

Hon Damien O'Connor
Minister for Trade and Export Growth
New Zealand

26 January 2021

Dear Minister

In connection with the signing on this date of the *Protocol to Upgrade the Free Trade Agreement between the Government of the People's Republic of China and the Government of New Zealand* (the "Protocol"), I have the honour to confirm the following agreement reached by the Governments of the People's Republic of China and New Zealand (the "Parties") during the course of negotiations.

Tariffs on the specified product lines shall be eliminated in accordance with the appendix to this letter entitled "Appendix: China – New Zealand Free Trade Agreement Upgrade: Tariff Phasing of Wood and Paper products" (the "Appendix"). Reductions shall occur upon entry into force of the Protocol and thereafter on 1 January of each year, as provided for in the Appendix. The tariff treatment provided in this letter shall prevail over the tariff treatment for the same product lines provided in accordance with 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 (the "Agreement").

I have the further honour to refer to the commitment contained in paragraph 3 in Annex 1 Part A of the Agreement Tariff Schedule of China with respect to Goods Originating in New Zealand Headnote (the "Headnote").

In accordance with Articles 180(1)(a) and 180(2)(f) of the Agreement, the Parties agree that the FTA Joint Commission shall confirm and note the tariff treatment to be extended to New Zealand in accordance with the Headnote (as applicable).

I have the further honour to propose that this letter and Appendix together with your letter in reply indicating such acceptance shall form an integral part of the Protocol and shall enter into force on the date on which the Protocol enters into force for the Parties.

Yours sincerely

H.E. Wang Wentao
Minister of Commerce
People's Republic of China

Appendix: China - New Zealand Free Trade Agreement Upgrade: Tariff Phasing of Wood and Paper products

No	Tariff Line	Product Description	Base rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1	44111319	Medium density fibreboard of a thickness exceeding 5mm but not exceeding 9mm and of a density exceeding 0.8 g/cm ³ , mechanically worked or surface covered	7.5	6.8	6	5.3	4.5	3.8	3	2.3	1.5	0.8	0
2	48030000	Toilet or facial tissue stock, towel or napkin stock and similar paper	7.5	6.8	6	5.3	4.5	3.8	3	2.3	1.5	0.8	0
3	48101300	Paper and paperboard of a kind used for writing, printing or other graphic purposes in rolls, not containing fibres obtained by a mechanical or	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0

		chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres											
4	48101400	Paper and paperboard of a kind used for writing, printing or other graphic purposes in sheets with one side not exceeding 435mm and the other side not exceeding 297mm in the unfolded state, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0

5	48101900	Other paper and paperboard of a kind used for writing, printing or other graphic purposes, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
6	48102200	Light-weight coated paper, of which more than 10% by weight of the total fibre content consists of fibres obtained by a mechanical or chemi-mechanical process	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
7	48102900	Other paper and paperboard of a kind used for	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0

		writing, printing or other graphic purposes, of which more than 10% by weight of the total fibre content consists of fibres obtained by a mechanical or chemi-mechanical process											
8	48103200	Kraft paper and paperboard which are bleached uniformly throughout the mass and of which more than 95% by weight of the total fibre content consists of wood fibres obtained by a chemical process, and weighing more than 150g/m ² , other than that of a kind used for writing, printing or other graphic purposes	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
9	48103900	Other kraft paper and paperboard, other than that of a kind used for	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0

		writing, printing or other graphic purpose											
10	48109200	Multi-ply paper and paperboard	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
11	48114100	Self-adhesive paper and paperboard	7.5	6.8	6	5.3	4.5	3.8	3	2.3	1.5	0.8	0
12	48211000	Printed paper or paperboard labels of all kinds	7.5	6.8	6	5.3	4.5	3.8	3	2.3	1.5	0.8	0

Note: 1. For the purposes of this Appendix, product description is for reference only, and the specific scope of the product shall be subject to the corresponding scope of the tariff line in the Customs Tariff of Import and Export of the People's Republic of China (2014).

2. For the purposes of this Appendix, the term “year” means, with respect to the first year, the period from the date of entry into force of the Protocol until the following 31 December and, with respect to each subsequent year, the twelve-month period which starts on 1 January of that year.

H.E. Wang Wentao
Minister of Commerce
People's Republic of China

26 January 2021

Dear Minister

I refer to your letter of 26 January 2021, which reads as follows:

"Hon Damien O'Connor
Minister for Trade and Export Growth
New Zealand

26 January 2021

Dear Minister

In connection with the signing on this date of the *Protocol to Upgrade the Free Trade Agreement between the Government of the People's Republic of China and the Government of New Zealand* (the "Protocol"), I have the honour to confirm the following agreement reached by the Governments of the People's Republic of China and New Zealand (the "Parties") during the course of negotiations.

Tariffs on the specified product lines shall be eliminated in accordance with the appendix to this letter entitled "Appendix: China – New Zealand Free Trade Agreement Upgrade: Tariff Phasing of Wood and Paper products" (the "Appendix"). Reductions shall occur upon entry into force of the Protocol and thereafter on 1 January of each year, as provided for in the Appendix. The tariff treatment provided in this letter shall prevail over the tariff treatment for the same product lines provided in accordance with 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 (the "Agreement").

I have the further honour to refer to the commitment contained in paragraph 3 in Annex 1 Part A of the Agreement Tariff Schedule of China with respect to Goods Originating in New Zealand Headnote (the "Headnote").

In accordance with Articles 180(1)(a) and 180(2)(f) of the Agreement, the Parties agree that the FTA Joint Commission shall confirm and note the tariff

treatment to be extended to New Zealand in accordance with the Headnote (as applicable).

I have the further honour to propose that this letter and Appendix together with your letter in reply indicating such acceptance shall form an integral part of the Protocol and shall enter into force on the date on which the Protocol enters into force for the Parties.

Yours sincerely

H.E. Wang Wentao
Minister of Commerce
People's Republic of China"

I wish to confirm that the foregoing and Appendix represents an agreement between the two Governments which shall enter into force on the date on which the Protocol enters into force for the Parties.

Yours sincerely

Hon Damien O'Connor
Minister for Trade and Export Growth
New Zealand

Appendix: China - New Zealand Free Trade Agreement Upgrade: Tariff Phasing of Wood and Paper products

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		chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres											
4	48101400	Paper and paperboard of a kind used for writing, printing or other graphic purposes in sheets with one side not exceeding 435mm and the other side not exceeding 297mm in the unfolded state, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0

5	48101900	Other paper and paperboard of a kind used for writing, printing or other graphic purposes, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
6	48102200	Light-weight coated paper, of which more than 10% by weight of the total fibre content consists of fibres obtained by a mechanical or chemi-mechanical process	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
7	48102900	Other paper and paperboard of a kind used for	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0

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8	48103200	Kraft paper and paperboard which are bleached uniformly throughout the mass and of which more than 95% by weight of the total fibre content consists of wood fibres obtained by a chemical process, and weighing more than 150g/m ² , other than that of a kind used for writing, printing or other graphic purposes	5	4.5	4	3.5	3	2.5	2	1.5	1	0.5	0
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