for New Zealand because these multilateral trade negotiations offer the largest potential gains for a country like New Zealand. But the number of countries and interests involved in the WTO negotiations mean that progress can be slow.

FTAs have the potential to open up new opportunities for New Zealand businesses in a shorter timeframe than through the WTO. They allow New Zealand to accelerate progress towards more open markets by partnering with countries that share our same level of ambition for progress.

Good quality FTAs can also usefully contribute to moving the WTO and APEC processes forward by highlighting and reinforcing the benefits of trade reform. FTAs are being negotiated by most of our trading partners and have proliferated throughout the global economy, particularly the Asia-Pacific region. It is therefore essential that New Zealand is part of this activity to strengthen economic links and obtain improved access to and protect existing markets.

New Zealand has now entered into FTAs with the following countries:

- > Australia (the Australia-New Zealand Closer Economic Relations) in 1983, which has been described by the WTO as the "world's most comprehensive, effective and mutually compatible free trade agreement".
- Singapore (the New Zealand-Singapore Closer Economic Partnership) in 2001.
- Thailand (the New Zealand-Thailand Closer Economic Partnership) in 2005.
- > Chile, Singapore and Brunei (the Trans-Pacific Strategic Economic Partnership) in 2006.
- > China (the New Zealand-China FTA) in 2008.

New Zealand is in the process of negotiating with the Gulf Cooperation Council and with Malaysia. New Zealand and South Korea have also recently completed a joint study which recommends that the two countries enter into FTA negotiations. Work on studies which may help launch FTA negotiations with India and Japan are also underway, And New Zealand – in conjunction with Brunei, Chile and Singapore – has recently announced the start of negotiations to see the United States and potentially other partners join the Trans-Pacific SEP.







# 5

# LIBERALISING TRADE IN GOODS

The ASEAN FTA aims to reduce barriers to trade in goods, most notably through the elimination of tariffs on almost all of New Zealand's current exports to ASEAN.

Full details of the changes to tariffs and the timetables for these changes are set out in the schedule to the ASEAN FTA. The tariff schedule and a 'tariff finder' tool are located on the www.ASEAN.FTA.govt.nz website.

A step-by-step practical guide for businesses exporting goods under the ASEAN FTA is set out in Appendix 1 of this Guide.

# OPENING UP ASEAN'S MARKETS

New Zealand will benefit from the eventual elimination of tariffs on 99 percent of New Zealand's current exports to the four key ASEAN markets of Indonesia, Malaysia, the Philippines and Viet Nam, which on full implementation will equate to an annual duty saving of approximately \$50 million based on current trade.

This tariff elimination will deliver significant benefits to exporters, including the removal of tariffs:

in 2010 on \$429 million of current exports to Indonesia, Malaysia and the Philippines encompassing, in some markets, butter, milk powder, cheese, wool, kiwifruit, apples and some manufactured products. This covers 28 percent of total current exports to Indonesia, Malaysia, the Philippines and Viet Nam. When the exports that already enter these markets duty free are taken into account, 70 percent of New Zealand's total current exports will enter these markets duty free in 2010.

- between 2011-2015 on \$60 million of current exports to Indonesia, Malaysia and the Philippines encompassing, in some markets, beef, wine, kiwifruit, apples, onions, aluminium, certain iron and steel products and some manufactured products. This covers 4 percent of New Zealand's total current exports to Indonesia, Malaysia, the Philippines and Viet Nam. By 2015, 74 percent of total current exports to these markets will be duty free.
- in 2016 on \$137 million of current exports to Viet Nam encompassing milk powder, some paper and wood products, apples, kiwifruit and sheepmeat. This accounts for 9 percent of New Zealand's total current exports to Indonesia, Malaysia, the Philippines and Viet Nam. By 2016, 83 percent of total current exports to these markets will be duty free.
- between 2017-2020 on \$238 million of current exports to Indonesia, Malaysia, the Philippines and Viet Nam encompassing, in some markets, butter, liquid milk and cream, frozen French fries, beef and beef offal. This covers 16 percent of New Zealand's total current exports to Indonesia, Malaysia, the Philippines and Viet Nam. By 2020, 99 percent of total current exports to these markets will be duty free. (Only one percent of New Zealand's total current exports to Indonesia, Malaysia, the Philippines and Viet Nam will remain subject to tariffs in 2020).

TABLE 1: KEY MARKET SUMMARY OF OUTCOMES

	Z	INDONESIA	>	VIET NAM	표	PHILIPPINES	×	MALAYSIA
	% of Trade Duty Free	Key Products Duty Free	% of Trade Duty Free	Key Products Duty Free	% of Trade Duty Free	Key Products Duty Free	% of Trade Duty Free	Key Products Duty Free
Already Duty Free	36.3%	Pet food, woodpulp, logs, paper, scrap metal	27.6%	Logs and sawn timber, furskins and hides	1.9%	Circuit boards, pulp wood	82.9%	Milk powder, beef, scrap metal, casein, fish fillets, woodpulp, cream
Entry into force <sup>1</sup>	36.3%		27.6%		2.0%	Some footwear, some automotive parts	89.0%	Butter, cheese, ghee, honey, fruit juice, canned paua
2010	63.8%	Whole milk powder, cheese, butter, wool, paper and paperboard, apples, kiwifruit, navigational equipment, frozen vegetables	27.6%		74.1%	Casein, milk powder, cheese, butter milk, some forestry products	92.1%	Paper, apples, tallow, machine parts, icecream
2011	63.8%		27.6%		%6'7'	Some dairy and forestry products, kiwifruit, apples	95.5%	Paper, sweetcorn, beans, fruit juice
2012	64.3%	Static convertors, airconditioners, locks, aluminium, toys	27.6%		80.1%	Beef, frozen french fries, toys	97.2%	Electrical parts, fibreboard, kiwfruit, chocolate
2013	64.3%	Soap, jewellery, refrigerators	27.6%		81.5%	Some forestry products, bath fittings	97.3%	Some iron and steel products, paper
2014	64.4%	Kitchen and bath fittings (e.g baths and sinks), barbed wire	27.6%		81.5%		97.3%	
2015	64.5%	Aluminium, steel and plastics	27.6%		82.4%	Wine, salt	97.3%	



İ	Ī	Ī	1	1	ı			ı	ı	
				Newsprints, plastics, paints, whiteware						Poultry, steel, wine, liquid milk
%6'.26	%6'.26	%6'.26	%6'.26	%6'86	%6'86	%6.86	%6.86	%6'86	%6'86	1.1%
	Some pulp and paper products		Liquid milk, butter, cheese, beef offal							Onions, goat meat, and some steel, plastic and machinery products
82.4%	89.7%	%2'.68	%9.66	%9.66	%9.66	%9.66	%9.66	%9.66	%9.66	0.4%
Whole and skim milk powder, butter fat, some paper and wood products, apples, kiwfruit, sheepmeat	Butter, liquid milk and cream, paper products, cheese, whey, aluminium	Beef, salmon, margarine, ice-cream, wood	Some dairy products (including casein and buttermilk), avocados, fruit juice	Butter oil, particle board, paper, air conditioners, whiteware						Steel, wine, sedrood (including frozen fish fillets)
83.3%	86.8%	88.4%	91.4%	%8.8%	%8.86	98.8%	98.8%	%8.86	%8.86	1.2%
	Frozen french fries, whey, butter oil	Liquid cream	Unsweetened skim milk powder, some whole milk products	Beef, beef offal, chocolate			Apple juice, jam			Sheepmeat and some meat of lesser export significance, frozen fish filets, alcohol, some forms of dairy products, avocados, honey
64.5%	66.4%	%8.99	86.6%	%9.86	%9.86	%9.86	98.6%	%9.86	%9.86	1.4%
2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Not Subject to Elimination

<sup>1</sup> Expected date of entry into force is 1 July 2009, subject to parliamentary processes.

## KEY SECTORAL OUTCOMES

### Dairy

Tariffs on key products will be eliminated at various stages between 2010 and 2020. Examples of exports on which tariffs will be eliminated by 2010 are whole milk powder, butter and cheese in Indonesia; and casein, milk powder, cheese and butter milk in the Philippines. These products face tariffs of up to 5 percent. Examples of products with later elimination dates include unsweetened skim milk powder in Indonesia; casein, butter milk, and butter oil in Viet Nam; liquid milk, butter and some cheese in the Philippines.

