

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/W/433

12 September 1985

Limited Distribution

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Committee on Trade and Development  
Fifty-Seventh Session  
14-16 October 1985

## PART IV CONSULTATIONS: BACKGROUND INFORMATION

### New Zealand

#### Note by the Secretariat

#### Table of Contents

	<u>Page</u>
INTRODUCTION	2
SECTION I: Economic background	2
SECTION II: Tariff system and imports according to tariff treatment	7
SECTION III: M.f.n. duties	11
SECTION IV: GSP	17
SECTION V: Quantitative restrictions and other non-tariff measures	22
SECTION VI: Other trade policy aspects	27
SECTION VII: Trade with least-developed countries	32

## INTRODUCTION

1. At the Fifty-Fourth Session of the Committee on Trade and Development, and the Fortieth Session of the CONTRACTING PARTIES, held in November 1984, it was agreed that the programme of consultations on the implementation of Part IV would be continued during 1985. It was noted that four countries (namely Canada, Switzerland, Australia and New Zealand) had agreed in principle to consult during 1985.
2. The present document, prepared by the secretariat in accordance with the agreement in regard to documentation reached at the Forty-Ninth Session of the Committee, contains factual background material covering developments in trade and trade policy in regard to New Zealand. The material has for the most part been drawn from available official and GATT documentation. It is not intended to be exhaustive.
3. While every effort has been made, including consultation with the delegation concerned, to present a clear and factually accurate picture of the situation, the information is subject to verification and correction in the light of any comments or suggestions that might be made by delegations.

## SECTION I: Economic background

### Trends and indicators of domestic economic activity

4. New Zealand's real GDP growth in 1983/84 (year ending March) was 3.9 per cent. This growth rate was in contrast to that of the previous year, when the negative growth in domestic demand was almost exactly offset by the positive contribution of the external balance to GDP, yielding a real GDP growth rate of zero for that year. Preliminary estimates for the year ending March 1985 indicate a real GDP growth rate of around 4 per cent. In order to put these growth rates in a historical perspective, it may be noted that New Zealand recorded an average annual real growth rate of over 4.5 per cent in the early 1970s compared to an average of about 1.5 per cent during the decade up to 1983/1984. It may be noted, however, that these average figures conceal significant variations from year to year.
5. As a small open economy, dependent on agricultural exports and imports of oil, New Zealand has been significantly affected during the last ten years or so by the steep decline in its terms of trade in the wake of the two oil price shocks, the subsequent recessions in the world economy, and intensified protectionist pressures in the main markets for exports. In 1983/84 New Zealand's terms of trade were approximately 9 per cent lower than in 1978/79, and almost 30 per cent below the average in the three years up to 1973/74.
6. The recent economic downturn, which commenced in early 1982, bottomed out at the beginning of 1983. Economic activity has recovered strongly since the middle of 1983, reflecting the recovery in private demand, expansionary demand management policies, a strong upturn in foreign demand and improved business expectations. Unlike previous economic cycles, the upturn was characterised by a lack of stimulus from the terms of trade. The terms of trade in 1983/84 remained unchanged from the level in the previous year and are estimated to have declined by more than 2 per cent in 1984/85. Similarly, in contrast to past experience, the contribution of stock building to GDP growth was negative in 1983/84 and comparatively moderate in 1984/85.

7. Private consumption in 1983/84 is estimated to have increased by 2.8 per cent, following a decline of 1.8 per cent in the previous year. Most of the growth in private consumption occurred in the second half of 1983/84 and was concentrated on consumer durables such as cars and electrical goods. Estimates for 1984/85 of private consumption growth were put at about 3 per cent. Real public consumption expenditure increased by 1.3 per cent in 1983/84 and was estimated to have grown by less than 1 per cent in 1984/85.

8. The rate of growth in total gross fixed investment is estimated to have slowed down to approximately 3.3 per cent in 1983/84, following large increases in the previous two years. Developments in the various components of investment (excluding major projects) were uneven, with comparatively rapid growth in residential construction. Investment indicators suggested that private gross fixed investment during the first half of 1984/85 was responding to the upturn in output and capacity utilization following the resumption of growth from 1983 onwards. By contrast, growth in public fixed investment is estimated to have fallen to around 2.5 per cent in 1984/85, following several years of high real investment growth.

9. Registered unemployment in New Zealand had risen from less than 1 per cent of the labour force in the period prior to 1977 to a peak of over 5.5 per cent by the second quarter of 1983. Since then, a notable feature of the recovery in output has been the strong growth in employment, the strongest since 1974, leading to a reduction in the unemployment rate. Much of this increase in employment has been attributed to the decline in real wages which has occurred since the middle of 1982. The rate of registered unemployment fell to about 3.8 per cent in March 1985.

10. As regards inflation, the rate of increase in domestic costs and prices has remained significantly higher in New Zealand than in its major trading partners. As a result of a wage-price freeze introduced in mid-1982, and aided also by the slowdown in import price increases, the annual rate of growth in consumer prices decelerated sharply, falling from 17 per cent in June 1982 to 3.5 per cent in March 1984. During most of this period, movements in consumer prices were also influenced by the weakness in domestic demand. Consumer price inflation picked up again during 1984/85, reaching 13.5 per cent in the year ending March 1985. The acceleration in inflation during this period reflected temporary relaxation of price controls during the June quarter, the recovery in domestic demand, increasing capacity constraints in the building and manufacturing sectors, easier liquidity conditions, and most significantly, the effects of the July 1984 devaluation (of some 20 per cent). The average inflation rate in 1984/85 was 8.8 per cent.

#### Trends in international transactions

11. New Zealand's balance of payments in 1982, 1983 and 1984 can be seen in Table 1. In recent years, New Zealand has been faced with large current account deficits. The deficits for the three years shown in the table ranged from US\$1 billion to US\$1.5 billion. According to IMF data, most of the current account deficit is attributable to the deficit on net services.

12. In view of the significant movements in values of both the New Zealand and United States dollars, the picture with respect to import and export growth varies somewhat as between current price and volume series. In volume terms, exports rose by 5.5 per cent in 1982/83, principally as a

Table 1Balance of Payments, 1982, 1983, 1984  
(in billion of US dollars)

	1982	1983	1984
Exports, f.o.b.	5.3	5.7	
Imports, f.o.b.	5.4	5.5	
Trade balance	-0.1	0.2	
Net services	-1.5	-1.3	
Private and official transfers, net	0.1	0.1	
Current account balance	-1.5	-1.0	
Direct investment, net	0.1	0.1	
Portfolio investment, net	-	-	
Other long-term capital, net	-1.2	-0.6	
Other short-term capital, net	-	-	
Net errors and omissions	1.0	0.2	
Other transactions <sup>1</sup>	2.3	1.0	
Total change in reserves <sup>2</sup>	-0.7	0.3	

<sup>1</sup> Includes monetization/demonetization of gold, allocation of SDRs and valuation changes in reserves.

<sup>2</sup> A negative sign (-) implies an increase in reserves.

Source: IMF, International Financial Statistics, (May 1985)

result of sales by producer boards of excess stocks of pasture products. In 1983/84 the volume of exports increased by 4.5 per cent, reflecting both a recovery in the international economy and an improvement in competitiveness. Estimates for 1984/85 suggest export volume growth of about 6.5 per cent. Import volumes have been subject to significant swings over the last few years. Although the volume of imports remained virtually unchanged from 1981/82 to 1983/84, quarterly data indicate that import volumes plummeted from the December 1982 quarter to the June 1983 quarter and then began to recover from the December 1983 quarter. The decline in import volumes occurred as a result of the contraction in domestic demand and the reduction of non-farm stocks. Of the major import categories, only petroleum and petroleum products continued to decline in volume terms in 1983/84. Despite the devaluation in July 1984, import volumes continued to increase in 1984/85 as total domestic demand remained near the top of its cyclical peak until December 1984.

13. As far as the balance of payments capital account is concerned, capital flows have been highly volatile in New Zealand in recent years. Following a small net capital inflow in 1980/81, there was a sharp increase in the inflow in the subsequent years up to 1982/83. The main factors explaining this inflow were large increases in borrowing by certain entities and borrowing for major investment projects. In 1983/84 capital inflows fell again largely as a result of decreased project borrowing and an easing in domestic monetary conditions. Following large outflows and inflows associated with the election in mid 1984, in the first quarter of 1985 there were large foreign exchange outflows, which ended when the New Zealand dollar was floated.

14. Table 2 shows the broad geographic distribution of New Zealand trade in 1981, 1982 and 1983. On the basis of the figures in Table 2, exports and imports appeared to decline in 1983, having been fairly stable in 1981 and 1982. The trade balance, however, was the same in 1981 and 1983 and somewhat larger in 1982. In terms of the country groupings in Table 2, the only difference in the absolute amount of the trade balance was a variation in the surplus enjoyed in trade with the developing countries, which varied between US\$0.2 billion and US\$0.4 billion. The trade deficits registered in 1981, 1982 and 1983 were made up of surpluses with the developing countries and Eastern trading areas and deficits with other developed countries.

15. Most of New Zealand's trade takes place with other developed countries. In 1983, for example, developed countries accounted for 64 per cent and 79 per cent respectively of New Zealand's exports and imports. Approximately 28 per cent and 40 per cent of these exports and imports respectively represent trade with Japan and Australia. The developing countries accounted for only about 28 per cent of New Zealand's exports and 20 per cent of imports in 1983. The remainder of New Zealand's trade was accounted for by the Eastern trading area, and in 1983 amounted to approximately 6 per cent of exports and less than 0.5 per cent of imports.

16. A longer term overview of the geographic distribution of New Zealand's trade shows that the shares of the different country groupings identified in Table 2 have changed a little in certain respects over the last ten years or so. The principal change has occurred on the export side with export shares of around seventy per cent or more up to 1979 falling to below 65 per cent in subsequent years. The corresponding increase in export shares is accounted for by the developing countries, with the share of the

Table 2

Balance and Direction of Trade, 1981, 1982, 1983  
(in billions of US\$, exports and imports, f.o.b.)

