

New Zealand and EU approaches to trade remedies

Trade remedies are actions that can be taken to deal with dumped or subsidised imported goods that could harm New Zealand manufacturers.

Trade remedies in free trade agreements are based on rules established under the World Trade Organization (WTO) and include:

- anti-dumping
- subsidies and countervailing measures
- safeguards.

New Zealand and the EU have agreed in early scoping discussions to reaffirm WTO rules covering anti-dumping, subsidies and global safeguards, and explore whether it is possible to go beyond WTO minimum standards in areas of common interest, such as disclosure, transparency, consultation and the inclusion of a public interest test.

Both the EU and New Zealand already have public interest tests in place as part of their trade remedy legislation, and go beyond WTO requirements when it comes to disclosure and transparency requirements when conducting trade remedies investigations. The EU does not currently apply any trade remedies measures against New Zealand products while New Zealand maintains measures against only one EU product.

Objectives for this agreement

New Zealand's primary objective is to reaffirm the rights and obligations both parties have under the relevant WTO Agreements and the General Agreement on Tariffs and Trade (GATT).

Both the EU and New Zealand already have comprehensive, robust and transparent trade remedies regimes in operation. These regimes can act as a safety valve for industries which consider they are being harmed by dumped or subsidised imports, or if there are unforeseen circumstances which have caused a surge of imports to cause or threaten serious injury to an enterprise or industry.

The EU has proposed the inclusion of a comprehensive bilateral safeguard (temporary protection) mechanism. With the inclusion of the CPTPP, just over half of New Zealand's FTAs have included a bilateral safeguard mechanism. The exceptions have been the P4, the NZ-Hong Kong, China Closer Economic Partnership (CEP), the Singapore CEP and ANZTEC.

However, New Zealand does not usually propose bilateral safeguards in FTAs. The EU's recent FTA with Canada (CETA), has a limited chapter on trade remedies and does not contain a bilateral safeguard, although other EU agreements do contain them. Our acceptance of bilateral safeguards has been guided by the extent that ambitious tariff liberalisation is agreed in an FTA.