## Meat and Wool

Tariffs on key beef exports will be eliminated between 2012 (Philippines) and 2020 (Indonesia).

Tariffs on sheep meat will be eliminated in 2010 for Philippines, 2016 for Viet Nam; whereas the prevailing tariff rate will apply for some sheep meat in Indonesia.

## Forestry

Tariffs on key products will be eliminated at various points between 2010 and 2020.

Examples of products that will be eliminated by 2010 include fibreboard and some paper for Indonesia and less processed wood products for the Philippines. Tariffs on these items are up to 5 percent.

Examples of products that will be subject to later tariff elimination include plywood and major paper exports to the Philippines (where tariffs will be eliminated in 2017), newsprint for Malaysia (where tariffs will be eliminated in 2020) and some paper and particle board for Viet Nam (where tariffs will be eliminated in 2020).

#### Horticulture

Tariffs are eliminated on a wide variety of horticulture products, with some globally significant exports subject to early elimination. Tariffs on apples and kiwifruit for instance will be in eliminated in 2010 (Indonesia, Malaysia – apples), 2011 (Philippines), 2012 (Malaysia – kiwifruit) and 2016 (Viet Nam). Tariffs on onions will be eliminated by 2010 for Indonesia, and will be reduced from 40 percent to 5 percent in the Philippines, by 2018.

#### Manufactured Goods

A key benefit of the ASEAN FTA for manufacturers is that 'Rules of Origin' can be met on a regional basis. This means that New Zealand manufacturers will benefit through both improved direct access and also through the ability to include New Zealand materials in the origin assessment of goods manufactured and traded within the region by Australia and the ASEAN manufacturers and exporters. This will allow New Zealand manufacturers to better integrate themselves into regional supply chains.

Examples of manufactured products subject to relatively early elimination include navigational equipment, electrical static converters, air conditioners, commercial refrigerators, toys, road sign equipment and switch board equipment. Tariffs on these products (which can be as high as 15 percent) will be reduced and eliminated between 2010 and 2013, in one or more of New Zealand's key markets (Indonesia, Philippines, Viet Nam and Malaysia).



TABLE 2: NEW ZEALAND'S TOP TEN EXPORTS TO ASEAN (Year ended Dec 07)

PRODUCT	EXPORT VALUE (NZ\$ M)	% TOTAL EXPORTS
Dairy	1,869.7	50%
Mineral Fuels	216.1	6%
Meat	178.8	5%
Cereal preparations	174.8	5%
Wood	170.8	5%
Pulp	129.5	3%
Machinery	113.3	3%
Iron and steel	101.0	3%
Food wastes	73.1	2%
Starch	64.7	2%
Subtotal top ten exports	3,091.7	83%
Total exports	3,722.4	

Data Source: Statistics New Zealand

The phase out of tariffs on New Zealand imports has advantages for New Zealand. New Zealand's economy is dependent on imports in order to supply a range of goods and services. Consumers will benefit directly from cheaper products. Cheaper imports of equipment and machinery, which account for 31 percent of New Zealand's imports from ASEAN, are expected to have benefits for New Zealand manufacturers, including through reductions in prices and enhanced competition with other imported products (eg from China).

## OPENING UP NEW ZEALAND'S MARKET

The ASEAN FTA provides ASEAN economies with improved access to the New Zealand market, but at the same time ensures adequate time for New Zealand's sensitive sectors to adjust to tariff reductions such as, clothing, footwear, carpets, some textiles and some manufactured products such as steel and plasterboard.

In broad terms, New Zealand's offer follows a similar structure to the offers of Australia and ASEAN countries in the context of the ASEAN FTA, with 90 percent of tariff lines contained in a "normal track" (with elimination between entry into force and 2012) and 10 percent of lines in a "sensitive track" with tariffs to be eliminated between 2013 and 2020.

The most significant years for tariff elimination are:

- > Entry into force (80 percent of lines).
- > 2010 (a further 5 percent).
- > 2012 (5 percent).
- > 2017 (6 percent).
- > 2020 (4 percent).

Tariffs on a small number of tariff lines are eliminated each year between 2013 and 2019.

The structure of the New Zealand offer and the effect on Indonesian, Malaysian, Philippino and Viet Namese trade is set out in Table 3.







TABLE 3: STRUCTURE OF NEW ZEALAND OFFER

	PERCENTAGE	KEY PRODUCTS		PERCENTAGE OF 1	PERCENTAGE OF TRADE DUTY FREE	
	OF TARIFF LINES	BECOMING DUTY FREE	INDONESIA	MALAYSIA	PHILIPPINES	VIET NAM
Already Duty Free	58.6%		78.5%	77.9%	76.8%	26.4%
2009	79.8%	Plastics, rubber (excluding new car tyres), wood, glass fibres, manufactures, some food products	78.8%	83.3%	80.4%	28.4%
2010	84.7%	Plastic, rubber, manufactures	%0.08	86.6%	82.9%	32.4%
2011	84.7%	Nil	%0.08	%9.98	82.9%	32.4%
2012	90.0%	Plastics, wood, yam, certain fabrics, some liron or steel products, glass wood insulation, refrigerators, tug boats, mattresses, uphoistered seats with wooden frames	81.1%	91.9%	88.1%	39.2%
2013	90.3%	Some metal furniture, bicycles	82.0%	92.4%	91.3%	51.1%
2014	90.3%	Some iron and steel bars and rods	82.0%	92.4%	91.3%	51.1%
2015	90.3%	Saddles and harnesses	82.0%	92.4%	91.3%	51.7%
2016	90.4%	Very narrow range of fabrics	82.3%	92.4%	91.3%	52.0%
2017	96.5%	Fabrics, carpets, clothing, footwear, some iron or steel, new car tyres	83.9%	93.4%	94.6%	54.5%
2018	96.7%	Footwear	85.0%	93.4%	94.7%	%9.59
2019	96.8%	Wooden furniture	87.2%	95.5%	95.5%	92.0%
2020	100.0%	Some: Clothing, plastics and wood, chemicals, iron and steel, food products	100.0%	100.0%	100.0%	100.0%

# 6

# HOW TO QUALIFY FOR THE TARIFF PREFERENCES UNDER THE ASEAN FREE TRADE AGREEMENT

In order to qualify for the preferential tariffs under the ASEAN FTA, rules applying to the origin of the goods must be met and certain steps must be followed.

Appendix 1 of this Guide provides a step-bystep guide for businesses wanting to export or import under the ASEAN FTA.

## **RULES OF ORIGIN**

The Rules of Origin (ROO) are an essential feature of the ASEAN FTA – they set the criteria for determining which goods qualify for preferential tariff treatment (i.e. they determine which products count as "New Zealand", "Australian", "Indonesian", "Malaysian", "Vietnamese" etc) and prevent goods from countries outside of the ASEAN FTA from accessing those benefits "through the back door".

A unique feature of the ASEAN FTA ROO is that it allows originating goods to be cumulated between the Parties and used in the production of further goods. The cumulation principle applied in the multi party setting of the ASEAN FTA – means that New Zealand inputs, as long as they meet the originating criteria, not only gain preferential treatment when exported to another party, but those goods can be counted as part of the qualifying content for goods produced and traded between all the Parties. This provides further incentives within the region to utilise New Zealand materials and helps improve New Zealand's interaction in the dynamic ASEAN region.

The ROO also establish "co-equal" or alternative rules for the majority of product lines. This means that manufacturers/exporters can choose between either a change of tariff classification (CTC) approach or a regional value content (RVC) approach with a 40% free on board (FOB) threshold, depending on which approach best suits their business model.







This outcome reflects both ASEAN's preference for (and familiarity with) an RVC based approach, as well as New Zealand's and Australia's move towards the CTC approach in their most recently concluded FTAs. Significantly, the CTC approach under the ASEAN FTA represents the most extensive use of this approach that ASEAN has agreed in any of its FTAs to date.

The inclusion of the CTC approach will ensure consistency in approach for New Zealand exporters. Further, the CTC approach is generally considered to:

- > provide greater certainty as to origin (once qualify, always qualify);
- reduce the need for costly "red tape" (i.e. records and accounting systems);
- > facilitate access to global supply chains;
- > facilitate changes to manufacturing processes as new technologies develop; and
- > simplify border administration and verification.

