

Rules of Origin changes welcome news for Trans-Tasman exporters

New Zealand and Australia have concluded their review of the Rules of Origin under the Australia New Zealand Closer Economic Relations Trade Agreement (CER), Trade Minister Tim Groser and Commerce Minister Simon Power announced today.

The Rules of Origin determine which products count as "Australian" or "New Zealand" goods, and therefore determine which are able to be exported between the two countries duty free.

Mr Groser said the review will help streamline the export process for a number of industries.

"The agreed changes simplify the current Rules of Origin considerably, meaning that New Zealand and Australian companies will have greater certainty in meeting export requirements and therefore face reduced compliance costs.

"The revisions also bring the CER Rules of Origin into line with other free-trade agreements concluded since 2007 by both Australia and New Zealand with other trading partners, and in particular with the ASEAN Australia New Zealand Free Trade Area (AANZFTA) signed last year."

The changes will provide for the removal of most of the supplementary added value requirements currently imposed across a range of products, and in particular those imposed on the textile, clothing, and carpet sectors.

Mr Power said the agreement shows CER continues to work for both countries.

"PACER is widely recognised as one of the world's benchmark and most liberal free trade agreements. An important aspect of it and its success is that both countries have continued to work at it to ensure it remains a living agreement. These changes to the rules of origin mean CER continues to be a world-class agreement."

The new rules are expected to come into force later this year and can be viewed at www.mfat.govt.nz