	1981			1982			1983		
	Exports	Imports	Trade balance	Exports	Imports	Trade balance	Exports	Imports	Trade balance
Total trade	5.6	5.7	-0.1	5.6	5.8	-0.2	5.3	5.4	-0.1
Developed countries	3.5	4.3	-0.8	3.6	4.4	-0.8	3.4	4.2	-0.8
Developing countries	1.6	1.3	0.3	1.5	1.3	0.2	1.5	1.1	0.4
Eastern trading area	0.3	-	0.3	0.3	-	0.3	0.3	-	0.3

Note: Individual compounds do not always add up to totals because some trade has not been specified as to destination or origin.

Source: IMF, Direction of Trade Statistics Yearbook, 1984

oil-exporting developing countries virtually doubling and that of the non-oil developing countries increasing rather more modestly, from around 18 per cent to about 20 per cent during this period. On the imports side, there is no clearly discernible trend in the shares of the different country groupings during the ten years or so up to 1983.

## SECTION II: Tariff system and imports according to tariff treatment

### Tariff system

17. Tariffs play a less important role for New Zealand than for other developed countries as a commercial policy instrument: import licensing controls have a significant role, regulating some 24 per cent of its current imports. The Government of New Zealand is, however, committed to move away from an import regime based on restrictive licensing to a regime based on tariffs and is implementing this policy gradually. As a concrete step in this direction, New Zealand has, since the early 1980s, adopted a wide-ranging programme of industry restructuring and import liberalization. Under the Industry Studies Programme, restrictive import licensing concerning certain specified sectors is gradually being phased out to be replaced, over a period of several years, by appropriate tariff rates. For goods not covered by the Industry Studies Programme, a phase-out formula has not been adopted but some additional licence allocations have been made.

18. Under the Import Licensing Tendering Scheme, a certain proportion of import licences for consumer goods, etc. are put up to tender for the purpose of allocation to importers. It is expected that the experience of the system of tendering would furnish the basis for the setting of tariff levels as import licensing controls are removed. The government revenues from the tendering in effect constitute charges on imports (COM.TD/W/395, NTM/5 and L/5172/Rev.2). New Zealand stated in 1984 that it envisaged replacement of quantitative restrictions by supplementary tariffs of moderate height which would then be progressively reduced to their initial level in accordance with a pre-determined time-table (L/5713, paragraph 38).

19. The tariff schedule of New Zealand for 1984 indicates the following types of tariffs:

- (a) Normal tariff (Norm), i.e. m.f.n. duty
- (b) Special tariff rates under free trade arrangements
  - (i) for Australia
  - (ii) for Forum Island countries (Pac)
- (c) Other special tariff rates
  - (i) for Developing Countries (DC), i.e. GSP
  - (ii) for Least-developed countries
  - (iii) for Canada (CAN)
  - (iv) for Malaysia (Mys)
  - (v) for United Kingdom (GBR)

For details of m.f.n. duties, GSP and special rates for least-developed countries, reference may be made to Sections III and IV. Information on other special tariff rates is given below.

Special tariff ratesfor Australia

Under the Australia/New Zealand Closer Economic Relations - Trade Agreement (ANZCERT)<sup>1</sup> which entered into force on 1 January 1983, the remaining trade barriers (tariffs, import licensing and tariff quotas) to trade between Australia and New Zealand are being eliminated in a gradual and progressive manner under an agreed timetable. Most tariffs will be phased out by 1988 and all import licensing by 30 June 1995 at the latest. While the Agreement covers all goods traded between Australia and New Zealand, trade liberalization has not yet started for certain products, including iron and steel, apparel and tobacco (L/5664, L/5619 and L/5172/Rev.2).

for Forum Island countries

Under the South Pacific Regional Trade and Economic Agreement (SPARTECA) which entered into force on 1 January 1981, New Zealand accords most products originating in the developing countries members of the SPARTECA, described as the Forum Island Countries (Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa), duty-free and unrestricted access on a non-reciprocal basis. Since the Agreement was signed, two reviews have been held of the short list of products still subject to positive duties or import restrictions (cf. Schedule 3 of the Agreement - L/5488, Annex III). As a result, various items have been removed from the list. Those remaining, footwear and apparel, are retained for domestic reasons whilst lime juice, passionfruit products and coconut remain in order to maintain preferences for Niue and/or Western Samoa. In fact, apart from footwear (for which Forum Island countries are given GSP treatment) products listed on Schedule 3 enter New Zealand duty free.

for Canada

Canada enjoys special preferences in the New Zealand market with respect to a large majority of tariff items in both the agricultural and industrial sectors: in return Canada applies British preferential rates to New Zealand. With respect to a large majority of GSP items, Canada enjoys special preferential rates corresponding to GSP rates, although special rates for Canada are sometimes higher or lower than GSP rates. Further, Canada enjoys special preferences for some items not covered by GSP.

for Malaysia

Malaysia, one of the GSP beneficiaries, enjoys special preferences in the New Zealand market with respect to only two products, i.e. 2006.081 prepared or preserved pineapples and certain canvas shoes falling within CCCN 6402. In the fiscal year 1981/82 imports of the former item from Malaysia amounted to US\$2.7 million. On this item a special preferential rate of 10 per cent applies to Malaysia in lieu of the GSP rate of 15 per cent. The latter item was not significant in trade value.

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<sup>1</sup>This Agreement replaced the New Zealand/Australia Free Trade Agreement (NAFTA) with a view to completing the process towards free trade which commenced in 1966 under the NAFTA.



- for the United Kingdom

As a result of the decision of the United Kingdom to join the EEC and to terminate the United Kingdom/New Zealand Trade Agreement, New Zealand phased out practically all special preferences accorded to British goods over the period 1974-1977. (In the process New Zealand reduced a number of m.f.n. rates in stages while gradually increasing the rates applicable to the United Kingdom to the level of newly established m.f.n. rates.) New Zealand still maintains special preferences for the United Kingdom with respect to certain motor vehicles and parts.

Imports according to tariff treatment

20. Table 3 shows imports of New Zealand in the fiscal year 1981/82 according to tariff treatment for all products, agricultural products, industrial products, and petroleum, respectively. Total imports of New Zealand amounted to US\$6 billion, of which agricultural products, industrial products and petroleum accounted for 7 per cent, 75 per cent and 18 per cent, respectively. Of the total imports, m.f.n. sources accounted for 56 per cent, Forum Island countries 2 per cent, other GSP beneficiary developing countries 22 per cent, Australia (enjoying free trade arrangements) 18 per cent and Canada (enjoying special preferences) 2 per cent.

- Imports of agricultural products

21. Imports of agricultural products amounted to US\$433 million in 1981/82, of which m.f.n. sources accounted for 43 per cent, Forum Island countries 9 per cent, other GSP beneficiary developing countries 23 per cent, Australia 21 per cent and Canada 4 per cent. Of the total imports of agricultural products, 48 per cent comprised imports subject to bound duty-free treatment. The remaining 52 per cent, subject to either positive m.f.n. rates or unbound zero m.f.n. rate, were composed of (i) imports subject to m.f.n. treatment (38 per cent), (ii) imports covered by free-trade arrangements (8 per cent), (iii) imports covered by special preferences (3 per cent) and (iv) imports covered by GSP (3 per cent).

22. Imports of agricultural products from GSP beneficiary developing countries (excluding Forum Island countries) amounted to US\$99 million in 1981/82, 74 per cent of which enjoyed bound duty-free treatment. The remaining 26 per cent were composed of (i) imports subject to m.f.n. treatment (14 per cent), (ii) imports covered by special preferences (3 per cent) and (iii) imports covered by GSP (9 per cent).

- Imports of industrial products

23. Imports of industrial products amounted to US\$4,573 million in 1981/82, of which m.f.n. sources accounted for 70 per cent, Forum Island countries 1.5 per cent, other GSP beneficiary developing countries 8 per cent, Australia 18 per cent and Canada 2.5 per cent. Of total imports of industrial products, 17.5 per cent were subject to bound duty-free treatment. The remaining 82.5 per cent, subject to either positive m.f.n. rates or unbound zero m.f.n. rate, were composed of (i) imports subject to m.f.n. treatment (64.5 per cent), (ii) imports covered by free-trade arrangements (11 per cent), (iii) imports covered by special preferences (1 per cent) and (iv) imports covered by GSP (6 per cent).

Table 3

## Imports of New Zealand in 1981/82 According to Economic Groupings and Tariff Treatment

(Unit: US\$ million)

Sources of imports Tariff treatment	Total	MFN sources	Forum Island countries	GSP beneficiary countries	Australia	Canada	a
	Total imports	6,069.0 100%	3,392.5 56%	105.4 2%	1,332.1 22%	1,100.3 18%	131.0 2%
<u>CCCN Chapters 1-24</u>	433.4 100%	183.8 43%	39.7 9%	99.0 23%	92.5 21%	16.6 4%	1.8
MFN 0% bound	208.8 48%	49.9	34.8	73.4	46.4	3.3	1.1
MFN dutiable (bound or unbound) and 0% unbound:	224.6 52%	133.9	4.9	25.6	46.1	13.3	0.7
Covered by free-trade arrangement	34.4 8%	-	0.8	-	33.6	-	-
Covered by special preference	14.4 3%	-	-	2.7 <sup>d</sup>	-	11.7	-
Covered by GSP <sup>b</sup>	12.6 3%	-	4.1	8.5	-	-	-
MFN treatment <sup>c</sup>	162.3 38%	133.9	-	14.3	12.5	1.6	-
<u>CCCN Chapters 25-99</u> excl. petroleum	4,572.5 100%	3,197.8 70%	65.7 1.5%	376.7 8%	812.0 18%	114.4 2.5%	6.0
MFN 0% bound	799.8 17.5%	429.1	48.3	73.9	210.6	37.0	1.0
MFN dutiable and 0% unbound:	3,772.7 82.5%	2,768.7	17.4	302.8	601.4	77.4	5.0
Covered by free-trade arrangement	502.7 11%	-	0.3	-	502.4	-	-
Covered by special preference	47.6 1%	-	-	-	-	47.6	-
Covered by GSP <sup>b</sup>	276.5 6%	-	16.3	260.2	-	-	-
MFN treatment <sup>c</sup>	2,940.8 64.5%	2,768.7	0.8	42.6	99.0	29.8	-
<u>Petroleum (CCCN 2709, 2710)</u>	1,063.1 100%	10.9 1%	-	856.4 80.5%	195.8 18.5%	-	-

a: Unspecified sources.

b: Including imports eligible for GSP treatment but accorded m.f.n. treatment because of the non-utilization of GSP.

c: Including imports of duty-free items unbound and current duty-free items bound at positive rates (ceiling binding).

d: In this table Malaysia is included in the category of GSP beneficiary countries. Malaysia also enjoys special preferences on a few items. Imports from Malaysia under special preferences amounted to \$2.7 million, most of which were imports of preserved pineapples.

e: Including imports from some petroleum exporting countries which ceased to qualify for GSP treatment as from 1 July 1985.