The inclusion of the RVC approach ensures that in areas of particular sensitivity, such as iron and steel, where the CTC approach is comparatively restrictive, New Zealand exporters can still claim preferential treatment through meeting the 40% RVC threshold.

The provision of optional CTC and RVC rules also means that New Zealand exporters should have no difficulty in meeting origin requirements across any product line and thereby qualify for preferential tariff treatment under the ASEAN FTA.

Under the change in tariff classification (CTC) approach, a good will qualify as originating if all third party inputs used in the production of that good have undergone a specified change of tariff classification.

Under the regional value content (RVC) approach, a good will qualify for preferential treatment as long as the value of originating inputs is equal to or greater than 40 percent of the FOB value of that good. Conversely, third party inputs must not exceed 60 percent of the FOB value of the good.

## Other requirements

For any good to qualify for preference under the ASEAN FTA, it must be consigned between the countries concerned. If transport involves transit through one or more non-Parties, the goods must not enter trade or commerce there, or undergo anything more than simple logistical processes, such as unloading and reloading, repacking, or any operation required to keep them in good condition.

#### **HS CODES**

Both the tariff and the CTC based ROO for each product ultimately depends upon the tariff classification of the product. The international tariff classification system, administered by Customs Services around the worlds, is called the Harmonised Commodity Description and Coding System (HS). It uses a common customs classification made up of 6 digits. Most countries then add a further 2 digits, which are unique to that country. The result is an 8-digit number referred to as the HS code.

- > The first two digits (HS 2-digit level) relate to chapter headings.
- The next two digits (HS 4-digit level) relate to headings.
- > The next two digits (HS 6-digit level) relate to subheadings.
- > The last two digits (HS 8-digit level) are unique to each country.

For example, the HS code for kiwifruit is 08105000, which can be broken down into:

- > 08: Chapter: Edible Fruit and Nuts
- > 0810: Heading: Other Fruit, Fresh
- > 081050: Subheading: Kiwifruit
- > 08105000 Further identifier

## **CERTIFICATES OF ORIGIN**

The ASEAN FTA also provides for export certification of origin (minor exceptions apply), which generally resembles the certification outcome under the New Zealand-China FTA.

In general, the certificates of origin system is an essential mechanism for accessing the benefits of the tariff preferences under ASEAN FTA.

New Zealand bodies, notified to ASEAN countries, will certify that goods for export comply with the ROO and issue Certificates of Origin. The preferential tariff rates will only apply to goods which have a valid Certificate of Origin.



# 7

# MEASURES TO PROTECT BUSINESSES FROM UNFAIR TRADE AND IMPORT SURGES

New Zealand has retained the ability to take trade remedy actions under existing WTO rules pursuant to the Anti-Dumping Agreement, Agreement on Subsidies and Countervailing Measures and the Safeguards Agreement.

The ASEAN FTA also establishes an additional safeguard mechanism under which any Party can either temporarily suspend tariff reductions or increase the tariff rate if there have been increased imports of a product as a result of the tariff reductions being carried out under the FTA and such increases have caused serious injury to a domestic industry.

# The Safeguard Mechanism

The ASEAN FTA provides for the imposition of a safeguard measure on imports during the period that tariffs are being phased out or reduced for any particular good, and for up to three years beyond that. A measure can be imposed by any Party to the ASEAN FTA to address situations of serious injury to a domestic industry caused by increased imports as a result of tariff reductions under the FTA by either suspending further tariff reductions or reverting to higher tariffs for a certain period.

To apply a safeguard measure New Zealand would have to undertake an investigation, publish the findings and only suspend tariff reductions or increase the tariff to the minimum extent necessary to prevent or remedy the injury being caused and to facilitate adjustment to import competition.

The purpose of the safeguard mechanism is to allow a domestic industry some time to adjust to increased import competition arising from the implementation of the ASEAN FTA.

In no case could New Zealand increase the tariff beyond the lesser of the WTO most favoured nation (MFN) rate that applied on either entry-into-force of the FTA or at the time a measure was imposed. New Zealand would also have to progressively liberalise the measure at regular intervals if it was imposed for more than one year.

New Zealand would have to provide compensation to the other Parties whose exports are subject to the measure in the form of either equivalent tariff concessions or offsetting other obligations under the ASEAN FTA equivalent to the measure imposed. But if New Zealand was unable to agree on compensation with the affected Parties, those Parties have the right to suspend equivalent tariff concessions on New Zealand's exports, except that this right cannot be exercised for the first two years a measure is in place if it was imposed as a result of an absolute increase in imports.

Any ASEAN country that proposed to apply a safeguard measure on imports from New Zealand would be subject to the same requirements.

In New Zealand, the Ministry of Economic Development is responsible for conducting any safeguard investigations pursuant to the ASEAN FTA.



# **MEASURES TO IMPROVE BUSINESS FLOWS**

The ASEAN FTA contains a range of mechanisms that are all designed to reduce barriers to doing business in the ASEAN region, as well as to improve dialogue and cooperation between New Zealand and the ASEAN member countries.

## **CUSTOMS PROCEDURES**

The ASEAN FTA will help to improve logistical performance and permit trade between New Zealand and the other Parties to take place in a far more timely manner and at lower cost than before.

The provisions on customs procedures are intended to improve predictability, consistency and transparency in the application of customs laws and administrative procedures so as to ensure more efficient administration, as well as faster clearance of goods in order to facilitate trade.

The cooperation dimension, which sits alongside the various trade facilitation initiatives contained in the provisions relating to customs procedures, is another important feature of ASEAN FTA.

Each Party may, as deemed appropriate and to the extent permitted by its domestic law, assist the customs administrations of each other Party in relation to a wide range of activities, including simplifying and harmonising customs procedures and providing, where possible, capacity-building assistance and prior notice of changes to relevant laws, regulations, procedures and guidelines. This will give New Zealand the opportunity to consult other Parties on significant issues such as valuation of imports for duty-liability purposes. It will also help to pre-empt customs related problems (and limit their likely incidence) as well as offering the opportunity to resolve any difficulties efficiently and effectively.







Businesses experiencing any problems (or having issues to raise) in the area of customs procedures should contact the New Zealand Customs Services for assistance and further information. Contact details are available at the end of this Guide.

# SANITARY AND PHYTOSANITARY MEASURES

Sanitary and phytosanitary (SPS) measures are used to protect human, animal or plant life or health by preventing the introduction of pests and disease, and to help ensure food is safe for consumption.

The ASEAN FTA establishes a range of mechanisms – such as regular meetings and working groups on specific issues – for regulators, other officials and technical experts to work together more effectively to address barriers to trade in the SPS area.

The overall objective is to better facilitate trade in goods by ensuring that SPS measures are no more restrictive than necessary, and to provide a means to improve transparency, communication and consultation on SPS issues.

Decisions on matters affecting New Zealand biosecurity and food safety will continue to be made and enforced strictly in accordance with our existing regulatory regime, and international obligations.

Businesses experiencing any SPS related problems when exporting to ASEAN member countries should contact the Ministry of Agriculture and Forestry. Contact details are available at the end of this Guide.

#### **TECHNICAL BARRIERS TO TRADE**

The costs of complying with standards, regulations and conformity assessment procedures can sometimes constitute significant barriers to trade in goods.

Without formal arrangements or mechanisms, it is difficult to engage with other countries at the technical/regulatory level in a way that will produce tangible solutions to the adverse impacts that these technical barriers to trade can have on trade flows.

The ASEAN FTA establishes a platform for enhanced regulatory co-operation to better facilitate trade and reduce associated transaction costs for trade in goods between the Parties. The mechanisms include exchange of information, cooperation, regular meetings and working groups on specific issues for regulators, other officials and technical experts.

In addition, there are provisions for greater transparency and information sharing which are designed to facilitate trade, reduce transaction costs for people doing business between the Parties and strengthen risk management systems.

Businesses facing difficulties in the area of standards, regulations and conformity assessment procedures when exporting to ASEAN member countries should contact the Ministry of Economic Development. Contact details are available at the end of this Guide.

## **ELECTRONIC COMMERCE**

Electronic commerce plays an important and growing role in trade and investment activities, including by way of the internet delivery of services, online purchasing, online monitoring, and electronic documentation.

Given their relative stages of economic development, however, some ASEAN member countries do not have the necessary legal frameworks for electronic commerce. Accordingly, the ASEAN FTA takes a cooperative approach to this issue. Over the medium term, this will help improve transparency (through information sharing requirements), reduce transaction costs (through promotion of paperless trading) and promote greater certainty and predictability (through personal data protection).

