

INFORMATION FOR VIETNAMESE BUSINESSES ENTERING THE NEW ZEALAND'S MARKET

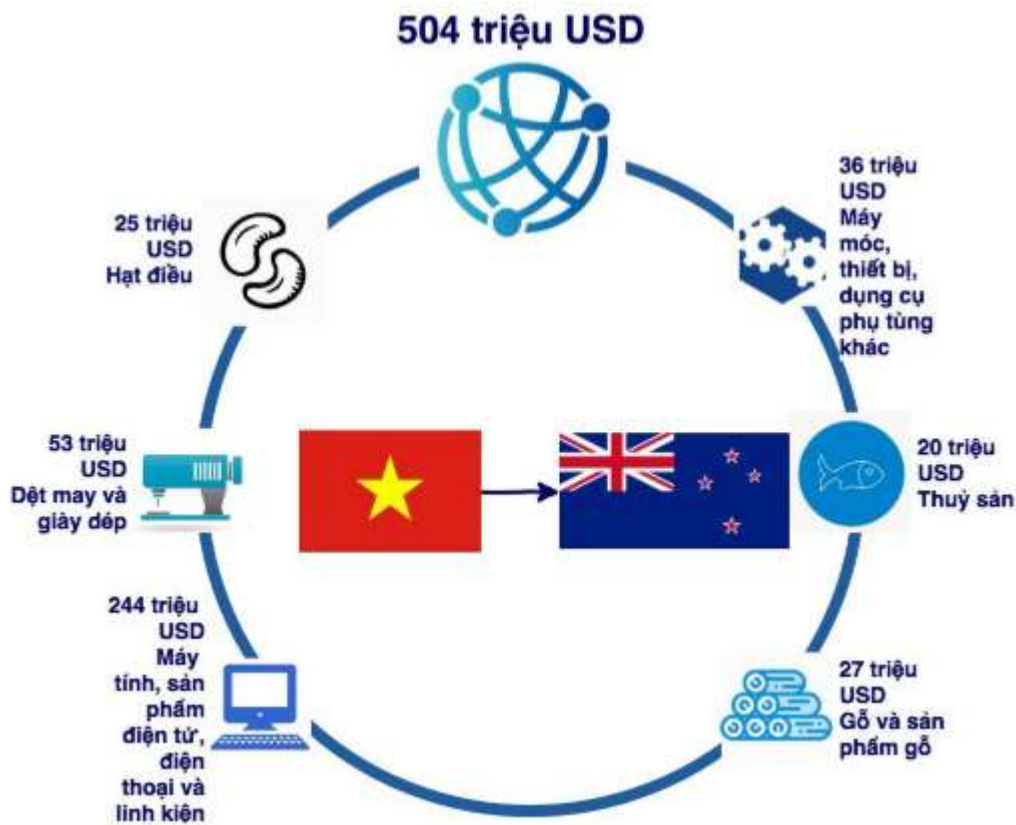
In addition to the Free Trade Agreement between ASEAN, Australia and New Zealand (AANZFTA), which came into effect in 2010, goods and services of from Vietnam will also enjoy better preferential import tariffs and more accessible service market to New Zealand under the CPTPP Agreement since January 14th, 2019.

Bilateral trade relations between Vietnam and New Zealand

New Zealand is one of Vietnam's important partners. Vietnam is currently the 16th largest trading partner in New Zealand. According to data from the General Department of Vietnam Customs (GDVC), Trade in goods between the two countries reached about USD 1 billion in 2018, increased by 14.1% compared to that of 2017 (USD 906 million); in which, exports to New Zealand in 2018 reached USD 504 million, up 18.6% from 2017 (USD 425 million).

Over the past few years, Vietnam has mainly exported computers, electronic products, phones, and components, textiles, garments, and footwear, machinery, equipment, other component parts, and wood and wooden products to New Zealand's market.

Vietnam's export turnover to New Zealand (2018)



NEW ZEALAND'S COMMITMENTS TO ELIMINATING IMPORT TARIFFS

General commitments

- Immediately eliminate 94.6% tariff lines for Vietnam once the Agreement takes effect, equivalent to 69% of Vietnamese export turnover (USD 101 million) to New Zealand.
- Remaining tariff lines will be gradually reduced and completely eliminated by the 7th year

Agricultural and Seafood Products

- Immediately eliminate tariffs for Vietnamese primary exported goods such as rice, cereals, vegetables and fruits, tea, pepper, cashew, and seafood once the Agreement takes effect.

Footwear:

- Eliminate all tariffs within 5 years.

Textiles and Garments:

- Eliminate all tariffs within 7 years.

Others:

- Other potential export products or products that are being invested to improve competitive capacity, such as bee's honey, sugar, livestock products, egg, milk,ect. will immediately enjoy 0% tariffs once the Agreement comes into effect.

**NEW ZEALAND'S COMMITMENT
TO OPENING SERVICES MARKET**

In principal, New Zealand does not hold many restrictions on foreign service suppliers, including Vietnam. International suppliers can provide services, with no restrictions and in almost all services sectors, through cross-border or commercial presence methods (establishing a company or a representative office) in New Zealand, except the following sensitive sectors:

Fire service

New Zealand reserves the right to fire services licenses and all related activities.

Research and development services (physical science, chemistry, biology, engineering and technology, agriculture, medicine)

New Zealand reserves the right to research and development services license and all related activities.

Fishery service

New Zealand reserves the right to fishery services license and all related activities.

Note: This is a non-exhaustive, illustration list. It does not cover all the services that New Zealand has reserved.