Source: GATT Tariff Study files

24. Imports of industrial products from GSP beneficiary developing countries (excluding Forum Island countries) amounted to US\$377 million in 1981/82, 20 per cent of which enjoyed bound duty-free treatment. The remaining 80 per cent were composed of (i) imports subject to m.f.n. treatment (11 per cent) and (ii) imports covered by GSP (69 per cent).

- Imports of petroleum

25. Imports of petroleum amounted to US\$1,063 million in 1981/82. Most petroleum imports are subject to duty-free treatment.

An analysis of selected items of interest to developing countries, which are dutiable or subject to quantitative restrictions

26. The tariff average data as presented in this document sometimes conceal tariff problems for individual products, in particular peak tariff rates. Detailed data at the tariff line level are provided in the Annex to this document.

27. The Annex covers tariff items for which imports from developing countries were subject to positive duties<sup>1</sup> and/or quantitative restrictions and in respect of which imports from GSP beneficiary developing countries and territories accounted for more than 20 per cent of imports from all sources or exceeded US\$100,000 in the fiscal year 1981/82. With respect to these items the Annex provides data on tariff treatment (m.f.n., GSP, etc.) and the corresponding trade flows in 1981/82, together with information on quantitative import restrictions.

28. Items listed in the Annex have been broken down into several agricultural and industrial product groups. With respect to these product groups, Table 4 shows the number of tariff lines and imports in 1981/82 according to tariff treatment (m.f.n., GSP, free-trade arrangements and special preferences) and according to import treatment (subject to quantitative restrictions or not).

29. Imports of items covered by Table 4 amounted to US\$1,238.2 million in 1981/82 or about one-fifth of total New Zealand imports. A great majority of the items covered by Table 4 were industrial products. Among the industrial product groups listed in Table 4, "textiles and made-up articles" was most important in New Zealand imports from GSP beneficiary developing countries, followed by "machinery, transport equipment and scientific instruments", "clothing", "metals", and "mineral products; precious stones and metals".

30. While a large majority of industrial imports from developing countries covered by Table 4 enjoyed GSP treatment, approximately two-thirds of these imports were subject to quantitative import restrictions.

SECTION III: M.f.n. duties

The level of m.f.n. duties and tariff escalation

- Industrial products

31. Table 5 shows the average m.f.n. duties (simple and weighted) of New Zealand as of 1982 with respect to all industrial products (excluding petroleum) and for major industrial product groups of export interest to

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<sup>1</sup>

Excluding m.f.n. duty-free items and GSP duty-free items.

Table 4  
Selected Products of Export Interest to Developing Countries which are Durable  
or Subject to Quantitative Restrictions - Imports According to Tariff and Quantitative Restrictions Treatment  
(1981/82, US\$ million)

Note: Imports from GSP beneficiary developing countries are indicated in column (5) - m.f.n. treatment and in column (7) - GSP treatment

CCCN	Product Groups	Number of tariff lines	Imports from all sources	Imports According to Tariff Treatment					Import Treatment			
				MFN		GSP	Australia	Canada Forum 1.	Wholly QR	Partly QR	No QR	
				GSP beneficiary	Other							(5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
17,22,24	Sugar, tobacco, alcoholic beverages	11	39.2 100%	12.3 31%	20.8 53%	1.4 4%	3.8 10%	0.8 2%	5.7 15%	-	33.5 85%	
1-16,18-21,23	Other agricultural products	41	29.1 100%	1.5 5%	11.6 40%	4.5 15%	6.0 21%	5.5 19%	13.2 45%	2.2 8%	13.8 47%	
1-24	Sub-total of agricultural products	52	68.3 100%	13.8 20%	32.3 47%	5.9 9%	9.9 14%	6.3 9%	18.9 28%	2.2 3%	13.8 62%	
40,6401	Rubber, rubber products including footwear	14	8.2 100%	-	5.5 66%	1.6 19%	1.0 13%	0.1 1%	1.6 19%	-	6.7 81%	
41,42,43,6402-05	Leather and leather products including footwear	20	13.8 100%	1.2 9%	5.4 39%	5.3 39%	1.8 13%	0.1 1%	12.2 88%	0.2 1%	1.4 10%	
44,48,94	Wood and wood products, paper	23	17.3 100%	-	5.7 33%	3.5 20%	6.2 36%	1.8 10%	6.7 27%	4.1 24%	8.5 49%	
50,51,53,55,56,58,59,62	Textiles, made-up articles	37	106.6 100%	2.9 3%	58.8 55%	38.2 36%	4.4 4%	2.3 2%	66.7 63%	5.2 5%	34.7 33%	
60,61,65	Clothing	59	47.3 100%	-	12.3 26%	28.4 60%	3.8 8%	2.6 5%	16.4 35%	30.5 64%	0.5 1%	
25,69,70,71	Mineral products; precious stones and metals	27	33.2 100%	0.8 2%	20.2 61%	7.8 24%	2.8 8%	1.5 4%	8.0 24%	3.8 11%	21.5 65%	
73,74,76,80,82,83, except 8303	Metals	52	221.6 100%	0.6	171.4 77%	10.4 5%	37.0 17%	2.0 1%	174.8 79%	35.0 16%	11.8 5%	
30,33,39	Chemicals	22	128.5 100%	0.9 1%	86.6 67%	6.8 3%	33.4 26%	0.8 1%	113.7 88%	6.8 5%	8.0 6%	
84-91	Machinery, transport equipment and scientific instruments	77	476.6 100%	10.5 2%	374.8 79%	29.3 6%	53.6 11%	7.8 2%	258.9 54%	35.0 7%	182.8 38%	
46,49,66-68,8305,92,95-98	Miscellaneous	47	116.8 100%	5.1 4%	93.0 80%	15.8 14%	2.3 2%	0.6 1%	23.2 20%	16.9 14%	76.7 66%	
25-99	Sub-total industrial products	378	1,170.0 100%	21.8 2%	833.6 71%	147.1 13%	146.3 12%	19.4 2%	680.1 58%	137.4 12%	352.5 30%	
Chapters 1-99	TOTAL	430	1,238.2 100%	35.6 3%	865.9 70%	153.0 12%	156.2 13%	25.8 2%	698.9 57%	139.6 11%	399.6 32%	

Source: Annex to this document

Table 5

New Zealand - m.f.n. duty averages as of 1982

- S = simple average;  
 - W = weighted average based on imports in 1981/82 from m.f.n. and GSP sources.

(unit: per cent ad valorem)

Product category		All products	Raw materials	Semi-finished manufactures	Finished manufactures
All industrial products (Ch.29-99) excluding petroleum	S	19.3	2.2	12.0	24.5
	W	17.4	1.3	7.7	22.5
Rubber	S	22.3	3.7	20.9	26.3 <sup>1</sup>
	W	10.8	0.3	11.9	18.1 <sup>1</sup>
Leather	S	25.8	0.0	12.1	35.4 <sup>2</sup>
	W	32.6	0.0	17.2	36.9 <sup>2</sup>
Wood and cork	S	18.7	0.0	8.7 <sup>3</sup>	13.6 <sup>3</sup>
	W	6.4	0.0	10.6 <sup>3</sup>	8.0 <sup>3</sup>
Pulp, paper and printed matter and other articles	S	21.3	5.0	18.1	33.5 <sup>4</sup>
	W	5.5	13.3	6.8	31.6 <sup>4</sup>
Textiles	S	34.1	0.0	6.9	21.3
	W	19.1	0.0	8.7	16.8 (Fabrics)
Made-up articles	S				22.2
	W				12.5
Clothing and clothing accessories	S				77.1
	W				92.6
Mineral products and fertilizers	S	15.3	2.6		23.2 <sup>5</sup>
	W	7.9	0.4		26.1 <sup>5</sup>
Ores and metals	S	14.5	0.0	See below	18.2
	W	11.3	0.0		17.8
Iron and steel	S		0.0 <sup>6</sup>	12.6	
	W		0.0 <sup>6</sup>	8.4	
Non-ferrous metals	S		3.1 <sup>7</sup>	10.8	
	W		1.0 <sup>7</sup>	8.8	
Essential oils, perfume materials, toilet preparations, etc	S	21.9		15.3	25.0
	W	31.0		27.4	32.5
Electric machines and apparatus	S				24.3
	W				23.8

<sup>1</sup>Rubber manufactures other than the following: rubber tyres and tubes S23.7, W12.7; rubber footwear S38.3, W29.7.

<sup>2</sup>Leather manufactures other than the following: travel goods and handbags S26.7, W35.6; leather footwear S32.7, W40.1.

<sup>3</sup>Wood and cork manufactures other than the following: Wood based panels S31.0, W30.8; furnitures of wood and other materials S40.0, W40.0.

<sup>4</sup>Manufactures articles other than printed matter.

<sup>5</sup>Mineral manufactures other than the following: manufactured fertilizers S2.0, W0.0; glass and glassware S17.5, W19.9.

<sup>6</sup>Ferro-alloys.

<sup>7</sup>Unwrought non-ferrous metals including scrap.

