

EU/New Zealand Free Trade Agreement

2023/0038(NLE) - 10/07/2023 - Legislative proposal

PURPOSE: to conclude, on behalf of the Union, the free trade agreement between the European Union and New Zealand.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the free trade agreement between the European Union and New Zealand was signed subject to its conclusion at a later date.

The agreement must now be approved.

CONTENT: the purpose of the draft Council Decision is to approve, on behalf of the Union, the **Free Trade Agreement between the European Union and New Zealand**.

The objectives of the agreement are to liberalise and facilitate trade and investment and to promote closer economic relations between the parties.

The Agreement, once in place, will:

- eliminate all tariffs on key EU exports to New Zealand such as pigmeat, wine and sparkling wine, chocolate, sugar confectionary and biscuits;
- open New Zealand's services market in key sectors such as financial services, telecommunications, maritime transport and delivery services;
- ensure non-discriminatory treatment to EU investors in New Zealand and vice versa;
- improve access for EU companies to New Zealand government procurement contracts for goods, services, works and works concessions;
- protect close to 2000 EU wines and spirits and protect 163 of the most renowned traditional EU products (Geographical Indications);
- facilitate data flows, predictable and transparent rules for digital trade and a secure online environment for consumers;
- prevent unjustified data localisation requirements and maintaining the high standards of personal data protection;
- help small businesses export more through a dedicated chapter on small and medium enterprises;
- reduce compliance requirement and procedures to allow for quicker flow of goods;
- protect and enforce intellectual property rights, aligned with EU standards, according to commitments by New Zealand.

The Agreement is the first one to fully integrate the EU's new approach to trade and sustainable development (TSD) which has been endorsed by the Council in the conclusions of 17 October 2022. It includes specific provisions on sustainable food systems, trade and gender equality, and trade and fossil fuel subsidy reform.

Lastly, the FTA provides for sanctions as a last resort in the event of serious violations of core labour principles or of the Paris Agreement.

The Commission is authorised to approve, on behalf of the Union, after consulting the special committee appointed by the Council in accordance with Article 207(3) of the Treaty, modifications to the Agreement that are to be adopted by means of a simplified procedure pursuant to Article 14.4 or 18.33, or Article 24.3, point (h) or (i), of the Agreement.