

EU-NZ FREE TRADE AGREEMENT



European Union-New Zealand Free Trade Agreement Negotiations: report on the seventh round of negotiations held by video conference, 30 March – 9 April 2020

New Zealand and EU negotiators held video conference meetings for the seventh round of negotiations from 30 March to 9 April.

Solid progress has been made. Further text for various chapters was agreed and the round generated good momentum. A further chapter (on Customs) was substantively concluded and we hope to conclude more in the coming round.

What happens next?

Negotiators will meet again for round eight in May 2020. We expect this will be another virtual round. Work in between rounds will continue via email and video conference where possible.

Where can I find out more?

Find out more about our overall objectives for this agreement, including brief information on each area being negotiated, at the [European Union-New Zealand Free Trade Agreement section](#) of the Ministry of Foreign Affairs and Trade website.

You can also view the EU's initial text proposals [here](#).

Public consultation

We continue to welcome feedback on these negotiations – please contact us for further information:

eu-fta@mfat.govt.nz

We are also currently consulting New Zealanders on proposed changes to our legislation that would provide extended protection for **geographical indications (GIs)** in New Zealand as a result of the FTA. This consultation was originally due to close on 27 March but has been extended to 24 April 2020 to give people more time to make a submission. More information is available [here](#).

Key working group progress in brief

The **Customs and Trade Facilitation** working group has substantially concluded the chapter. Further work will be required on the institutional arrangements under the chapter.

On **Rules of Origin**, there was detailed discussion of product specific rules and each side's key interests for the rules.

We had a good discussion on **SMEs** at this round, including sharing information about the experience and information we each offer to SMEs seeking information about our respective markets.

There was a detailed discussion this round of **Good Regulatory Practice and Regulatory Cooperation** with negotiators focusing on ensuring any text accommodates the nature and scale of our respective regulatory regimes.

The **Digital Trade** working group made good progress, with both sides engaging openly on proposals. The working group continues to look at existing FTA practice of both sides and consider how we can align our approaches. The parties also discussed **Telecommunications**, making good progress on the text.

Negotiators discussed both chapter text and market access in relation to **Government Procurement**. There were ongoing discussions about respective procurement coverage commitment under the World Trade Organisation Agreement on Government Procurement (GPA).

Good progress was made on the **Trade Remedies** chapter, with both sides finding solutions to text issues. Some of the outstanding issues in the text, such as the EU's proposal for an agricultural safeguard, are linked to goods market access negotiations and will not be agreed until those are closer to completion.

There was detailed discussion on **Subsidies**, with both sides outlining key areas of subsidies that they look to cover in the FTA. New Zealand pursued its proposals for specific provisions on fisheries subsidies.

There was detailed discussion of the **Energy and Raw Materials** chapter during the round. Negotiators are focusing on how to promote our mutual interests, including sustainability objectives, within the text.

The **Investment** working group made good progress towards an outcome on the investment chapter text. Negotiators also discussed elements of the **Services** chapter. The number of outstanding issues has narrowed. Financial services market access offers were exchanged prior to the round.

On **Geographical Indications (GI)**, New Zealand provided an update on the current public consultation on the proposed framework for GI protection. There was also detailed discussion of categories of objections that New Zealand has received to date in relation to the EU proposed names. This included discussion of potential text changes to address certain categories of objections, such as objections to generic components of multi-component names.

Negotiators also met to discuss the **Intellectual Property** chapter, and there will be further discussions on this topic in coming weeks. Substantial differences remain in this chapter, including extending the term of protection for copyright and related rights, designs, and patents as well as for marketing approval data for pharmaceutical, veterinary and plant protection products. There are also differences in relation to the scope of border protection measures, intellectual property enforcement, performers' rights, and New Zealand's parallel importation regime.

New Zealand and the EU continued detailed negotiations for a **wine annex**. There is greater understanding about the issues of importance to each party.

Both sides met to discuss the **Sanitary and Phytosanitary (SPS)** chapter, on which both parties share a high level of ambition. Discussions were constructive and detailed and good progress continued to be made.

Negotiators met to discuss the **Goods** chapter text and **market access**. We continued to discuss how to address sensitive areas in these negotiations and New Zealand continued to note the link between goods market access and geographical indications.

Progress was also made in the **Trade and Sustainable Development** working group, with negotiators focusing on agreeing to text and understanding both sides approach to the outstanding issues in the chapter. New Zealand continues to focus on seeking provisions that support trade and climate change, biodiversity and marine fisheries.

There were also constructive discussions on **Technical Barriers to Trade (TBT)** with progress made to the chapter text and a discussion on the EU's proposal for sector annex on **automotive trade**.

Negotiators were also able to discuss **State-Owned Enterprises (SOEs)**. Again, engagement was constructive on alternative text proposals.

Negotiators continued to work through the **Dispute Settlement** procedures, to enable the parties to resolve any future disagreement concerning the interpretation and application of the free trade agreement. Much of the text across the Dispute Settlement Chapter, Rules of Procedure and Code of Conduct is now agreed and we anticipate further work between rounds on these texts.

Negotiators continued discussions on **General Exceptions**, which will apply across the free trade agreement and operate to protect the parties' ability to pursue important public policy objectives.

The working group on **Competition** will meet in the coming weeks.