



Asia-Pacific
Economic Cooperation

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The Origin of Goods – Implementing Change New Zealand Experience

Submitted by: New Zealand



**APEC Workshop on Best Practices in Trade
Policy for RTAs/FTAs: Practical Lessons and
Experiences for Developing Economies
Ha Noi, Viet Nam
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Rules of Origin: Implementing Change

New Zealand Experience
APEC RTA / FTA RoO Workshop, February 2006



What is the purpose of a Free Trade Agreement?

- Liberalise & facilitate trade
- Eliminate tariffs
- Open new market opportunities
- Provide a framework for cooperation



Rules of Origin

Only the Parties to the agreement are able to benefit from it

Rules should be:

- Simple / Robust
- Easy & economical to administer
- Business friendly
- Fair
- Consistent



New Zealand Experience

- CER – 20+ years
 - Singapore (ANZSCEP)
 - Less / Least Developed
- } All use RVC



Successful or Not?

Business feedback

Compliance monitoring



How do we fix it?

Change the rules to reflect trading environment

- Less complex
- Simplify accounting requirements
- Consistency
- Remove Xrates from the equation



NZTCEPA experience

- New rules easy to understand
- Easier to acquire information
- Fairer to all business
- Consistent - Once qualify, always qualify
- Customs – no issues
 - Simple classification of non-originating inputs

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Implementation – to do list

- Develop new policies and procedural instructions
- Amend legislation
 - Customs Act
 - Regulations
 - Tariff
- Prepare information material
- Inform traders
- Train Customs staff
- Risk management - verification

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Business Outreach

Identify Interested Parties

- Traders
- Manufacturers
- Business associations
- Customs brokers

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Administration Experience

- Training
- Monitoring / Verifying / Reporting
- Targeted assistance to business

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Certificates of Origin

Do they have a place in the verification process?

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Summary

The business community and Customs must understand

- Objective of the agreement
- Rules of Origin & verification procedures
- Administration of the agreement
- Communication

www.customs.govt.nz / www.mfat.govt.nz

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