Source: GATT Tariff Study files

developing countries and, amongst all industrial products and each product group separately for raw materials, semi-manufactures and manufactures. In 1980 New Zealand implemented all of its Tokyo Round concessions without staging. It appears that the 1982 tariff situation broadly reflects the current tariff situation except for duties applied to Australia. A number of duties applicable to Australia are being reduced in stages to implement free-trade arrangements. Ad valorem duties of New Zealand are generally based on the f.o.b. value: tariffs based on the f.o.b. value are somewhat lower than those based on the c.i.f. value. New Zealand is a party to the Customs Valuation Code.

32. At 17-19 per cent, the average level of New Zealand duties on industrial products are considerably higher than that of other developed countries. The weighted and simple averages on raw materials, semi-manufactures and finished manufactures are as follows: 1-2 per cent, 7-12 per cent and 22-25 per cent. Tariff escalation between different stages of processing remains significant in New Zealand, although this has been considerably attenuated for developing countries through the GSP.

33. While a large majority of industrial products have been covered by the GSP scheme of New Zealand, the level of m.f.n. duties continues to be of interest and relevant for developing countries: GSP rates have been established in relation to the level of m.f.n. duties and GSP rates will be changed in step with changes in m.f.n. rates (see Section IV: GSP - GSP rates and margins).

34. Table 5 also shows m.f.n. duty averages (simple and weighted) with respect to a number of industrial product groups. Attention is drawn to footnotes to the table which indicate tariff averages for a number of separately identified product groups from among finished manufactures: these product groups are often subject to distinctly different levels of duties than those on other finished manufactures based on the same material.

#### - Agricultural products

35. Table 6 shows the average m.f.n. duties (simple and weighted) of New Zealand with respect to some agricultural/tropical product groups. This table indicates that while substantial m.f.n. duties remain on processed products, tariff protection by New Zealand on agricultural/tropical products is not as significant as on industrial products. In the table simple averages are often much higher than weighted averages. This would appear to indicate that imports of processed products are often relatively limited.

#### Bindings of m.f.n. duties

36. Table 7 shows the extent to which a number of developed countries have bound their m.f.n. tariffs in the GATT. New Zealand has bound 54 per cent of its tariff lines covering agricultural products accounting for 59 per cent of 1981/82 imports of these products. These percentages are on the lower side among developed country markets. In the case of industrial products excluding petroleum, New Zealand has bound 52 per cent of its tariff lines accounting for 69 per cent of 1981/82 imports. These percentages are significantly lower than those of other developed countries except Australia.

Table 6

New Zealand - m.f.n. duty averages as of 1982  
with respect to some agricultural/tropical product groups

Note: The averages of duties being actually applied to developing countries are lower than those indicated: a number of products covered by this table enjoy GSP duty rates lower than m.f.n. duties.

Product group	m.f.n. duty average	
	Simple average	Weighted average <sup>1</sup>
Coffee, tea, cocoa (0901,0902,2102, Ch.18)	13.6	1.9
Spices (0904-0910)	9.7	2.7
Vegetables and fruit	12.3	2.4
Unprocessed (Ch. 07,08)	6.2	0.4
Processed (Ch. 20)	20.9	16.5
Vegetables oilseeds and oils	7.9	0.8
Seeds (1201)	0.0	0.0
Oils (1507, 1510-12)	8.4	1.2
Plants, flowers, wax (Ch. 06, 1207, Chs. 13, 14, 1515, 1516)	4.7	1.0
Fishery products	9.4	3.4
Unprocessed (Ch. 03)	9.1	9.4
Processed (1504, 1604, 1605)	9.6	2.9
Miscellaneous animal products (0106, 0204, Ch. 05)	3.2	0.7

<sup>1</sup> Average of all tariff items (i.e. duty-free as well as dutiable items) weighted by imports of such items from m.f.n. and GSP sources (not including SPARTECA countries, Malaysia, Australia and Canada).

Sources: GATT Tariff Study files

Table 7  
Importance of m.f.n. Tariff Bindings in GATT  
(in percentage)

Market (and statistical year)	Share of Bindings in			
	Tariff Lines		M.f.n. Imports in the Year Indicated	
	Agriculture (CCCN chapters 01-24)	Industry excluding petroleum (CCCN chapters 25-99 excluding 2709-10)	Agriculture (CCCN chapters 01-24)	Industry excluding petroleum (CCCN chapters 25-99 excluding 2709-10)
United States (1981)	90	100	95	100
Canada (1982)	91	98	98	92
Japan (1981)	64	97	63	86
European Communities (1981)	63	99	82	100
Austria (1980)	63	96	83	95
Finland (1981)	57	97	76	99
Norway (1981)	70	91	96	97
Sweden (1981)	49	98	79	97
Switzerland (1982)	47	100	64	100
New Zealand (1981/82)	54	52	59	69
Australia (1980/81)	32	17	68	41
Hungary (1981)	23	93	29	96

Note: The estimates refer to the post-MTN tariffs and cover full and partial bindings. M.f.n. imports include imports entitled to GSP. The figures are preliminary.



37. New Zealand and Australia did not take part in the across-the-board tariff reductions made on industrial products by other developed countries in the Kennedy and Tokyo rounds of multilateral trade negotiations. These countries considered that the benefits that would accrue to their exports from the MTNs were not sufficient to justify their participation in the across-the-board tariff reductions.

38. The composition of New Zealand's exports in 1975 and 1982 is indicated below:

(Unit: 0%)

	All food items	Agricultural raw materials	Fuels	Ores and metals	Manufactured goods
1975	53.9	27.0	1.3	4.6	13.2
1982	53.9	20.8	0.3	5.3	19.8

Source: UNCTAD Handbook of International Trade and Development Statistics, 1984 Supplement

In 1982 about three-quarters of its exports were agricultural products. The share of manufactured goods increased between 1975 and 1982 at the expense of the share of agricultural raw materials.

#### SECTION IV: GSP

##### Introduction

39. New Zealand introduced its system of generalized preferences in favour of developing countries with effect from 1 January 1972. Under the initial GSP scheme, beneficiary countries and territories were generally accorded preferential rates of duty equivalent to those payable under the British Preferential Tariff with respect to products on a positive list of GSP items. In some cases GSP rates were set at between the British Preferential rate and the m.f.n. rate. For a few other items where the British Tariff rates were dutiable, GSP rates were duty-free (L/3693).

40. With effect from 1 July 1976 New Zealand improved its GSP scheme extensively by enlarging the product coverage and increasing preferential margins. A negative list approach was taken for both agricultural and industrial products: exclusions from the GSP were limited to some 7 per cent of all tariff lines. For most GSP items, preferential margins ranging between 5 per cent and 20 per cent ad valorem were established on the basis of m.f.n. rates at the time when the British Preference would be phased out as a result of the United Kingdom's accession to the EEC (L/4366 and Add.1). On 1 July 1978 New Zealand introduced a new customs tariff, reducing the number of tariff lines. This involved some modifications in GSP: exclusions from the GSP represented some 8 per cent of all tariff lines in the new customs tariff. In 1979 New Zealand added 3 items to its GSP and reduced GSP rates on 15 items, taking into account the requests submitted by developing countries in the Tokyo Round (L/4366/Add.6).

41. In late 1984 the New Zealand Government announced that, for the first time since the introduction of its GSP scheme, a major review had been carried out and that as a result, with effect from 1 July 1985, New Zealand would no longer apply its GSP scheme to countries whose per capita GNP was over 70 per cent of New Zealand's own per capita GNP, but would introduce duty-free treatment for least-developed countries; in addition, it has been decided that any country so graduated from New Zealand's GSP scheme may apply for the reinstatement of the developing country right for individually nominated tariff items.

42. New Zealand provided the following background information on the new measures:

"The relative position of New Zealand in relation to both developed and less-developed countries has changed significantly since 1972. New Zealand's economic prosperity relative to other countries has declined considerably in that time while some beneficiaries of New Zealand's GSP have enjoyed an improvement in their economic prosperity relative to New Zealand. The review also highlighted the serious situation of least-developed countries and the Government has agreed to implement special measures on their behalf.

"The changes to the GSP are being made in the context of a wide-ranging programme of industry restructuring and liberalization of New Zealand's import policy by the replacement of import licensing with a system based on the tariff. The overall effect of the changes currently being made to New Zealand's import policy including the changes to the GSP, will be to create new opportunities from which all New Zealand's trading partners will be able to benefit."  
(L/4366/Add.15).

GSP scheme as of 1 July 1985

- Beneficiary countries and territories

43. As of 1 July 1985, the list of beneficiaries of the New Zealand GSP scheme includes ... countries and territories, of which thirty-six countries are listed as beneficiaries of special tariff treatment for least-developed countries. The list also includes Forum Island countries, which also enjoy duty-free treatment under non-reciprocal free-trade arrangements. The list includes Zimbabwe, added on 29 August 1980, and China, added on 13 October 1978, but does not include Greece which was excluded from the list on 1 July 1981 as a result of its accession to the EEC.

43. With regard to the new criterion for GSP beneficiaries referred to in the introduction, the delegation of New Zealand notified that one of two measures which would be introduced on 1 July 1985 was: "the adoption of a threshold, which was formerly absent, above which countries will no longer qualify for the less-developed country preferential tariff. This threshold is set at 70 per cent of New Zealand's per capita GNP, as published by the World Bank, in the World Bank Atlas. An annual review of countries' eligibility will be conducted on this basis. Countries may requalify for preferential treatment in the event that they subsequently fall below the threshold. The threshold has been adopted after careful consideration of other objective criteria, and in its application, will be transparent, non-discriminatory and uniform" (L/4366/Add.15). Countries expected to be excluded from the list of GSP beneficiaries on 1 July 1985 include Kuwait, Saudi Arabia, Singapore, and Trinidad and Tobago.

- Product coverage of GSP

44. With regard to agricultural products (CCCN Chapters 1-24), all products except those on a negative list falling within thirty-seven CCCN four-digit headings are covered by GSP. Excluded products are the following: swine meat, fish, dairy products, certain fruits, tea in small packs, certain cereals and flour, modified vegetable and animal oils, prepared meat, fish preparations, sugar, certain alcoholic beverages and tobacco (L/4366/Add.8, Appendix B).

45. With regard to industrial products (CCCN Chapters 25-99), all products except certain products falling within eighty-two CCCN four-digit headings are covered by GSP.

