

## New Zealand and EU approaches to technical barriers to trade

**The EU and New Zealand have agreed to seek a high-quality outcome on technical barriers to trade in a free trade agreement that builds on our existing commitments in the World Trade Organization. In early discussions, New Zealand and the EU agreed on a wide scope aimed at addressing unnecessary barriers to trade that result from standards, technical regulations, conformity assessment procedures and metrology.**

Technical barriers to trade (TBT) are measures or requirements that can make it costly or difficult to export goods to a particular market. They can arise with any type of good, from food to electrical goods and include things like administrative procedures, registration requirements, product standards, and labelling requirements.

The TBT chapters of New Zealand's and the EU's existing FTAs seek to facilitate trade in goods by providing a framework for preventing, identifying and eliminating unnecessary barriers to trade. They also build on core international obligations, particularly in relation to transparency and conformity assessment procedures. New Zealand and the EU have also consistently recognised the importance of cooperation through initiatives such as encouraging the exchange of information and technical discussions.

The EU's FTAs commonly include specific commitments on marking and labelling. New Zealand has not committed to these types of provisions in the past and prefers a general approach to the application of rules across all types of potential technical barriers to trade. However, we recognise the particular difficulties that marking and labelling requirements can create for exporters and we will discuss with the EU whether such provisions are necessary in the context of this FTA.

### **Domestic regulation and transparency**

New Zealand and the EU both support rules to ensure that our respective domestic regulatory environments are transparent and predictable for importers and exporters, including small and medium-sized enterprises. New Zealand and the EU have taken similar approaches to improving transparency of measures. These approaches have included improved dissemination of information to importers and exporters, ensuring equal opportunities to comment on proposed measures, and committing to reasonable timeframes for implementation to enable businesses time to adjust their processes.

### **Specific sectors**

Conformance with standards helps to minimise health, safety and environmental risks; allows consumers to make informed decisions about purchasing products and services in accordance with their preferences and values; ensures compatibility between countries; and facilitates international trade.

New Zealand and the EU have already committed to recognising each other's conformity assessment results in certain sectors through the EU-New Zealand Mutual Recognition Arrangement on Conformity Assessment. This is New Zealand's most comprehensive MRA and covers a wide range of manufacturing sectors.

The EU and New Zealand have agreed that where beneficial to facilitating trade, annexes focused on promoting trade in specific sectors should be considered. Where we do make commitments in specific sectors, our focus will be on ensuring that they reflect New Zealand's existing approach to regulation while reducing barriers to trade.

Both New Zealand and the EU have included specific provisions for certain sectors in our respective existing FTAs. For example, New Zealand has previously committed to sector-specific commitments for wine and distilled products, information and communications technology products, pharmaceuticals, cosmetics, medical devices, pre-packaged foods and food additives and organic products.

Similarly, the EU has committed to specific requirements in sectors such as motor vehicles, pharmaceuticals, medical devices and electronics. New Zealand prefers general rules that apply across all sectors, but recognises that the complexity or requirements of some sectors justify separate, more targeted, provisions. New Zealand considers these justifications on a case-by-case basis and will discuss with the EU whether such provisions are relevant or desirable in the context of this FTA.

In early scoping discussions, New Zealand and the EU agreed a non-exhaustive list of areas to consider, including: automotive; green tech; organic farming standards; pharmaceuticals; and wines and spirits.