

**PROTOCOL TO UPGRADE THE FREE TRADE AGREEMENT
BETWEEN THE GOVERNMENT OF THE PEOPLE'S REPUBLIC
OF CHINA AND THE GOVERNMENT OF NEW ZEALAND**

PREAMBLE

The Government of the People's Republic of China ("China") and the Government of New Zealand ("New Zealand") hereinafter referred to collectively as "the Parties":

REAFFIRMING their Comprehensive Strategic Partnership and strong bilateral economic and trade relationship;

RECALLING the Free Trade Agreement between the Government of the People's Republic of China and the Government of New Zealand done at Beijing on 7 April 2008, and which entered into force on 1 October 2008, as amended ("the Agreement");

DESIRING to modernise, expand and enhance the scope of the Agreement, and to further facilitate trade and create new opportunities for their exporters;

RECOGNIZING their existing strong cooperation across a range of issues, and seeking to expand upon this to include new areas and mechanisms for dialogue and collaboration;

OBSERVING the challenges for traders in meeting compliance requirements due to the changing nature of international trade, including increased specialization in production and expanded supply chains, **AND RECOGNIZING** the benefits of utilizing technology to meet these compliance requirements;

SHARING the belief that a free trade agreement produces mutual benefits to each Party and contributes to the expansion and development of international trade;

SEEKING to facilitate and further grow trade between the Parties by promoting efficient and transparent customs procedures that reduce costs and ensure predictability for traders;

DESIRING to facilitate expansion of trade in services under conditions of transparency and progressive liberalization;

OBSERVING the increasing role of electronic commerce, the economic growth opportunities it provides, **AND SEEKING** to establish a framework that provides certainty for businesses, protection for consumers and builds trust in electronic commerce;

RECOGNIZING the importance of establishing a framework for promoting transparency in government procurement systems and enabling closer cooperation in government procurement;

REAFFIRMING their commitment to enhancing economic efficiency, innovation, consumer welfare, trade and investment by adopting policies that promote open, transparent and competitive markets;

RECOGNIZING that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development and that closer economic partnership can play an important role in promoting sustainable development;

BUILDING ON their rights, obligations and undertakings under the *Marrakesh Agreement Establishing the World Trade Organization* (“WTO”) and other multilateral, regional and bilateral agreement and arrangements;

REITERATING their commitment to pursuing free and open global trade and supporting the rules based system with the WTO at its centre, **AND RECOGNIZING** the positive contribution that bilateral and regional trade agreements can have in supporting this multilateral system;

RECOGNIZING the contribution that predictable trade rules can make to encouraging the growth of regional and bilateral trade;

REAFFIRMING the rights of their Governments to regulate in order to meet national policy objectives, and preserving their flexibility to safeguard the public welfare; and

DESIRING to further economic integration and trade liberalization between the Parties,

HAVE AGREED AS FOLLOWS:

Article 1 Amendment of Chapter 4 (Rules of Origin and Operational Procedures) of the Agreement

Chapter 4 (Rules of Origin and Operational Procedures) of the Agreement shall be replaced by a new Chapter 4 (Rules of Origin and Operational Procedures), as set out in **Appendix 1** to this Protocol.

Article 2 Amendment of Chapter 5 (Customs Procedures and Cooperation) of the Agreement

Chapter 5 (Customs Procedures and Cooperation) of the Agreement shall be replaced by a new Chapter 5 (Customs Procedures and Trade Facilitation), as set out in **Appendix 2** to this Protocol.

Article 3 Amendment of Chapter 8 (Technical Barriers to Trade) of the Agreement

Chapter 8 (Technical Barriers to Trade) of the Agreement shall be replaced by a new Chapter 8 (Technical Barriers to Trade), as set out in **Appendix 3** to this Protocol.

Article 4 Amendment of Chapter 9 (Trade in Services) of the Agreement

Chapter 9 (Trade in Services) of the Agreement shall be replaced by a new Chapter 9 (Trade in Services), as set out in **Appendix 4** to this Protocol.