- GSP rates and margins

46. One of the features of New Zealand's GSP scheme is that "it is based on according margins of preference, rather than an undertaking to maintain specified GSP rates" (L/4366/Add.1, paragraph 5). Thus, GSP rates of New Zealand have been and will continue to change in step with the changes of m.f.n. rates.

47. In 1982/83, zero GSP rates were applied to nearly one half of GSP-covered imports and the other half were subject to positive GSP rates. About 70 per cent of the tariff lines covered by GSP enjoy preferential margins of 10-20 per cent ad valorem. Many of the remaining tariff lines enjoy the preferential margin of 5-7.5 per cent. A smaller margin of 2.5 per cent and larger margins of 22.5 per cent and 25 per cent apply to a few tariff lines.

- GSP limitation

48. In New Zealand there are no country or quantitative limitations for GSP imports, although quantitative import restrictions remain still on many products (see Section V).

- Duty-free treatment for least-developed countries

49. As stated in the introduction of this section, New Zealand introduced this special tariff treatment within the framework of GSP with effect from 1 July 1985. New Zealand accords imports from thirty-six UN-designated least-developed countries duty-free treatment with respect to all products except some products in which Pacific Island nations have an established trading interest and a small range of products in which there is a well established trade from least-developed countries in competition with domestic industries. New Zealand considers these exceptions as transitional measures and aims at providing least-developed countries a complete duty-free treatment. Items excluded from the duty-free treatment, as of 1 July 1985, include

<sup>1</sup> 2710, 2831, 2904, 3003, 3209, 3210, 3212, 3304, 3403, 3501, 3505, 3606, 3608, 3818, 3819, 3901, 3902, 3905, 3906, 3907, 4014, 4102, 4103, 4104, 4106, 4108, 5311, 5804, 5904, 6001, 6003, 6004, 6005, 6101, 6103, 6104, 6107, 6109, 6201, 6401-6404, 6901-6904, 6907, 6908, 6910-6912, 7008-7010, 7306, 7307, 7313, 7315, 7615, 8204, 8206, 8410, 8411, 8423, 8463, 8503, 8508, 8509, 8515, 8525, 8701-8707, 8710, 8712, 9801 and 9810. For details of these products, see L/4366/Add.8 - Appendix B, as amended by Corrigendum 1.

- Duty-free treatment of hand-made products

50. In late 1976 New Zealand introduced duty-free treatment for certain handicrafts produced in the developing countries which are beneficiaries of its GSP scheme (L/4366/Add.2). To enjoy this treatment, the submission of certificate of origin prescribed for GSP (Form 59) is required.

51. With effect from 1 April 1979 New Zealand improved this treatment by significantly expanding the product coverage, by removing certain limitations for its application and by simplifying the list and definition of qualifying handicraft goods. The list of "approved handicraft goods" in the improved system includes all articles of a number of specified natural materials as well as certain specified articles of natural wood, leather, silk, wool, cotton, linen, jute and other vegetable fibres (L/4366/Add.5). Effective from 1 November 1979 hand-made products qualifying for the duty-free treatment have been exempted also from sales tax (L/4366/Add.7). Statistical information in regard to imports under the hand-made products system is not available for the time being.

- GSP rules of origin

52. To qualify for New Zealand's GSP, the imported goods should either comply with the definition of "products wholly obtained" or the value-added criterion of 50 per cent based on the factory or works cost of the article in its finished state. Donor country content can be counted as originating in the beneficiary country and global cumulative origin is allowed. This means that the value addition to qualify for GSP could be partly made in New Zealand or in two or more GSP beneficiary countries without regional limitation. The rules of origin of New Zealand are quite liberal and do not have any discriminatory elements as between products.

53. A significant feature of New Zealand's origin certification requirements is that certificates of origin may be completed by a responsible person associated commercially with the exportation and, with the exception of Hong Kong where special arrangements exist, do not require official endorsement. New Zealand reserves the right, however, to make such enquiries as may be necessary to verify eligibility for preference where this may be in doubt. It may be noted that the certificate of origin Form 59 reproduced on pages 73-74 of L/4366/Add.4, should be used to enjoy New Zealand's GSP scheme. This form is similar to, but different from Form A generally used for GSP purposes.

Imports under GSP

54. Table 8 shows GSP-covered imports<sup>1</sup> (total and from main GSP beneficiaries) in 1982/83. In the year total GSP-covered imports amounted to NZ\$344.9 million (US\$242.6 million), of which imports from the 19 main GSP beneficiaries included in the table accounted for 97 per cent. The ten largest GSP beneficiaries between them accounted for 88 per cent of the total. Industrial products (CCCN Chapters 25-99) accounted for as much as 95 per cent of total GSP-covered imports. Agricultural products (CCCN Chapters 1-24) accounted for the remaining 5 per cent.

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<sup>1</sup> According to the Government of New Zealand, "GSP covered imports" mean "products imported from GSP beneficiaries under tariff items that have a GSP margin". Table 7 includes trade that may not have qualified for GSP at importation, but was sourced from a beneficiary.

Table 8

GSP-covered imports (total and from main GSP beneficiaries in 1982/83)

Unit: NZ\$ million; NZ\$1 = US\$0.7035 in 1982/83

CCCN Chapters	GSP-covered imports*		
	1-24	25-99	1-99
Hong Kong	0.4	80.5	80.9
Taiwan Province	0.9	57.6	58.5
Rep. of Korea	-	40.9	40.9
China	1.7	31.9	33.6
Singapore	0.3	25.4	25.7
Malaysia	5.3	12.7	18.0
India	0.5	13.1	13.6
Brazil	1.0	12.6	13.6
Spain	1.1	12.3	13.4
Thailand	0.7	5.9	6.6
Israel	0.3	5.2	5.5
Philippines	1.1	4.3	5.4
Pakistan	0.1	3.9	5.0
Fiji**	1.3	2.4	3.7
Mexico	0.1	3.0	3.1
Netherland Antilles	-	2.8	2.8
Portugal	0.3	1.8	2.1
Western Samoa**	1.3	0.2	1.5
Indonesia	0.1	1.1	1.2
Total of above	16.5	317.6	335.1
Total of all GSP beneficiaries	18.3 5%	326.6 95%	344.9 100%

\*Not including m.f.n. duty-free imports.

\*\*Forum Island countries enjoying free-trade arrangements.

Source: L/3466/Add.14

55. Table 9 shows imports from GSP beneficiaries according to tariff treatment in the five year period 1978/79-1982/83. In 1982/83 total imports from GSP beneficiaries amounted to NZ\$1,550 million (US\$1,090 million), of which m.f.n. duty-free imports represented 75 per cent, GSP-covered imports 22 per cent and GSP-excluded imports 3 per cent. With regard to agricultural products, m.f.n. duty-free imports represented 76 per cent and GSP-covered imports and GSP-excluded imports accounted for 12 per cent each. With respect to industrial products m.f.n. duty-free imports accounted for 75 per cent, GSP-covered imports 23 per cent and GSP-excluded imports 2 per cent.

56. Between 1978/79 and 1979/80 total imports from GSP beneficiaries nearly doubled and continued to increase in the following two years (in terms of New Zealand dollars). However, between 1981/82 and 1982/83 these imports suffered a setback and the share of GSP-excluded imports in total imports from GSP beneficiaries, increased from 2 per cent to 3 per cent.

#### SECTION V: Quantitative restrictions and other non-tariff measures

##### Quantitative restrictions

57. New Zealand's import restrictions mainly relate to certain agricultural products, some wood products, textiles and clothing, footwear, jewellery and pearls, steel products and machinery. Certain items in other sectors are also subject to restrictions. The restrictions are administered through an import licensing system based upon a classification of goods into three categories: (a) exempt items for which no licence is required; (b) "basic" items for which a licence is granted to existing licence holders on the basis of imports made during a previous period (global quotas); and (c) "special" items for which applications for licences are considered on their individual merits (discretionary licensing). The purpose of the import licensing system is "to protect domestic producers from import competition, in order to foster the diversification of industry and the development of investment, production and employment" (L/5172/Rev.2).

58. The Industry Studies Programme, which is aiming at increasing import competition on a gradual basis and at providing information for the gradual substitution of the regime of restrictive import licensing with a regime based upon tariffs, covers sectors like plastics, general rubber goods, tyres, ceramics, glassware, motor vehicles, electronics, shipbuilding and writing instruments. The Import Licence Tendering Scheme is another means for introducing an element of competition into the import licensing allocation system, thus providing a bridging mechanism in the movement from licensing to tariff-based protection.

59. In July 1984, approximately eighty tariff items and statistical items with a trade value of about NZ\$60-70 million per annum became exempt from import licensing. In November 1984 licences were tendered to further increase the level of access to a minimum of 10 per cent by value of the domestic market. At the beginning of 1985 tenders made available under the import licensing tendering scheme accounted for NZ\$435 million.

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<sup>1</sup> See also the description of the role of tariffs in comparison with import restrictions contained in Section II.

Table 9

Imports from GSP Beneficiaries According to Tariff Treatment

Unit: NZ\$ million

Fiscal year and CCCN chapters	Total from GSP beneficiaries		MFN duty-free		MFN dutiable			
					GSP covered		GSP excluded	
1978/79								
1-24	92.6	(100%)	78.7	(85%)	3.7	(4%)	10.2	(11%)
25-99	555.4	(100%)	400.3	(72%)	151.1	(27%)	4.0	(1%)
1-99	648.0	(100%)	479.0	(74%)	154.8	(24%)	14.1	(2%)
1979/80								
1-24	131.8	(100%)	113.5	(86%)	4.9	(4%)	13.4	(10%)
25-99	1,104.1	(100%)	879.5	(79.5%)	218.7	(20%)	6.0	(0.5%)
1-99	1,236.0	(100%)	993.0	(80%)	223.6	(18%)	18.4	(2%)
1980/81								
1-24	108.2	(100%)	87.6	(81%)	7.2	(7%)	13.3	(12%)
25-99	1,345.7	(100%)	1,126.6	(83%)	210.2	(16%)	90	(1%)
1-99	1,453.9	(100%)	1,214.1	(83.5%)	217.4	(15%)	22.3	(1.5%)
1981/82								
1-24	142.4	(100%)	115.1	(81%)	12.2	(8.5%)	15.0	(10.5%)
25-99	1,487.2	(100%)	1,159.9	(78%)	306.1	(20.5%)	21.2	(1.5%)
1-99	1,629.5	(100%)	1,275.0	(78%)	318.3	(20%)	36.3	(2%)
1982/83								
1-24	153.1	(100%)	116.2	(76%)	18.3	(12%)	18.6	(12%)
25-99	1,396.9	(100%)	1,645.3	(75%)	326.6	(23%)	25.0	(2%)
1-99	1,550.0	(100%)	1,161.5	(75%)	344.9	(22%)	43.6	(3%)

Source: L/3466/Add.8 and Add.11-14

60. Quantitative restrictions on selected items currently of interest to developing countries have been indicated in the Annex.