Businesses facing difficulties in the area of electronic commerce when doing business in ASEAN member countries should contact the Ministry of Economic Development and make them aware of such problems. Contact details are available at the end of this Guide.

## INTELLECTUAL PROPERTY

Intellectual property (IP) covers rights and obligations in areas such as copyright, trademarks and patents.

New Zealand's exports currently face – to varying degrees – uncertain IP protection and enforcement in the ASEAN region. The ASEAN FTA provides a platform for enhanced cooperation and capacity building in the IP arena. Its aim is to develop an environment that allows for effective protection and enforcement of IP rights in the ASEAN region. This will provide greater certainty for New Zealand businesses over the adequate provision and enforcement of intellectual property rights and will facilitate trade and investment flows.

The ASEAN FTA includes commitments around the protection and enforcement of copyright, government use of legitimate software, and the protection of trade marks and geographical indications. It promotes cooperation in supporting accession to international IP–related treaties and introduces measures that facilitate dialogue and cooperation between the Parties on IP matters. It also includes commitments relating to greater transparency in the Parties' domestic regimes.



The IP provisions in the ASEAN FTA are, of course, additional to the rights and obligations that New Zealand already has with most of the ASEAN member countries under existing WTO rules, most notably the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement).

Businesses which experience difficulties in the IP area when exporting to ASEAN member countries should contact the Ministry of Economic Development for further information and assistance. Contact details are available at the end of this Guide.

# **COMPETITION**

Competition provisions are important components of a trade and economic relationship under a high quality FTA as they can help to ensure that the benefits of an agreement are not undermined by anti-competitive practices.

However, some ASEAN countries do not have competition laws in place. Accordingly, the ASEAN FTA includes cooperation commitments in the area of competition which offer the prospect of facilitating over time the development of regulatory frameworks in competition policy through cooperation and capacity building. In the medium to long term, our direct engagement in this process is expected to improve trading conditions for New Zealand business.

Businesses facing problems in the competition policy area when exporting to ASEAN member countries should contact the Ministry of Economic Development for further information and assistance. Contact details are available at the end of this Guide.

# 9

# LIBERALISING TRADE IN SERVICES

The ASEAN FTA aims to reduce barriers to trade in services, which will assist in the expansion of services trade between New Zealand and ASEAN member countries. Though trade in services is not as easily recognised as trade in goods, the WTO estimates that by 2020, services will represent 50 percent of world trade.

Examples of barriers to trade in services in the region may include:

- Different rules or requirements for foreign companies compared to domestic companies in that respective ASEAN country, which are designed to give domestic companies a competitive advantage.
- > Requirements for foreign companies to employ a certain percentage of nationals from that particular ASEAN country or to enter into a joint venture with a domestic company.

The Services Chapter in the ASEAN FTA does not apply to subsidies (although there are provisions enabling the Parties to enter into consultations on subsidies issues) or government procurement, or services supplied in the exercise of governmental authority. The latter are services supplied neither on a commercial basis nor in competition with one or more service suppliers.

The ASEAN FTA also establishes obligations to ensure that measures affecting trade in services are transparent, administered in a reasonable, objective and impartial manner and that measures relating to qualification requirements and procedures, technical standards, and licensing requirements and procedures do not become unnecessary barriers to trade in services. Such provisions are consistent with New Zealand's current regulatory settings and practices.







## **COMMITMENTS**

The ASEAN FTA seeks to facilitate trade in services between New Zealand and ASEAN member countries by building on existing commitments under the WTO's General Agreement on Trade in Services (GATS) and improving transparency. In this regard, New Zealand and ASEAN member countries have made commitments in the ASEAN FTA which – to varying degrees – expand upon their existing GATS commitments.

The ASEAN FTA establishes general obligations of national treatment and market access in sectors listed in the services schedules, subject to (any) restrictions specified in such schedules.

The national treatment obligation means that for the sectors specified in its schedule, each country will treat service suppliers from the other countries no less favourably than it treats its own domestic suppliers in like circumstances.

The market access obligation means that for the sectors specified in its schedule, each country should not be able to (unless the schedule specifically provides for it) restrict access to their market in the form of limitations on:

- > Foreign capital
- > The number of service suppliers, service operations or persons employed in a particular sector
- > The value of services
- > The legal structures used.

#### The four modes of supply

Trade in services includes services supplied using any of the following modes:

- » Mode 1: Cross Border Trade The service is supplied by a provider physically located in one country, to a customer in another country (for example, over the internet).
- » Mode 2: Consumption Abroad A customer travels to another country to consume a service (for example, a student travels abroad to study).
- » Mode 3: Commercial Presence A foreign service supplier establishes a legal presence in another country to provide a service (for example, a company opens an office or enters into a joint venture in another country).
- » Mode 4: Movement of Natural Persons A person travels temporarily to another country in order to supply a service directly.

#### **ASEAN** commitments

In terms of specific commitments, 8 of the 10 ASEAN countries have made services commitments that expand on their GATS commitments.<sup>2</sup> Such "GATS-plus" commitments are in the following sectors:

## **BUSINESS SERVICES**

- > Professional services
  - Legal services (Indonesia, Viet Nam);
  - Accounting services (Malaysia, Myanmar, the Philippines);
  - Taxation services (Malaysia);
  - Architectural services (Brunei<sup>3</sup>, Indonesia, Malaysia, Myanmar);
  - Engineering services (Indonesia, Malaysia, Myanmar, the Philippines, Thailand);
  - Urban planning services (Indonesia, Malaysia, Thailand);
  - Landscape architectural services (Malaysia, Myanmar, Thailand, the Philippines);
  - Veterinary services (Malaysia); and
  - Interior design services (the Philippines).

- Computer and related services (Indonesia, Malaysia, Myanmar, Thailand).
- Research and development services (Indonesia).
- > Other business services
  - Advertising services (Malaysia, Myanmar);
  - Management consulting services (Myanmar);
  - Technical testing and analysis services (Indonesia);
  - Services incidental to manufacturing (Indonesia);
  - Services incidental to mining (the Philippines);
  - Project management services (Indonesia);
  - Maintenance and repair of equipment (Indonesia);
  - Translation services (Myanmar); and
  - Printing and publishing services (Myanmar).

- The two that have not are Cambodia (which has only recently acceded to the WTO and therefore did not offer improvements over and above those it has recently agreed with WTO members) and Laos (which is not currently a WTO member and does not therefore have any existing GATS commitments).
- Brunei is a party to the Trans-Pacific Strategic Economic Partnership Agreement, but was given an extension to complete its services schedules. These have not yet been agreed, and so for the time being Brunei's GATS-plus commitments in AANZFTA represent a benefit to New Zealand.



#### **COMMUNICATION SERVICES**

- Telecommunication services (Brunei, Indonesia, Malaysia, the Philippines, Thailand);
- > Audiovisual services (Myanmar).

# CONSTRUCTION AND RELATED ENGINEERING SERVICES

 Construction services (Brunei, Indonesia, Malaysia, Myanmar, the Philippines).

## **EDUCATIONAL SERVICES**

Education services (Indonesia, Malaysia,
 Myanmar, the Philippines, Thailand, Viet Nam).

## **ENVIRONMENTAL SERVICES**

> Environmental services (the Philippines).

# FINANCIAL SERVICES

 Financial services (Indonesia, Malaysia, Singapore<sup>4</sup>, the Philippines).

# HEALTH RELATED AND SOCIAL SERVICES

> Health services (Indonesia, Malaysia).

## TOURISM AND TRAVEL RELATED SERVICES

> Tourism services (Brunei, Indonesia, Malaysia, the Philippines, Thailand).

## TRANSPORT SERVICES

- Maritime transport services (Brunei, Indonesia, Myanmar);
- Air transport services (Indonesia, Myanmar, the Philippines, Thailand); and
- > Pipeline transport (the Philippines).

## OTHER SERVICES

Energy services, including services related to the energy sector (Indonesia, the Philippines, Thailand).

Laos is not yet a member of the WTO. As such, New Zealand does not currently benefit from any commitments with Laos. In that sense, all of Laos' services commitments in the ASEAN FTA are a benefit to New Zealand. Laos made commitments in the following sectors:

- > Accounting services;
- > Landscape architecture services;
- > Integrated engineering services;
- > Computers and related services;
- > Telecommunication services;
- > Construction services;
- > Education services;
- > Tourism services;
- > Environmental services; and
- > Financial services.