Article 5 Amendment of Chapter 14 (Cooperation) of the Agreement

Chapter 14 (Cooperation) of the Agreement shall be replaced by a new Chapter 14 (Cooperation), as set out in **Appendix 5** to this Protocol.

Article 6 Additional Chapter 19 (Electronic Commerce)

The Agreement shall be amended by inserting new Chapter 19 (Electronic Commerce), as set out in **Appendix 6** to this Protocol.

Article 7 Additional Chapter 20 (Government Procurement)

The Agreement shall be amended by inserting new Chapter 20 (Government Procurement), as set out in **Appendix 7** to this Protocol.

Article 8 Additional Chapter 21 (Competition Policy)

The Agreement shall be amended by inserting new Chapter 21 (Competition Policy), as set out in **Appendix 8** to this Protocol.

Article 9 Additional Chapter 22 (Environment and Trade)

The Agreement shall be amended by inserting new Chapter 22 (Environment and Trade), as set out in **Appendix 9** to this Protocol.

Article 10 Amendment of Annex 8 (Schedules of Specific Commitments on Services) to the Agreement

Annex 8 (Schedules of Specific Commitments on Services) of the Agreement shall be replaced by new Annex 8 (Schedules of Specific Commitments on Services), as set out in **Appendix 10** to this Protocol.

Article 11 Amendment of Annex 9 (Sectoral Coverage under Article 107) to the Agreement

Annex 9 (Sectoral Coverage under Article 107) of the Agreement shall be replaced by new Annex 9 (Sectoral Coverage under Article 5 of Chapter 9 (Trade in Services)), as set out in **Appendix 11** to this Protocol.

Article 12 Additional Annex 16 (Necessary Elements in a Declaration of Origin by an Approved Exporter)

The Agreement shall be amended by inserting new Annex 16 (Necessary Elements in a Declaration of Origin by an Approved Exporter), as set out in **Appendix 12** to this Protocol.

Article 13 Additional Annex 17 (Subsequent Negotiations on Trade in Services)

The Agreement shall be amended by inserting new Annex 17 (Subsequent Negotiations on Trade in Services), as set out in **Appendix 13** to this Protocol.

Article 14 Additional Annex 18 (Electronic Means Utilized by Parties for the Publication of Transparency Information)

The Agreement shall be amended by inserting new Annex 18 (Electronic Means Utilized by Parties for the Publication of Transparency Information), as set out in **Appendix 14** to this Protocol.

Article 15 Upgrade to Annex 14 (The Agreement between the Government of the People’s Republic of China and the Government of New Zealand on Cooperation in the Field of Conformity Assessment in Relation to Electrical and Electronic Equipment and Components)

The Parties shall promote the completion of an upgrade to Annex 14 of the Agreement (The Agreement between the Government of the People’s Republic of China and the Government of New Zealand on Cooperation in the Field of Conformity Assessment in Relation to Electrical and Electronic Equipment and Components), taking due account of any institutional and regulatory reforms of each Party.

Article 16 General Provisions

1. This Protocol shall enter into force 60 days after the Parties exchange written notification that the necessary domestic legal procedures for entry into force have been completed or after such other period as the Parties may agree in the written notification, in accordance with Article 212 of the Agreement.
2. This Protocol shall form an integral part of the Agreement.
3. This Protocol shall be done in English and Chinese. The two texts of this Protocol are equally authentic.

IN WITNESS whereof, the undersigned, being duly authorised by their respective Governments, have signed this Protocol.

DONE at _____ and _____ respectively
on this _____ of _____ by representatives of the Government of
the People's Republic of China and the Government of New Zealand.

**For the Government of the People's
Republic of China**

For the Government of New Zealand

H.E. Wang Wentao
Minister of Commerce

Hon Damien O'Connor
Minister for Trade and Export Growth