Textiles trade: trade flows and restrictive measures

61. As shown in Table 10 imports of textiles and clothing by New Zealand exceeded exports in 1973 and in the years 1979 to 1983. The deficit was US\$169 million in 1973 and US\$189 million in 1983.

62. In 1973 New Zealand exported textiles of the total value of US\$30 million; exports of clothing that year amounted to US\$4 million. In 1983 exports of textiles were valued at US\$99 million and clothing at US\$42 million.

63. Total imports of textiles were valued at US\$201 million in 1973, US\$364 million in 1982, and US\$306 million in 1983. The share of imports from developed countries and the developing countries respectively was 63.4 per cent and 30.5 per cent in 1973, 61.0 per cent and 32.3 per cent in 1982, and 61.0 per cent and 33.2 per cent in 1983.

64. Total imports of clothing were valued at US\$14 million in 1979, US\$26 million in 1982, and US\$24 million in 1983. In 1979, 64.2 per cent of imports came from developed countries, in 1982, 20.5 per cent and in 1983, 22.9 per cent. The percentage share of imports from developing countries was 64.7 per cent in 1982 and 67.4 per cent in 1983.

65. Imports of textiles and clothing by New Zealand are subject to import licensing arrangements the majority of which involve global quotas. The purpose of the licensing system and the policy of New Zealand to gradually replacing its import licensing regime with a regime based on tariffs have been described under Sections II and V.

Safeguard actions

66. New Zealand has not taken any Article XIX actions since 1978.

Anti-dumping actions

67. New Zealand is not a signatory of the Anti-Dumping Code and the secretariat does not have any information regarding any possible anti-dumping action.

Countervailing duty actions

68. New Zealand has not initiated any countervailing duty actions.

Other non-tariff measures

69. Table 11 lists notifications by other contracting parties in regard to other non-tariff measures maintained by New Zealand and affecting products of export interest to developing countries. Notifications under the relevant procedures do not however necessarily establish the existence of non-tariff barriers to trade in all these cases. Relevant documents, which have been indicated, may be referred to for further information on these measures.



Table 10  
New Zealand's Trade in Textiles and Clothing  
(in US\$ millions)

	1973	1979	1980	1981	1982	1983
Total Exports						
Textiles	34	77	101	101	89	99
Clothing	4	30	39	45	42	42
Total Imports						
Textiles	201	345	328	336	364	306
Clothing	6	14	17	18	26	24
Imports from developed countries						
Textiles	128	205	186	203	222	187
% share in total imports	63.4	59.6	56.7	60.3	61.0	61.0
Clothing	4	9	9	5	5	6
% share in total imports	58.7	64.2	49.3	25.3	20.5	22.9
Imports from developing countries						
Textiles	61	117	113	110	117	102
% share in total imports	30.5	33.8	34.4	32.8	32.3	33.2
Clothing	2	4	7	12	17	16
% share in total imports	34.6	29.8	42.2	66.0	64.7	67.4

Source: United Nations Trade files

Table 11

New Zealand

A - Product - Related Notifications

CCCN	Description	Notifying Country	Non-tariff Measure	Reference
Chapter 44	Lumber imports and wooden containers	Canada EEC Nordic countries	Sanitary regulations	NTM/INV/III.A.8

B - Other Notifications

NTM	Notifying Country	Reference
- Export Market Development Tax deduction	United States	NTM/INV/I.A.29
- Increased exports taxation incentive scheme and new market increased exports taxation scheme	United States	NTM/INV/I.A.30
- Countervailing duties	EEC	NTM/INV/I.B.2
- Counter purchasing	EEC	NTM/INV/I.C.18.1
- Current domestic value system	India, Japan	NTM/INV/II.B.21
- Determination of the basis for the wholesale tax	EEC	NTM/INV/V.E.36

SECTION VI: Other trade policy aspects

Structural adjustment policies

70. Information in regard to structural adjustment policies and developments in New Zealand provided by New Zealand to the Working Party on Structural Adjustment and Trade Policy, is contained in the document Spec(82)6/Add.2. The record of the discussions in the working party on this contribution is contained in the document Spec(83)29/Add.15.

Agricultural policy

71. The following statement in regard to the agricultural policy of New Zealand has been drawn from the Basic Documentation on agricultural policies prepared in connection with the multilateral trade negotiations and issued in 1974 (MTN/3E/DOC/2/Add.8).

"New Zealand is alone among the developed countries in the world in having an economy based largely on the progressive development of temperate agriculture. To natural advantages of land and climate New Zealand has added the benefits of technology and export management to achieve a highly productive farm economy. Over 80 per cent of New Zealand's exports are of agricultural origin - mainly meat and by-products, dairy products and wool - and exports contribute 23 per cent of New Zealand's gross national product (GNP). The continued growth of the agricultural sector and the export of farm products is an essential element in New Zealand's development programme.

"Arising from the nation's dependence on foreign trade, prices paid to farmers are, of necessity, directly related to realizations in overseas markets. Output subsidies and export subsidies are neither applicable nor desirable. Fluctuations in producer incomes caused by changes in market prices are countered as much as possible by a variety of internal programmes.

"New Zealand's domestic agricultural policies are based therefore on the need for flexible responses to changes in international demand and a willingness to assist our farmers to meet such changes. On the external front, New Zealand has often declared its view on the need for freer access to world markets for agricultural products by a reduction in the existing barriers to trade and the development of stable and fair trading conditions.

"Specific objectives of agricultural policy in New Zealand may be summarized as"

- (a) to utilize the natural resources of climate and soil to best advantage;
- (b) to adjust agricultural production to world changes in demand;
- (c) to expand agricultural production through land development and settlement programmes, favourable credit policies, and farmer training schemes;

- (d) to develop a strong processing sector for agricultural products with emphasis on further processing, the diversification of the product mix and the introduction of modern plant;
- (e) to seek new and expanding markets for a wider range of products with emphasis on product diversification, market development, and greater returns; and
- (f) to maintain an open trading posture and work for unrestricted access to the main markets of the world.

"The objective of developing New Zealand's natural resources is assisted through the encouragement of scientific research and the provision of adequate farm advisory and animal health services. New Zealand's comparative advantage in production of temperate agricultural products has been maintained over many years and should continue in the future.

"New Zealand farmers are not insulated from changes in world demand. They are encouraged to reach individual judgements about their future farming operations on a free choice basis. Excessive fluctuations in world prices are moderated in the domestic economy, however, by the use of reserve funds in the producer-controlled marketing boards to even out payments to farmers by support purchasing of suitable products (e.g. wool); by the use of input subsidies on fertilizer, lime and pesticides especially in periods of low export returns and/or high raw material prices; and by encouraging farmers through taxation policies to operate income equalization schemes.

"The settlement objective of agricultural policy in New Zealand has been pursued actively. Government promotes land settlement by developing farm land on its own account, and by following liberal credit policies through a State-lending authority.

"The emphasis on further processing of agricultural products recognizes the need to diversify overseas markets in which New Zealand products are sold, to meet changing consumption patterns in those markets; to increase the value of products exported; and to widen employment opportunities. Considerable funds are devoted to product research, especially through joint Government/industry financed institutes. The producer-controlled industry organizations operate programmes for plant modernization and product development. The last ten years have seen a remarkable change in both the range of products exported and in the number of countries to which these products are sold.

"The importance to New Zealand of access to overseas markets is clear. New Zealand's trade policies are designed to enhance and increase the flow of internationally-competitive products it has supplied to world markets over many years, benefitting both New Zealand and consumers in those markets. New Zealand is fully prepared to negotiate constructively in either a multilateral or a bilateral context to seek contractual commitments which will lead to improvements in the conditions of world trade for both agricultural and industrial products."

72. The following abstract of measures maintained by New Zealand affecting trade in agricultural products has been drawn from information in this regard submitted by New Zealand to the Committee on Trade in Agriculture in 1983 (AG/FOR/NZL/1).

Measures affecting exports

Export subsidies

73. Export subsidies (covering, wholly or partially, 109 CCCN at four-digit level) under the following schemes:

- (a) Export Performance Taxation Incentive
- (b) Export Suspensory Loans Scheme
- (c) Export Market Development Taxation Incentive
- (d) Export Programme Suspensory Loan Scheme

74. The latter two schemes apply to qualifying promotional expenditure only (i.e. are not allocated on a product basis).

Price support measures

75. These measures apply in the case of export beef, export sheepmeat and dairy products.

Domestic subsidies

76. New Zealand maintains a domestic consumption subsidy on fresh milk only.

77. A number of additional domestic measures are maintained by the New Zealand Government to encourage agricultural production. None of these schemes are "export subsidies" as defined in the illustrative list appended to the Subsidies Code, as all apply equally to production for domestic consumption. The measures involved include:

- (a) the provision of adequate farm advisory and animal health services;
- (b) the encouragement of scientific research;
- (c) land development and settlement programme;
- (d) credit facilities for farmers;
- (e) input subsidies on fertilizers and pest control.

Charges, prohibitions and restrictions

78. All exports from New Zealand require a licence, which in most cases is issued automatically by the Department of Customs. In the case of some products, exporters must meet certain requirements to ensure that minimum quality standards are met, and to protect New Zealand wildlife.