Indonesia and Malaysia also made GATS-plus commitments on the establishment of commercial presence (Mode 3) that will apply to all sectors in their respective schedules.

Singapore has made a number of GATS-plus commitments in AANZFTA, however only those that relate to financial services go beyond what it has already committed in the New Zealand-Singapore CEP or the Trans-Pacific SEP.

#### New Zealand commitments

New Zealand has made GATS-plus commitments covering Modes 1-3 in the following sectors:

## **BUSINESS SERVICES**

- > Professional services
  - Legal services (the provision of foreign law services);
  - Taxation services (tax planning and consulting services);
  - Engineering services (removal of restriction relating to registration);
  - Integrated engineering services;
  - Urban planning and landscape architecture services (relating to consultancy);
  - Veterinary services (Mode 1)
- > Computer services (maintenance and repair of office machinery and equipment, including computers; and other computer services).
- > Other business services
  - Management consulting services and services related to management consulting;
  - Placement and supply services of personnel
  - Photographic services;
  - Convention services;
  - Credit reporting services;
  - Collection agency services;
  - Interior design services;
  - Telephone answering services.
  - Duplicating services.
  - Other business services

# CONSTRUCTION AND RELATED ENGINEERING SERVICES

 Construction services (consultancy related to construction services and renting of construction equipment).

#### **EDUCATIONAL SERVICES**

'Other education services' (language training provided in specialist language institutions and tuition in subjects taught at the primary and secondary levels in specialist institutions operating outside the New Zealand compulsory school system).

# **ENVIRONMENTAL SERVICES**

Environmental services (the provision of consultancy services across the full range of environmentally-related services, and the delivery of services in waste and waste water management).

# FINANCIAL SERVICES

Non-life insurance services and insurance intermediation (removal of restriction related to Apple and Pear Marketing Board).

None of these commitments go beyond New Zealand's current regulatory environment or policy settings in any respect.



#### **EDUCATION**

As with the FTA with China, securing improvements in access for the education services sector was New Zealand's highest priority for the services negotiations for the ASEAN FTA.

New Zealand's interests in education services in the negotiations were concentrated on two specific modes of delivery – distance education (Mode 1) and presence of natural persons (Mode 4). This is due to the relatively small size of many New Zealand education exporters. Mode 3 (commercial presence) requires the investment of significant resources which carries more risk than Modes 1 and 4, although this is an area that is expected to become more important for New Zealand exporters in the future as the export education sector further develops.

The ASEAN FTA contains a range of GATS-plus outcomes for education services. This includes commitments in the sector by Indonesia, Malaysia, the Philippines, Thailand and Viet Nam. Whilst such outcomes did not necessarily represent new market access because they were commitments to bind existing levels of openness in education services for these countries, these outcomes do provide valuable gains in terms of transparency and certainty (i.e., that access conditions cannot be made worse than current commitments).

This is a benefit education exporters from other countries will not have in ASEAN markets. This certainty and transparency is very important as it gives New Zealand education exporters greater confidence to enter these markets and invest (in terms of resources and effort) in building a market presence in ASEAN countries. This in turn helps build New Zealand's business and economic integration with the region overtime.

### MOVEMENT OF NATURAL PERSONS (TEMPORARY ENTRY)

The ASEAN FTA will facilitate the movement of business people engaged in trade and investment and establish more streamlined and transparent procedures for applications for immigration documents and processes for business people.

The ASEAN FTA obliges ASEAN member countries to publish all relevant information about their immigration requirements in respect of the categories of business people and service suppliers covered by their respective schedules of commitments. Any changes to these regulations must also be published promptly. There is a requirement that fees for processing immigration formalities be reasonable and the Parties must provide business people and service suppliers that apply for temporary entry to their countries with detailed information on the status of their applications.

The availability of clear and up-to-date information about the requirements and conditions for temporary entry for business visitors, combined with a reasonably expeditious process for processing immigration documents and applications, will facilitate the movement of business people, investors and traders around the region. It will also ensure that business people are able to make the most of the trade and investment commitments in the ASEAN FTA.

Like the Services Chapter, the rules relating to movement of natural persons includes a schedule of specific commitments from each of the Parties. These schedules contain commitments on the temporary entry and stay of particular categories of business people, investors and service suppliers.

#### **ASEAN** commitments

Some of the key improvements on existing commitments from ASEAN are:

- Extension of stay (or new commitments) for business visitors in sectors listed in the Party's schedule (Indonesia, Laos, Malaysia, the Philippines, Thailand).
- Extension of stay (or new commitments) for intra corporate transferees in sectors listed in the Party's schedule (Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand).
- New commitments in Mode 4 in a range of services sectors (Indonesia, Malaysia, Myanmar, the Philippines, Thailand).
- > New commitments on investors (the Philippines).
- New commitments on installers/ maintainers (Malaysia).

### New Zealand commitments

New Zealand's commitments provide for the entry of ASEAN member country business visitors and installers/servicers for up to three months in any calendar year. Executives, managers and specialists, such as intra-corporate transferees, are permitted to enter for up to three years. ASEAN member country Independent Professional Service Suppliers are permitted entry for up to one year, subject to labour market tests.

While going beyond New Zealand's existing GATS commitments, these commitments – in as far as they relate to Mode 4 – are within New Zealand's 2005 services offer in the ongoing WTO negotiations and within existing immigration policy parameters.



## 10 INVESTMENT

Investment between New Zealand and ASEAN is increasing. Up until now, New Zealand has only had FTAs containing Investment Chapters with two ASEAN member countries – namely, Singapore and Thailand. For the remaining eight ASEAN members, no treaty-level framework has existed to effectively safeguard New Zealand investors' interests.

At a time when New Zealand is increasingly focused on the potential gains to the wider economy of increased outward investment, the ASEAN FTA provides a credible regional legal framework for investments.

The ASEAN FTA contains a range of investment protection provisions. These include obligations on National Treatment, fair and equitable treatment and full protection and security; and compensation for losses related to armed conflict, civil strife, or state of emergency. The Treaty's provisions apply to both citizens and permanent residents of the Parties.

Some of the key benefits to New Zealand include:

- Provisions that enable the free transfer of all payments relating to an investment, including capital necessary for establishing the investment, and the returns generated from that investment, between ASEAN countries and New Zealand. These are a significant addition to existing protections available to current and prospective investors.
- > Commitments to provide protection from arbitrary expropriation. This significantly builds on existing rules in the region. Neither party may expropriate or nationalise the investments of investors of the other Party, unless such an action is done for a public purpose; in a non-discriminatory manner; on payment of compensation; and in accordance with due process of law. Such expropriation provisions are a key protection for New Zealand investors. They minimise the risk of arbitrary government action to expropriate established investments, and ensure that any expropriation actions are appropriately compensated in the event that they occur.

Provisions to enhance transparency of investment regimes, including by requiring the publication of a country's international investment agreements and domestic investment measures. Access to such information, and communications between the Parties on any matter covered by the Investment Chapter, is facilitated by a provision that requires each Party to designate specific contact points. This will be a useful mechanism for keeping New Zealand (and New Zealand investors) abreast of developments in investment policy in the other Parties, particularly those countries where gaining information on policy settings has - in the past - been difficult.

The ASEAN FTA also provides for the compulsory settlement of disputes between foreign investors and the country in which the investment is made. Compulsory Investor/State Dispute Settlement (CISDS) enhances the protection for New Zealand investments in ASEAN by giving investors recourse to international procedures beyond the domestic legal system. These procedures can be accessed only if a dispute cannot be settled through consultation and negotiation, and unless to the parties to the dispute agree otherwise.

There are also safeguards to preserve the government's legitimate regulatory prerogatives and to minimise the government's exposure to inappropriate expropriation claims.

As the ASEAN FTA is the first ASEAN-wide FTA to include a chapter on investment, New Zealand investors will also be the first (with Australia) to benefit from standardised CISDS provisions across the region.

The ASEAN FTA does not contain any up-front commitments on market access, but outlines a work programme for these to be negotiated within five years of the entry into force of Agreement.

