

The agreement recognises that Pacific Island countries face challenges in participating in international trade. It therefore includes arrangements to support Pacific Parties to build their capacity to trade and attract investment, so that they can take full advantage of the opportunities PACER Plus provides. The agreement also includes more flexibility around implementation than some of New Zealand's other free trade agreements, taking into account these challenges.

## Trade in Goods, Rules of Origin and Customs

### Benefits for New Zealand exporters

PACER Plus will create greater certainty for New Zealand goods exporters trading in the region, including by:

- securing most-favoured-nation treatment on 100 percent of New Zealand goods exports to the Parties. This means that as Pacific Island Countries that are part of PACER Plus continue to develop and negotiate more ambitious agreements with other significant competitors, New Zealanders will also get the benefits of those agreements;
- binding in a range of relevant World Trade Organization (WTO) disciplines such as non-discrimination and most-favoured-nation obligations for internal taxation and regulation, including for the eight PACER Plus Parties that are not members of the WTO: the Cook Islands, Niue, Nauru, Palau, the Federated States of Micronesia Kiribati, the Republic of Marshall Islands, and Tuvalu. PACER Plus will be the first binding commitment made to New Zealand by these countries on trade in goods disciplines and tariff bindings;
- When PACER Plus enters into effect a Tariff Finder will be made available on-line;
- Provisions in the Rules of Origin chapter mean that New Zealand exporters to the Pacific region are not required to obtain independent certification that their goods are originating, thus reducing compliance costs. The product specific rules, which set the origin threshold, are designed to facilitate access to global supply chains (addressing manufacturing constraints within the region) and are now more closely aligned with New Zealand's other free trade agreements.

- The enhanced customs commitments in the PACER Plus region will benefit exporters through increased efficiency at the border and expedited release of goods. This should lead to a lower cost of trade, and simplified customs procedures for traders.

### Commitments of Pacific Island Country Parties

Pacific Island countries will benefit from:

- Reduced tariffs across the region;
- Trade facilitative regional rules of origin;
- Reduced red tape and improved transparency for businesses;
- Capacity building and trade related assistance under the economic cooperation work programme of AU\$25 million over 5 years;
- Aid for trade targets of 20 percent of New Zealand Overseas Development Assistance to support to help realise the benefits of these reduced barriers to trade, this will help make it easier for businesses to export across the region and to attract regional investment.

Tariff reductions will apply equally to the goods of all PACER Plus Signatories- not only Australia and New Zealand. This means that a product exported from Samoa to Tonga will face the same tariff as a product exported from New Zealand, the Cook Islands, or any other signatory country to Tonga.

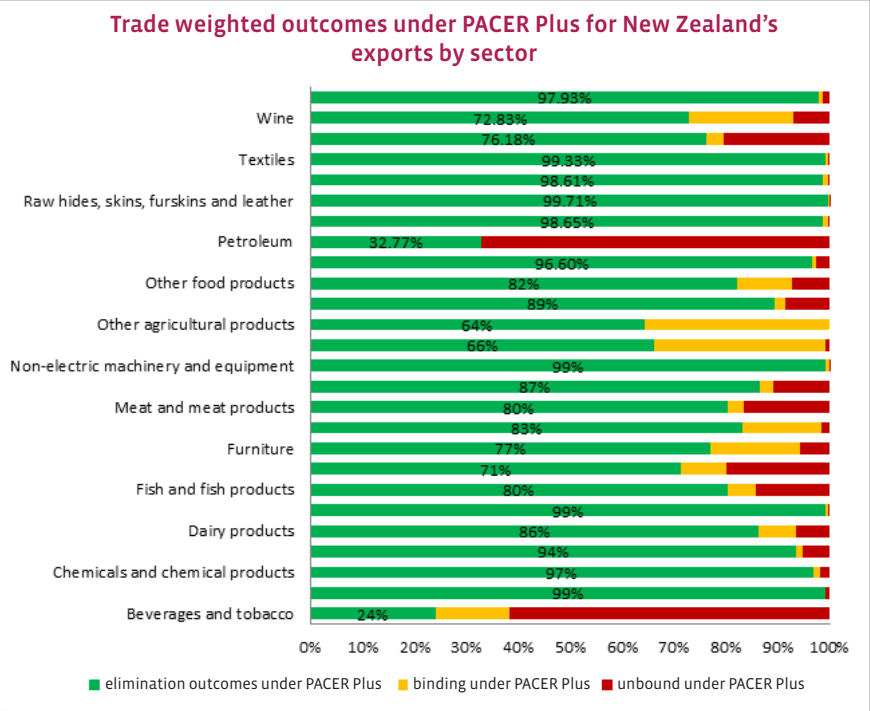
Pacific Island Countries will also be able to negotiate, and benefit from, the accessions of other countries to PACER Plus in the future, providing opportunities for greater market access in the future.





Outcomes for specific New Zealand goods export sectors

Overall New Zealand has secured binding and elimination outcomes on the majority of products of export interest to us. Taken together, these account for more than 70 percent of trade flows to the Parties.



NEW ZEALAND  
FOREIGN AFFAIRS & TRADE

Trade in Goods,  
Rules of Origin and Customs

Want to find out more?

Visit the Trade section of the Ministry for Foreign Affairs and Trade website [www.mfat.govt.nz/en/trade](http://www.mfat.govt.nz/en/trade) to find out more about PACER Plus and the benefits it is designed to deliver. This website includes:

- The full text of PACER Plus
- Factsheets on key areas for New Zealand; and
- The National Interest Analysis.

Disclaimer – This document is for information purposes only, and does not constitute legal advice.

Submissions or requests for information can be sent to: [PACREG@mfat.govt.nz](mailto:PACREG@mfat.govt.nz)

THE PACIFIC AGREEMENT ON  
CLOSER ECONOMIC RELATIONS PLUS

The Pacific Agreement on Closer Economic Relations Plus is a landmark trade and development agreement that will raise living standards, create jobs, increase exports in Pacific Island countries and provide greater certainty for New Zealand businesses trading in the Pacific.