79. Certain of the export restrictions are due to conditions imposed by other contracting parties. Stringent controls on meat exports for example, are to ensure that minimum quality standards imposed by New Zealand's major markets are met. New Zealand also faces quantitative restrictions in some markets (1983 Voluntary Restraint Agreement with respect to apples to the European Communities, dairy products to the United States and the European Communities, beef to the United States and sheepmeats to the European Communities).

#### State trading

80. The following products are partially or fully covered by state-trading and marketing operations: fresh, chilled meat; fresh milk and cream; milk, cream, preserved, concentrated; butter; cheese and curd; eggs; fresh, chilled vegetables; apples, pears, quinces; wheat and meslin; and cereal flours.

#### Measures affecting imports

##### Tariff preferences

81. In addition to the tariff preferences in favour of the developing countries under GSP, New Zealand maintains tariff preferences (covering, wholly or partially, 104 CCCN items at four-digit level) for Pacific Island countries under SPARTECA, for Australia under the ANZCERT Agreement and for Canada under Article I:2 of the General Agreement.

##### Levies and other charges

82. A levy is applied on the importation of some alcoholic beverages to finance the Alcoholic Liquor Advisory Council, which provides support and educational services relating to the abuse of alcohol.

##### Licensing and import restrictions

83. Imports into New Zealand are regulated as follows:

- (a) an import licensing system administered under the Trade and Industry Act 1956 and associated regulations;
- (b) prohibitions and restrictions administered under the Custom Act 1966;
- (c) controls on the importation of fresh fish under the Fisheries Act 1908; and
- (d) sanitary and phytosanitary controls.

84. Seventy-seven CCCN items at four-digit level, in each case, are subject to automatic licensing and global quotas; five CCCN items at four-digit level are subject to discretionary licensing; import restrictions apply, wholly or partially, to forty-two CCCN items at four-digit level; and import prohibitions cover, wholly or partially, forty-one CCCN items at four-digit level.

State trading

85. Products imports of which are covered by state-trading operations, partially or fully, include eggs; fresh, chilled vegetables; dates, bananas, pineapples, etc.; grapes; apples, pears, quinces; wheat and meslin and cereal flours.

Regional ArrangementsNew Zealand - Australia Free Trade Agreement (NAFTA)

86. The New Zealand/Australia Free Trade Agreement signed on 31 August 1965 entered into force on 1 January 1966. The Agreement which was circulated in document L/2485/Add.1 established a plan and schedule for the elimination of duties in respect of the items listed in Schedule A which covered about 60 per cent of trade between the parties. The Agreement also contained provisions for the addition of further items. The report of the Working Party set up by the Council to examine the Agreement in the light of the relevant provisions of the General Agreement appears in BISD 14S/115-122. In the conclusions of the Working Party which were adopted on 5 April 1966, the CONTRACTING PARTIES invited the parties to the Agreement to give serious consideration to agreeing as soon as possible on a sufficiently comprehensive plan and schedule and to report to the CONTRACTING PARTIES on this point and more generally on the formation of the free-trade area (BISD 14S/22-23).

Australia - New Zealand Closer Economic Relations - Trade Agreement (ANZCERT)

87. The Australia/New Zealand Closer Economic Relations - Trade Agreement which was concluded on 28 March 1983 entered into force on 1 January 1983. This Agreement replaced the 1965 New Zealand - Australia Free Trade Agreement releasing both countries from their obligations under that Agreement. The text of the ANZCERT Agreement was circulated in document L/5475/Add.1. The parties to the Agreement stated that it was designed to complete the process towards free trade initiated by the NAFTA. Tariffs on goods specified in the Annexes to the Agreement, originating in the parties to the Agreement, would be progressively liberalized and eliminated by means of annual increases in the levels of access. These goods include, inter alia, certain agricultural commodities, wine, wood products, carpets, iron and steel products, white goods, furniture, motor vehicles, apparel and clothing, etc. The parties to the Agreement considered that the modalities and time-table to achieve free trade under the ANZCERT Trade Agreement met the requirements set down in Article XXIV of the General Agreement. Some contracting parties while welcoming the Agreement's general intention and objectives expressed difficulties in taking a definite position on the full compatibility of some of its provisions with Article XXIV. The report of the Working Party, inter alia, noted the views expressed by members and the reservation of their rights under the General Agreement. The Working Party recommended that the CONTRACTING PARTIES invite the parties to the Agreement, consistent with normal GATT practice, to furnish reports on the operation of the Agreement biennially until such time as its provisions had been fully implemented (L/5664). At its meeting on 2 October 1984 the Council adopted the report of the Working Party (C/M/181 pages 2 and 3).

### South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA)

88. The South Pacific Regional Trade and Economic Cooperation Agreement which was signed on 14 July 1980 entered into force on 1 January 1981. The text of the Agreement was circulated in document L/5100. The Agreement provides that Australia and New Zealand will grant, on a non-reciprocal basis, duty-free and unrestricted access for most of the products exported by the Forum Island countries signatories of the Agreement. The conditions of access are specified in the schedules annexed to the Agreement. The current schedules of Australia and New Zealand appear in L/5794. The Forum Island countries are the Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa. At its meeting on 11 June 1981 the Council took note of the communication in document L/5100 and agreed that the contracting parties concerned should submit a report on developments under the Agreement in accordance with the procedure for the examination of biennial reports on regional agreements (C/M/148 pages 12-13). At its meeting on 3 October 1983 the Council took note of a report on the operation of the Agreement submitted by New Zealand and Australia which had been circulated in document L/5488 (C/M/171, page 5). Australia/SPARTECA trade statistics indicated that (excluding Papua New Guinea) in 1981/82 97 per cent of total exports from Forum Island countries to Australia had entered under SPARTECA. The latest biennial report submitted by Australia and New Zealand on the operation of the Agreement has been circulated as document L/5794.

### Participation in International Commodity Agreements

89. New Zealand is a member of the International Commodity Agreements on Coffee and Sugar. New Zealand is also a member of the International Agreements on Dairy Products and Meat. New Zealand has signed and ratified the Agreement on the Common Fund for Commodities.

### SECTION VII: Trade with least-developed countries

90. Table 12 analyses New Zealand's trade with the least-developed countries between 1975 and 1983. The table shows that there was a considerable growth in this trade between 1975 and 1980, with exports from New Zealand to the least-developed countries more than doubling while imports from these countries increased by over 50 per cent. The volume of trade has declined considerably since then. Exports from New Zealand declined from US\$26.2 million in 1980 to US\$15.6 million in 1983 and imports fell from US\$18.4 million in 1980 to US\$12.5 million in 1983, almost the same level as in 1975. The share of the least-developed countries in the total trade of New Zealand has also fallen considerably between 1975 and 1983. In 1975 their share in New Zealand's exports and imports was 0.6 per cent and 0.4 per cent respectively. In 1975 export and import trade were almost balanced: however, by 1980 trade had moved largely in favour of New Zealand and has remained so since then. The table further shows that New Zealand has regular export-import trade with only about eleven least-developed countries; with the rest, the trade is limited either to exports or imports only or is rather intermittent. With a number of least-developed countries no trade has been recorded during the period under consideration. The main markets for the exports of New Zealand amongst the least-developed countries are Bangladesh, Ethiopia, Gambia, People's Republic of Yemen, Malawi, Maldives, Nepal, Western Samoa, Haiti, Sudan, United Republic of Tanzania and the Arab Republic of Yemen. The main sources of imports from amongst the least-developed countries were



Table 12  
New Zealand's Trade with Least-Developed Countries

Country	1975 (US\$'000)		1980 (US\$'000)		1981 (US\$'000)		1982 (US\$'000)		1983 (US\$'000)	
	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
Afghanistan	1	28	9	57	1,742	62	1	104	11	54
Bangladesh	1,546	2,639	3,027	7,825	4,610	4,610	1,494	4,325	3,742	3,742
Benin	-	-	5	-	-	-	-	-	-	-
Bhutan	-	-	-	-	-	-	-	-	-	-
Botswana	-	-	-	-	-	-	-	-	-	-
Burkina Faso	-	-	-	-	-	-	-	-	-	-
Burundi	-	-	-	126	-	-	-	-	-	-
Cape Verde Islands	-	-	-	-	-	60	-	39	-	2
Central African Republic	-	68	-	-	-	-	-	-	-	-
Chad	-	-	-	-	-	-	-	-	-	-
Comoros	-	-	689	-	628	-	-	-	150	-
Democratic Republic of Yemen	-	-	-	-	1	-	-	-	-	-
Djibouti	-	-	-	-	31	45	27	43	33	107
Equatorial Guinea	44	79	82	56	3	-	5	-	5	-
Ethiopia	15	-	13	-	-	-	-	-	-	-
Gambia	-	-	-	-	-	-	-	-	-	-
Guinea	-	-	-	-	-	-	-	-	-	-
Guinea Bissau	-	-	164	10	47	15	788	11	759	20
Haiti	43	-	-	-	-	-	-	-	-	-
Lao People's Democratic Republic	88	-	-	-	-	-	-	-	19	-
Lesotho	860	844	981	1,796	942	687	1,702	785	704	592
Malawi	-	-	25	-	59	-	55	-	68	-
Maldives	-	-	-	-	-	-	-	-	-	-
Mali	598	35	347	59	421	155	347	109	159	44
Nepal	-	-	-	-	44	-	-	-	-	-
Niger	-	-	-	-	-	-	-	-	-	-
Rwanda	8,476	2,339	19,150	62	15,351	5,641	12,877	4,542	11,701	5,274
Western Samoa	15	10	15	2	-	5	-	-	-	-
Sao Tome & Principe	8	40	864	11	102	15	2	21	341	63
Sierra Leone	30	-	-	-	1,007	-	940	-	-	-
Somalia	-	-	-	-	-	-	-	-	-	-
Sudan	-	-	-	-	2,005	306	-	438	-	688
Togo	7	1,710	599	1,013	-	2,680	792	1,320	1,384	1,946
United Republic of Tanzania	437	4,143	240	2,563	1,141	-	810	-	307	-
Yemen Arab Republic	54	79	-	-	-	-	-	-	-	-
Total/LLDC (US\$ million)	12.2	12.0	26.2	18.4	23.5	14.3	19.8	11.7	15.6	12.5
Total World (US\$ million)	2,081	3,183	5,266	5,516	5,332	5,735	5,224	5,905	5,196	5,334
% share of LLDC in total trade	0.6	0.4	0.5	0.3	0.4	0.2	0.4	0.2	0.3	0.2

Source: United Nations Commodity Trade Statistics

Afghanistan, Bangladesh, Central African Republic, Ethiopia, Malawi, Nepal, Western Samoa, Sudan, Uganda and the United Republic of Tanzania. Another feature of New Zealand's trade with these countries is the fact that a handful of countries account for a preponderant share of it. For example in 1983, Western Samoa alone accounted for 75 per cent of total exports to these countries while Western Samoa and Bangladesh together accounted for 72 per cent of total imports. With regard to the composition of New Zealand's imports from the least-developed countries, Table 13 shows that they comprise mainly agricultural commodities and food preparations, crude industrial materials and light manufactures, mostly textiles. In 1982, the most important import items were root products, tropical fruits and nuts; coffee; oilseeds and oleaginous fruits; food preparations; unmanufactured tobacco; textile fibres; textile fabrics; miscellaneous textile manufactures including packs, sacks, bags and garments.