At this time the National Treatment obligation (whereby ASEAN Partners have committed to providing New Zealand investments approved and established in their countries the same level of post-establishment treatment and protection as they provide nationals of their own countries) will apply subject to those market access commitments. The negotiation of an MFN provision is also included in the ASEAN FTA forward work agenda.



## 11

### **DISPUTE SETTLEMENT**

The ASEAN FTA includes a robust and transparent government-to-government dispute settlement mechanism to resolve disputes that arise over the interpretation or implementation of the FTA.

The dispute settlement procedures of the ASEAN FTA are in line with New Zealand's standard practice and WTO procedures. The process is compulsory, the outcomes are binding and the procedures for dispute settlement are sufficiently detailed to enable disputes to be dealt with swiftly and effectively.

As a first step, consultations will take place. If consultations are not able to resolve a dispute, a Party (or Parties) may request the establishment of an arbitral tribunal to make findings on the matter at issue. Such findings are binding on the Parties to the dispute. A Party that is not a party to the dispute, but has a substantial interest in a matter before the arbitral tribunal, may also make submissions and be heard by the Arbitral Tribunal as a third party.

Commitments under the Economic Cooperation, Competition, Electronic Commerce and SPS Chapters are excluded from the scope of the dispute settlement mechanism. Commitments under the Movement of Natural Persons Chapter are subject to the dispute settlement mechanism only in limited circumstances.

If the Arbitral Tribunal finds that a Party has failed to carry out its obligations under the ASEAN FTA, then that Party must take steps to comply with its obligations within a reasonable period of time. If that Party does not take such steps within a reasonable period of time, compensation or the suspension of concessions are options available to the disputing parties.

## 12

## PROTECTIONS UNDER THE ASEAN FREE TRADE AGREEMENT

Consistent with New Zealand's previous FTAs, the ASEAN FTA contains a number of protections, including preserving New Zealand's ability to take measures it deems necessary to accord more favourable treatment to Māori in fulfillment of its obligations under the Treaty of Waitangi.

### **GENERAL EXCEPTIONS**

The ASEAN FTA contains a number of general exceptions which make it clear that the FTA does not prevent Parties from taking certain measures in certain circumstances. These exceptions acknowledge the regulatory right of the Parties to adopt or enforce measures to deal with a crisis or to achieve certain priority policy outcomes, even if these measures may affect their ASEAN FTA obligations. The exceptions contain disciplines to ensure that they cannot be abused for trade protectionist purposes.

In general, the ASEAN FTA will not prevent

New Zealand from taking measures necessary to:

- Protect public morals, or human, animal or plant life or health.
- Protect national treasures or specific sites of historical or archaeological value.
- Provide support for creative arts of national value.
- > Conserve exhaustible natural resources.

The ASEAN FTA will also not prevent New Zealand (or any other Party) from taking action which it consider necessary for the protection of its essential security interests or to take measures to deal with serious balance of payments and external financial difficulties.



### TREATY OF WAITANGI

New Zealand's ability to take measures to accord more favourable treatment to Mäori in fulfillment of Treaty of Waitangi obligations, is expressly provided for in a Treaty of Waitangi exception.



## 13 M

### **MOVING FORWARD**

The ASEAN FTA recognises the importance of establishing a framework to directly support implementation of the Agreement and to enable maximum commercial benefit to be derived from it.

### JOINT COMMITTEE

The ASEAN FTA establishes an "FTA Joint Committee" to review the implementation and operation of the FTA and recommend any amendments to it. The FTA Joint Committee will meet within one year of the FTA entering into force and thereafter as the Parties agree.

In addition to the FTA Joint Committee, a number of specialist committees are also established under the ASEAN FTA to facilitate the ongoing interaction of experts, including a Committee on Trade in Goods, a sub-Committee on ROO, a sub-Committee on SPS Matters, a sub-Committee on technical barriers to trade, a Committee on Trade in Services, an Investment Committee and an Intellectual Property Committee.

These committees will review and monitor the operation of their respective specialist areas, provide a forum to discuss any problems that might arise in the implementation of the Agreement and identify prospects for future joint coordination and strengthening of links. The requirement to convene each committee varies between the specialist areas.

### **COOPERATION**

An important part of the ASEAN FTA is the creation of a framework for trade and investment economic cooperation designed to enable maximum commercial benefit to be derived from it.

A key platform for such cooperation is the establishment of an initial work programme that focuses on the provision of implementation support and capacity building in eight mutually agreed areas as follows:

- > ROO and other Aspects of Implementation of Tariff Commitments:
- > SPS Measures;
- Standards, Technical Regulations and Conformity Assessment Procedures;
- > Services;
- > Investment;
- > Intellectual Property;
- > Sectoral Integration; and
- > Customs.

### **REVIEW**

A general review of the ASEAN FTA will take place in 2016, and every five years thereafter. This review provides the opportunity to accelerate or expand the commitments under the ASEAN FTA.

## 14

### LABOUR AND ENVIRONMENT

In conjunction with the ASEAN FTA negotiations, New Zealand has also concluded bilateral Memoranda of Agreement (MOAs) with the Philippines covering labour and environmental cooperation. They are not explicitly linked with the ASEAN FTA, but they have been concluded in the context of it.

The MOAs will enhance communication and cooperation on these issues and assist in meeting the shared objectives of raising working standards and improving environmental protection in New Zealand and the Philippines.

The MOAs supplement similar instruments negotiated previously with other ASEAN partners (Thailand, Brunei and Singapore) and the ongoing negotiation with Malaysia for such instruments in the context of the bilateral Malaysia – New Zealand FTA.

### LABOUR COOPERATION

The MOA on labour cooperation with the Philippines sets out a set of shared commitments which include recognition that it is inappropriate to set or use labour laws, regulations, policies and practices for trade protectionist purposes, and that it is inappropriate to encourage trade or investment by weakening or reducing the protections afforded in domestic labour laws, regulations, policies and practices.

Issues that may arise that touch on these or any other commitments in the MOA can be consulted on with a view to their resolution. A timeframe of 90 days is established for a meeting to "assist in the resolution of any such matters". The MOA also provides for the involvement of Ministers in resolving any issues that may arise.



The MOA represents an opportunity for New Zealand to improve dialogue and conduct cooperative activities with the Philippines in, among others, the following areas:

- Labour laws and practices, including the promotion of labour rights and obligations and decent work.
- > Information, compliance and enforcement systems.
- Sound labour relations, including labour management consultation, cooperation and labour dispute settlement.
- > Occupational safety and health.
- > Human capital development, training, and employability.
- > Human resource development initiatives including sharing of labour market trends, skills development, building mutual capacity, and the promotion and protection of employment rights and obligations of migrant workers.

In addition to this indicative list of the types of activities that might be undertaken, an Annex to the MOA provides some examples of potential projects for possible cooperation.

### Public participation

Each Party may, as appropriate, invite the participation of its unions and employers and/or other persons and organisations in identifying potential areas for cooperation and in undertaking cooperative activities.

The New Zealand contact point for the labour cooperation MOA is the Department of Labour.

Contact details are available at the end of this Guide.

### **ENVIRONMENTAL COOPERATION**

The MOA on environmental cooperation with the Philippines establishes a set of shared commitments which include recognition that it is inappropriate to set or use environmental laws, regulations, policies and practices for trade protectionist purposes and that it is inappropriate to encourage trade or investment by weakening or reducing the protections afforded in domestic environmental laws, regulations, policies and practices.

As with the MOA on labour cooperation, there is provision for either Party to consult with the other on any issues that may arise in relation to the operation of the Memorandum with a view to their resolution. A timeframe of 90 days is established for a meeting to "assist in the resolution of any such matters". The MOA also allows for the possibility of Ministers being involved in resolving any issues.

Taking account of their national priorities and available resources, New Zealand and the Philippines have undertaken to cooperate on mutually agreed environmental issues including concerns such as:

- > Sustainable management of the environment.
- > Air quality management.
- > Water quality management.
- > Toxic chemicals and hazardous and solid wastes management.
- Restoration of degraded watershed, river basins and wetlands.

- > Conduct of research dealing with major river basins.
- > Concerns affecting or dealing with climate change.

This is not an exhaustive list and items may be added or removed from the cooperative programme as required.

### Public participation

The non-government sector and other organisations may also be invited to participate in identifying potential areas for cooperation and in conducting cooperative activities.

The New Zealand contact point for the environmental cooperation MOA is the Ministry for the Environment. Contact details are available at the end of this Guide.



