The following information has been received from the delegation of New Zealand in connexion with the implementation of Part IV and operation of the Enabling Clause.

Trade Promotion

1. Through the Developing Countries Liaison Unit established by the Department of Trade and Industry in 1975 to assist exports to New Zealand from developing countries, New Zealand has continued to assist developing countries increase their exports to New Zealand by helping in arrangements for visiting trade missions, trade groups and individual exporters. The assistance to these visitors has been extended to aiding them in exploring the market opportunities in New Zealand for their products. This year the Unit assisted four of the member ASEAN countries; Singapore, Thailand, Indonesia and the Philippines with exporters missions to New Zealand. Products included on the missions varied from consumer items to such things as PVC resins and ophthalmic lenses.

2. Another form of assistance which has been given by the Unit during the year has been the dissemination of New Zealand market information to developing country exporters wishing to export to New Zealand.

3. The Unit's work in the Trade Promotion area has been complemented with general assistance also being provided in other ways. For example, a team of four officials spent three weeks touring the ASEAN capitals to explain New Zealand's tariff and import licensing regimes and exporting to New Zealand in general. Similarly, officials have travelled to Pacific Island countries to explain to business representatives and officials the access and assistance provisions of the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA).

4. In addition trade officials from ASEAN countries were attached on secondment to the New Zealand Department of Trade and Industry to gain first-hand knowledge of New Zealand's trade promotion techniques, tariff and import licensing systems, and the New Zealand market in general. A similar proposal is envisaged for Pacific Island officials.
Non-tariff measures

5. MTN undertakings

As a result of New Zealand's MTN undertakings on import licensing agreed at the Tokyo Round, additional licence allocations were made available on a range of products of particular interest to developing countries in the 1979/80 licensing period, and again in 1980/81. The range of items included - fish fillets, rice in retail packs; vegetable oils in retail packs; other prepared or preserved meat or meat offal only; sugar confectionery not containing cocoa; cocoa powder, unsweetened; chocolate and other food preparations containing cocoa; biscuits; macaroni, spaghetti and similar products; vegetables and fruit, prepared or preserved etc; jams, fruits and jellies; fruit preserved by freezing; vegetable and fruit juices not in bulk containers; extracts, essences or concentrates of coffee and coffee substitutes; textured vegetable protein; and prepared mustards, mixed condiments and seasonings other than soy sauce etc.

The extra licensing entitlement has been absorbed into the general basic allocations in the 1981/82 licensing year. In addition the value of basic allocations have been increased by 25 per cent over the 1980/81 period.

Some of the items in respect of which New Zealand agreed to additional licensing were "C" (controlled) items, and these have now been converted into basic licences for the 1981/82 import licensing period.

6. Textile industry plan

A wide range of textile goods of interest to developing countries were exempted from import licensing control in the 1980/81 licensing period as a result of recommendations made by the Industries Development Commission in its report on the New Zealand textile industry. These included flax, yarn and thread containing man-made fibres in Tariff Chapter 51 with some exceptions; quilted fabrics; terry towelling and bathmats of terry towelling. Also bed, table, toilet and kitchen linen, plain; babies' napkins, bedspreads, plain; woven pile and chenille fabrics (other than of sheep's or lambs' wool or fine animal hair); woven textile fabrics, containing in any proportion man-made discontinuous fibres; woven continuous filament polyester net; woven polyester fabrics; babies' and infants' wear.

Other developments which have taken place as part of the Textile Development Plan include the Materials Replacement (MR) Scheme introduced in 1980 for certain textile yarns and fabrics. Licences issued under the Scheme in 1980-81 provided for up to 150 per cent of imports in the previous licensing period. Provision was also made for limited allocations to new entrants. In the 1981-82 licensing period "MR" entitlement is based on imports against licences issued under the Scheme in the 1980-81 licensing period, and a provision for new entrants is maintained.
Another aspect of the Textile Plan is the allocation of extra licences for certain twine, cordage ropes and cables of a type made in New Zealand. The 1980-81 allocation for these goods was $NZ 400,000 and this figure has been increased to $NZ 500,000 in the 1981-82 licensing period in line with the Import Licensing Schedule increase of 25 per cent over the 1980-81 allocation. The import licensing policy for such goods of a type not made in New Zealand has also been liberalized.

7. 1981-82 Import Licensing Schedule

The 1981-82 Schedule provides for some further exemptions from import licensing control. They include certain raw materials/plant/componentry for use in domestic manufacture or repair; gelatin capsules, petroleum coke, textured vegetable protein, industrial knitting machines, concentrated sulphite lye and a range of steel items; a few consumer goods including guitars, brochures, posters, and leaflets designed to promote travel outside New Zealand; and certain worked articles of tortoise-shell, mother-of-pearl, ivory, bone and coral. The latter exemptions are likely to be of most interest to developing countries.

Tariffs

8. Extensive tariff benefits are now accorded by New Zealand to developing countries. For the trade year ending June 1980, 80 per cent ($NZ 993 million) of developing country trade was set at free from all sources while a further 12 per cent ($NZ 152 million) was free with a preferential margin. Exceptions from New Zealand's GSP were kept to a minimum, some 1.6 per cent ($NZ 19 million) and were related in the main to revenue considerations (e.g., spirits and tobacco). The balance of trade, some 6 per cent ($NZ 72 million) was dutiable but with a margin of preference in favour of developing countries ranging from 2.5 per cent to 20 per cent.

Other

9. In line with the objectives of Part IV and the "special and differential treatment" provisions of the Framework Agreement, New Zealand, together with Australia, has entered into an important, non-reciprocal regional trade arrangement designed to assist developing countries in the Pacific region. The Agreement, the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), came into force on 1 January 1981.

10. The Agreement provides that Australia and New Zealand will grant duty-free and unrestricted access for most of the products exported by Island members of the South Pacific Forum on a non-reciprocal basis. In addition, it provides for economic co-operation among the governments concerned, with particular emphasis on assistance by Australia and New Zealand to help develop the export capability of the Forum Island countries. The Agreement was ratified by the Forum heads of government from Australia, Cook Islands, Kiribati, New Zealand, Niue, Solomon Islands, Tonga, Tuvalu, Western Samoa, Papua New Guinea and Fiji.
11. In 1974-75 New Zealand implemented a Developing Countries Handicraft Scheme (DCHS) to provide for additional imports from developing countries of handicrafts subject to import licensing control. The scheme has a budget allocation of $NZ 2 million for 1981-82 and is designed to assist developing countries to obtain access for their handicrafts to the New Zealand market.

12. During 1980 a ten-week course was conducted in customs activities for senior officers from developing countries. Countries represented at the course were: India, Singapore, Bangladesh, Nepal, Korea, Western Samoa, Jamaica, Tanzania, Malaysia, Zambia and Malawi. This course was the eighth in a series first started by the Customs Department in 1965.