#### Tariff measures on imports from the least-developed countries

91. On 24 December 1984 the Government of New Zealand announced changes in its GSP scheme effective from 1 July 1985. Among the changes was an extension of its GSI scheme by providing the thirty-six least-developed countries duty-free access for all products. There is provision for limited exceptions to this measure. However, the announcement stated that any exclusions will be very few in number and that the final aim of the change was to make all tariff items duty free for the least-developed countries. Until the announced changes, least-developed countries enjoyed only the normal GSP preferential treatment.<sup>1</sup> Table 13 which shows the tariff treatment of imports from the least-developed countries until the new changes become effective indicates that most unprocessed agricultural imports were duty free on m.f.n. and GSP bases. Duties on agricultural products and food preparations ranged from 5.7 per cent to 25.0 per cent. Many manufactured imports including a number of textile and clothing items attracted duties ranging from 10.0 per cent to 93.9 per cent.

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<sup>1</sup>The only exception to this situation is Western Samoa which as a "Forum Island" country enjoyed duty-free unrestricted access to the New Zealand market for almost all its exports, on a non-reciprocal basis, under the SPARTECA.

Table 13  
New Zealand's Main Imports from the Least-Developed Countries  
and their Tariff Treatment: 1982

CCCN Heading	Product Description	Tariff Treatment 1985	Total Imports from LDCs (US\$'000) 1982	Main LDC Suppliers
ex 07.01	Vegetables, fresh or chilled excluding potatoes, tomatoes, capers, olives, onions, mushrooms and capsicums	MFN 10% GSP Free	30	WSM
ex 07.05	Dried beans	MFN Free	5	MWI,NPL
ex 07.05	Dried leguminous vegetables, shelled, other than peas or beans	MFN Free	27	NPL
ex 07.06	Manioc, arrowroot, salep, other similar roots and tubers, with high starch and inulin content	MFN Free	2,460	WSM
ex 08.01	Bananas, fresh and dried	MFN Free	451	WSM
ex 08.01	Coconuts, brazil nuts, cashew nuts	MFN Free	372	WSM,TZA
ex 08.01	Avocados, mangoes, guavas, dates, mangosteen, fresh or dried	MFN Free	12	WSM
ex 08.09	Other fruit, fresh	MFN Free	2	WSM
ex 08.10	Frozen fruit without added sugar	MFN 20.0%	50	WSM
ex 09.01	Coffee not roasted; coffee husks and skins	MFN Free	325	ETH,UGA
ex 09.01	Roasted coffee, whether or not free of caffeine	MFN 25% GSP 10.0%	1	WSM
ex 09.07	Cloves, unground	MFN Free	68	ETH,TZA
ex 09.10	Saffron, tumeric, thyme, bay leaves, and other spices, excluding ginger, unground	MFN 0%, 5%, 20% GSP 0%, 10%	13	ETH
ex 12.01	Oilseeds and oleaginous fruit whole or broken	MFN Free	1,458	WSM
ex 12.02	Other flour and meals of oil seeds, or oleaginous fruit, soyabeans, etc.	MFN NZ\$0.65/100 kg. 5.9% (S) GSP NZ\$0.55/100 kg. 5% (S)	21	WSM
13.02	Shellac, seedlac, other lacs, natural gums, resins, etc.	MFN Free	26	NPL,SDN
ex 15.07	Castor oil, groundnut oil, olive oil, palm, palm kernel oil, etc.	MFN Free	7	MWI
ex 15.07	Copra oil	MFN 22.5% GSP 10.0%	56	WSM
ex 17.01	Solid raw beet and cane sugar, etc.	MFN NZ\$0.9/100 kg. 0.9% (S)	54	WSM
18.01	Cocoa beans, whole or broken, raw or roasted	MFN Free	19	WSM,TOG
18.05	Cocoa powder, unsweetened	MFN 35% GSP 15.0%	3	WSM
ex 19.08	Biscuits	MFN 35% GSP 25.0%	2	WSM
ex 20.05	Jam, fruit, jellies, puree, marmalades, etc.	MFN 30% GSP 22.5%	7	WSM
ex 21.07	Food preparations, n.e.s.	MFN 10%, 20%, 30%, 35% GSP 0%, 5%, 20%	387	WSM
ex 22.03	Malt beer, etc.	Various rates	6	WSM
ex 24.01	Unmanufactured tobacco and refuse for for licensed manufacture into tobacco, cigarettes, snuff, etc. c.i.f. value over \$100/100 kg.	MFN NZ\$40/100 kg. 5.7% (S)	459	MWI
ex 24.01	As above, maximum c.i.f. value \$600/100 kg.	MFN 25.0%	415	MWI
ex 42.02	Travel goods, etc. n.e.s.	MFN 40% GSP 25.0%	11	BGD,NPL
ex 44.05	Ash, hickory, juglans species, oak; tropical hardwood, sawn lengthwise, etc.	MFN Free	111	CAF,WSM
ex 44.05	Wood of non-coniferous species, n.e.s. sawn lengthwise, peeled and sliced	MFN 5% GSP Free	12	WSM
ex 44.27	Light fittings, articles of furniture, n.e.s. caskets, cigarette boxes, etc.	MFN 30% GSP 15.0%	190	NPL,WSM,TZA
ex 46.03	Basketwork, wicker work and other shaped plaiting materials, etc.	MFN 30% GSP 15.0%	32	BGD,BWA,WSM,TZA
ex 48.21	Articles n.e.s. of paper pulp, paper, paperboard or cellulose wadding	MFN 45% GSP 25.0%	5	BGD

Table 13 (cont'd)

CCCN Heading	Product Description	Tariff Treatment 1985	Total Imports from LDCs (US\$'000) 1982	Main LDC Suppliers
ex 55.05	Cotton yarn, not put up for retail sale	MFN 5% GSP Free	5	BGD
ex 55.09	Woven fabrics of cotton, n.e.s.	MFN 5% GSP Free	4	WSM
ex 57.03	Jute and other textile bast fibres, raw or processed not spun, etc.	MFN Free	29	BGD
ex 57.04	Other vegetable textile fibres, raw or processed, not spun, etc.	MFN Free	2,094	BGD, TZA
ex 57.06	Yarn of jute and other textile bast fibres, etc.	MFN Free	19	BGD
ex 57.10	Woven fabrics of jute or of other textile bast fibres	MFN Free	1,365	BGD
ex 58.01	Knitted carpets, other than machine made, of wool or fine animal hair	MFN 45% GSP 25.0%	100	AFG, BGD, NPL
ex 58.02	Other carpeting rugs, etc. of wool or fine animal hair containing 80% or more by weight of wool	MFN 30% GSP 22.5%	20	AFG, NPL
ex 58.05	Narrow woven fabrics, wholly of of cotton linen, jute, etc.	MFN Free	26	BGD
ex 59.05	Nets and netting made of twine cordage or rope other than fishing nets	MFN 20% GSP 10.0%	15	BGD
ex 59.06	Other articles made from yarn twine, cordage, rope or cables, etc.	MFN 35% GSP 20.0%	35	BGD
ex 61.01	Men's and boys' jackets, blazers and the like other than knitted or crocheted	MFN 40% GSP 35.0%	6	NPL
ex 61.02	Women's, girls' and infants' outer garments	MFN 65% GSP 45.0% 47.5%	82	AFG, NPL, WSM
ex 61.03	Mens' and boys' shirts, sizes over 81 cm. chest measurement	MFN NZ\$5 each or 40% whichever is greater - 93.9% (S) GSP NZ\$5 each or 35% whichever is greater - 93.9% (S)	5	WSM
ex 62.02	Bed linen, table linen, toilet linen, and kitchen linen, etc.	MFN 10%, 30% GSP 7.5%, 15.0%	5	NPL
ex 62.03	Wool packs	MFN Free	1,596	BGD
ex 62.03	Sacks and bags for packing, of jute, hemp, etc. as approved by Minister	MFN Free	729	BGD
ex 62.03	Sacks and bags for packing, of jute, hemp, etc. other than as approved by Minister	MFN 15% GSP 5.0%	434	BGD
ex 62.03	Sacks and bags for packing good, n.e.s.	MFN 15% GSP 5.0%	9	BGD
ex 62.05	Other made-up textile articles	MFN 40% GSP 25.0%	8	BGD
ex 94.01	Chairs and other seats of wicker, cane, bamboo and plastic substitutes therefor, etc.	MFN 40% GSP 30.0%	8	WSM
97.06	Balls for cricket, hockey, polo, softball, baseball, squash and tennis	MFN 45% GSP 30.0%	25	HTI

(S) or (M) = Ad valorem incidences of specific or mixed rates based on 1982 trade figures

Source: Customs Tariff of New Zealand, Customs Department, Wellington, January 1985  
GATT Tariff Study files