## TEMPORARY EMPLOYMENT ENTRY/ WORKING HOLIDAY SCHEMES

In conjunction with the ASEAN FTA negotiations, but not as part of FTA itself, New Zealand has also made some limited arrangements of less than treaty status on temporary employment entry and reached an understanding to enter into negotiations on reciprocal working holiday schemes, also of less than treaty status.

### Temporary employment entry

The temporary employment entry arrangements are for a limited number of skilled workers from the Philippines and Viet Nam. Although involving only very limited numbers (see below), these arrangements may assist in easing labour shortages in, for example, nursing and engineering.

The specific numbers are:

### The Philippines:

- > 100 registered nurses<sup>5</sup>
- > 20 farm managers.
- > 20 engineering professionals.

### Viet Nam:

- > 100 chefs.
- > 100 engineering professionals.

These are new arrangements and only apply to the countries specified. They provide for individuals to enter as employees for up to three years (less if the employment agreement is for a shorter duration).

Applicants need not be in the Philippines at the time they apply for a visa, and may work in New Zealand for up to three months while seeking to meet registration requirements.

The effect of these arrangements is that (within the caps set out above) workers in those specified occupations can enter New Zealand without labour market testing, even if labour market testing is otherwise required in any of the specified sectors generally. Where there are existing qualifications and / work experience requirements for any of the specified occupations, workers from those countries and in those specified occupations will continue to be able to enter provided they have the qualifications and work experience specified in the arrangements. This will continue to apply even if the qualifications or work experience requirements are amended for workers from other source countries. The requirement that such workers hold a bona fide job offer is intended to protect employment opportunities and conditions for New Zealanders.





Employers and applicants will continue to need to meet standard immigration policy. Among other things, this requires a bona fide job offer (including market rates and terms and conditions, as well as proof that the business can afford to sustain the position), evidence that the applicant is qualified through qualifications and/or work experience to carry out the job, and evidence that health professionals will be able to meet relevant registration requirements. Standard health and character requirements would also be mandatory.

### Working holiday schemes

The understanding to enter into negotiations on reciprocal working holiday schemes similarly relate to the Philippines and Viet Nam. Once negotiated, it is expected that the schemes would provide for a maximum of 100 entrants from each country per annum.



# 16 TAKING ADVANTAGE OF THE FREE TRADE AGREEMENT

In order to fully take advantage of the opportunities that the ASEAN FTA provides, New Zealand will be taking a collaborative approach to implementation. An on-going whole of government and business community effort is required.

The New Zealand Government will be focussed on addressing any problems associated with the implementation of the ASEAN FTA, as well as any additional barriers to trade that might arise. In this regard, government agencies will continue to look for strong stakeholder input.

The Government will also work with the private sector to facilitate, establish and maintain long-term business-to-business links.

One of the first steps towards helping New Zealand businesses take advantage of the opportunities the ASEAN FTA provides is to make sure that they are well informed about the benefits of the agreement.

The www.ASEAN.FTA.govt.nz website contains the texts of the FTA and its Annexes, the MOAs on Labour Cooperation and Environmental Cooperation, and an explanation of how the Agreements will operate. The website also has extensive information on doing business with ASEAN member countries. A 'tariff finder' tool enables traders to locate the tariff and ROO applying to their products.

### **APPENDIX 1**

## EXPORTING AND IMPORTING GOODS UNDER THE ASEAN FREE TRADE AGREEMENT

This step-by-step guide is designed for individual exporters and importers who want to determine how their goods will be treated under the ETA

A tariff finder tool, can be found on the www.ASEAN.FTA.govt.nz website.

There are 4 key steps.

- Step 1 Establish the tariff classification of a good
- Step 2 Check the tariff commitments for the good in the relevant tariff schedule
- Step 3 Determine the Rules of Origin (ROO) applying to the good
- Step 4 Obtain a Certificate of Origin (minor exceptions apply)

### Step 1: Establish the tariff classification of a good

Tariff classification determines the specific Rule of Origin (ROO) for each good and what tariff preferences might apply. It is therefore critical to establish the tariff classification first.

### Classification

You can get an indication of the tariff classification of a good by entering a description of the good into the tariff finder tool on the www.ASEAN.FTA.govt.nz website.

If you or your broker are not confident with your classification of a good, you can apply for a binding tariff classification or 'advance ruling' which is only relevant to the applicant when the domestic laws, regulations and administrative determinations applicable to the importing Party provide for the issuing of advance rulings.

### Exporters

If you are exporting to an AANZFTA agreement Party and would like an advance ruling, you, or the importer, will need to contact the relevant authority in the importing Party.

You may also seek advice from the New Zealand Customs Service on the likely tariff classification in the importing Party. However, the New Zealand Customs Service cannot provide a guaranteed tariff classification ruling for an importing Party.

### **Importers**

If you are importing goods into New Zealand and would like an advance ruling on the classification or origin status of a good, please contact the New Zealand Customs Service.



### Step 2: Check the tariff commitments for the good in the relevant tariff schedule

Please note, tariff preference is only applicable to 'originating goods' – see step 3

If you are exporting to an AANZFTA agreement Party, you need to check their tariff schedule. If you are importing from an AANZFTA agreement Party, you need to check New Zealand's tariff schedule. Both tariff schedules are contained in annex 1 to the FTA and are available on the www.ASEAN.FTA.govt.nz website. The schedules contain lines that show the year-by-year tariff phase-out arrangements for every tariff item. You can use the 'tariff finder' tool on the website to search for tariff lines.

Each tariff line contains the following details:

- > A 'base rate' column showing the tariff that applied in 2005
- > The preferential rates under the FTA for each year over the 12-year tariff phase-out period

The tariff cuts will take effect on 1 January of the relevant year, except for the 2009 tariff cut, which is expected will take effect from 1 July 2009 for imports into New Zealand. The dates of the first tariff cuts for ASEAN countries will depend on the dates of implementation by each ASEAN country.

### Step 3: Determine the Rules of Origin applying to the good

Goods must qualify as 'originating' to gain preferential tariff treatment under the FTA.

Any imports into one of the member countries that do not meet the Rules of Origin (ROO) set out in Chapter 3 and Annex 2 to the FTA will be subject to normal tariff rates and not the preferential rates that apply under the FTA.

A good can qualify as 'originating' under the FTA if:

> The good is wholly obtained or produced in the territory of a Party

These goods receive the tariff preference as of right.

To qualify as wholly obtained or produced the good must be:

- 'obtained entirely from within either another AANZFTA agreement Party or New Zealand from specified natural resource-based goods: for example farmed or fished in that country
- 'produced' entirely from within either another AANZFTA agreement Party or New Zealand from such goods: for example products made from goods farmed or fished in that country

#### OR

> The good is produced entirely in the territory of either or both of another AANZFTA agreement Party and New Zealand, exclusively from materials whose origin conforms to the provisions of the ROO Chapter and the ROO schedule (Chapter 3 and Annex 2 of the FTA)

### OR

The good is manufactured in the territory of either or both another AANZFTA agreement Party and New Zealand, using inputs from countries not party to the AANZFTA, but meets the product-specific ROO in Chapter 3 and Annex 2, and the other requirements specified in the ROO Chapter

In all circumstances above, to claim the preferential tariff rate, the good must not enter the commerce of a country that is not a member of the FTA after export or before import. Simple trans-shipment is allowed, however.

As with tariff classification, you may seek an 'advance ruling' on the origin of the good when that particular country's domestic laws, regulations and administrative determinations permit the issuing of such advance rulings. The contact details for requesting an advance ruling are listed under 'Contact details' later in this section and on the www.ASEAN.FTA.govt.nz website.

### Step 4: Exporters obtain a Certificate of Origin

Goods from New Zealand to another AANZFTA agreement Party require a Certificate of Origin (minor exceptions apply) in order to obtain the preferential tariffs under the FTA.

Appendix 2 of this booklet details the minimum data requirements for applying for a Certificate of Origin a Certificate of Origin.

Either the exporter or the producer must apply for a Certificate of Origin from an "Issuing Body" in New Zealand. If the goods comply with the ROO, the Issuing Body will issue a Certificate of Origin.

The Certificate of Origin supports a claim for obtaining a preferential tariff. However, the Customs administration of either country may request additional information which they consider necessary to satisfy them that a good complies with the ROO.

Contact details are available at the end of this booklet.



### **APPENDIX 2**

# MINIMUM DATA REQUIREMENTS – APPLICATION FOR A CERTIFICATE OF ORIGIN

The minimum data to be included in an application for a Certificate of Origin are:

1.	Exporter details	The	e name, address and contact details of the exporter
2.	Shipment details (a separate	(i)	Consignee name and address
	application must be made for each shipment)	(ii)	Sufficient details to identify the consignment, such as importer's purchase order number, invoice number and date and Air Way Bill or Sea Way Bill or Bill of Lading
		(iii)	Port of Discharge, if known
3.	Full description of goods	(i) (ii)	Detailed description of the goods, including HS Code (6-digit level), and if applicable, product number and brand name The relevant origin conferring criteria
4.	Exporter's declaration	Declaration completed by the exporter or its authorised representative, signed and dated, and annotated with the signatory's name and designation. The declaration shall include a statement that the details provided in the application are true and correct	

### **APPENDIX 3**

## MINIMUM DATA REQUIREMENTS – CERTIFICATE OF ORIGIN

The minimum data to be included in the Certificate of Origin are:

1.	Exporter details	The	e name and address and contact details of the exporter
2.	Shipment details (a Certificate of	(i)	Consignee name and address
	Origin can only apply to a single shipment of goods)	(ii)	Sufficient details to identify the consignment, such as importer's purchase order number, invoice number and date and Air Way Bill or Sea Way Bill or Bill of Lading
		(iii)	Port of Discharge, if known
3.	Full description of goods	(i)	Detailed description of the goods, including HS Code (6-digit level), and if applicable, product number and brand name
		(ii)	The relevant origin conferring criteria
		(iii)	FOB Value <sup>6</sup>
4.	Certification by Issuing Authority/Body	Certification by the Issuing Authority/Body that, based on the evidence provided, the goods specified in the Certificate of Origin meet all the relevant requirements of Chapter 3 (Rules of Origin)	
5.	Certificate of Origin number	A unique number assigned to the Certificate of Origin by the Issuing Authority/Body	

In the case of Australia and New Zealand, a Certificate of Origin or back-to-back Certificate of Origin which does not state the FOB value shall be accompanied by a declaration made by the exporter stating the FOB value of each good described in the Certificate of Origin.



### **APPENDIX 4**

### USING THE SERVICES SCHEDULES

To look up a service in the services schedule, you need to know how the service is classified.

Services are classified in the schedules according to sector, sub-sector and Central Production Classification (CPC) number.

The WTO Services Sectoral Classification Code (Services Sectoral Classification List WTO Document MTN.GNS/120, also referred to as W-120) is used to classify services sectors. A summarised version of the Sectoral Classification Code is included in Appendix 5 of this booklet and the full Code can be found at

http://www.wto.org/english/tratop\_e/serv\_e/mtn\_gns\_w\_120\_e.doc

The service sectors are divided into sub-sectors which are then further broken down into services using the CPC number.

The CPC is a numerical listing of almost all services. It expands on the Services Sectoral Classification Code. It is similar to the Harmonised System (HS) code, which is used to classify goods. The full CPC can be found at http://unstats.un.org/unsd/cr/registry/regct.asp?Lg=1

Once you know how a service is classified, you can check the services schedules to:

- See if the service is included in the commitments made under the FTA by ASEAN member countries, Australia or New Zealand;
- > See if the either of the Parties to the agreement has placed any limits on national treatment or market access for that service;
- See if either of the Parties to the agreement has made any additional commitments for that service.

### **APPENDIX 5**

### SERVICES SECTORAL CLASSIFICATION LIST

### SUMMARY OF THE MAIN SECTORS AND SUB-SECTORS

### 1. BUSINESS SERVICES

- A. Professional Services
- B. Computer and Related Services
- C. Research and Development Services
- D. Real Estate Services
- E. Rental/Leasing Services without Operators
- F. Other Business Services

### 2. COMMUNICATION SERVICES

- A. Postal services
- B. Courier services
- C. Telecommunication services
- D. Audiovisual services
- E. Other

### 3. CONSTRUCTION AND RELATED ENGINEERING SERVICES

- A. General construction work for buildings
- B. General construction work for civil engineering
- C. Installation and assembly work
- D. Building completion and finishing work
- E. Other

### 4. DISTRIBUTION SERVICES

- A. Commission agents' services
- B. Wholesale trade services
- C. Retailing services
- D. FranchisingE. Other

### 5. EDUCATIONAL SERVICES

- A. Primary education services
- B. Secondary education services
- C. Higher education services
- D. Adult education
- E. Other education services

### 6. ENVIRONMENTAL SERVICES

- A. Sewage services
- B. Refuse disposal services
- C. Sanitation and similar services
- D. Other

### 7. FINANCIAL SERVICES

- A. All insurance and insurance-related services
- B. Banking and other financial services
- C. Other

### 8. HEALTH RELATED AND SOCIAL SERVICES

- A. Hospital services
- B. Other Human Health Services
- C. Social Services
- D. Other

### 9. TOURISM AND TRAVEL RELATED SERVICES

- A. Hotels and restaurants (incl. catering)
- B. Travel agencies and tour operators services
- C. Tourist guides services
- D. Other



### 10. RECREATIONAL, CULTURAL AND SPORTING SERVICES

(other than audiovisual services)

- A. Entertainment services (including theatre, live bands and circus services)
- B. News agency services
- C. Libraries, archives, museums and other cultural services
- D. Sporting and other recreational services
- E. Other

### 11. TRANSPORT SERVICES

- A. Maritime Transport Services
- B. Internal Waterways Transport
- C. Air Transport Services
- D. Space Transport
- E. Rail Transport Services
- F. Road Transport Services
- G. Pipeline Transport
- H. Services auxiliary to all modes of transport
- I. Other Transport Services

### 12. OTHER SERVICES NOT INCLUDED

ELSEWHERE

### **FURTHER INFORMATION**

Further information about the FTA is available on the www.ASEAN.FTA.govt.nz website.

### **USEFUL CONTACTS:**

For assistance and advice on the Agreement Establishing the ASEAN – Australia – New Zealand Free Trade Area:

ANNZFTA Agreement Desk Officer
Asia Division
Ministry of Foreign Affairs and Trade
www.mfat.govt.nz
04 439 8000

For assistance and advice on business

in South-East Asia:

New Zealand Trade and Enterprise www.ASEAN.FTA.govt.nz or www.nzte.govt.nz 0800 555 888

For assistance and advice on Rules or Origin or Customs procedures:

The Manager, Trade Policy New Zealand Customs Service www.customs.govt.nz 04 473 6099

For assistance and advice on Rules of Origin policy:

Senior Analyst, Trade Facilitation Team Ministry of Economic Development www.med.govt.nz

04 472 0030

For assistance and advice on intellectual property:

Senior Analyst, Intellectual Property Group Ministry of Economic Development www.med.govt.nz 04 472 0030

For assistance and advice on trade remedies: Manager, Trade Rules, Remedies and Tariffs Ministry of Economic Development

www.med.govt.nz 04 472 0030

For assistance and advice on technical barriers to trade:

Senior Analyst, Trade Facilitation Team Ministry of Economic Development www.med.govt.nz 04 472 0030

For assistance and advice on sanitary and phytosanitary issues:

SPS Enquiry Point Coordinator/Adviser Ministry of Agriculture and Forestry www.maf.govt.nz 04 894 0431 sps@maf.govt.nz For assistance and advice on the Labour Cooperation Memorandum of Understanding:

Department of Labour

www.dol.govt.nz

04 915 4000

For assistance and advice on immigration issues:

Immigration New Zealand

www.immigration.govt.nz

04 915 4000

For assistance and advice on the Environment

Cooperation Agreement:

International Adviser

Ministry for the Environment

www.mfe.govt.nz

04 439 7400

### FEEDBACK:

The business community and other interested parties were consulted extensively when the Agreement Establishing the ASEAN – Australia – New Zealand Free Trade Area was negotiated. We want to continue this dialogue as the FTA is implemented. You can make contact through the www.ASEAN.FTA.govt.nz or by contacting the Ministry of Foreign Affairs and Trade through the:

Trade Policy Liaison Unit Ministry of Foreign Affairs and Trade Private Bag 18901 Wellington

tplu@mfat.govt.nz (00 64) 4 439 8000

