

Proactive Release

Date: 28 January 2021

The following Cabinet papers and related Cabinet minutes have been proactively released by the Minister for Trade and Export Growth:

Pacific Agreement on Closer Economic Relations Plus (PACER Plus): Orders in Council and Amendment Regulations

(CAB-20-SUB-0481 refers)

Pacific Agreement on Closer Economic Relations Plus (PACER Plus): Orders in Council and Amendment Regulations

(CAB-20-MIN-0481 refers)

Additional documents regarding PACER Plus have also been included in the proactive release.

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction codes:

- 9(2)(a): to protect individuals' privacy



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Pacific Agreement on Closer Economic Relations Plus (PACER Plus): Orders in Council and Amendment Regulations

Portfolio **Trade and Export Growth**

On 23 November 2020, Cabinet:

- 1 **noted** that in October 2018, the Cabinet Legislation Committee:
 - 1.1 noted that the Pacific Agreement on Closer Economic Relations Plus (PACER Plus) will be implemented domestically through an Act (the Tariff (PACER Plus) Amendment Act 2018) and other legal instruments;
 - 1.2 authorised the submission to the Executive Council of instruments to implement and give effect to New Zealand's obligations under PACER Plus, when the date of entry into force of PACER Plus is known;

[LEG-18-MIN-0151]
- 2 **noted** that PACER Plus will enter into force on 13 December 2020 for New Zealand and seven other countries (Australia, Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, and Tonga);
- 3 **authorised** the submission to the Executive Council of the:
 - 3.1 Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2020 [PCO 21601/5.0];
 - 3.2 Tariff (PACER Plus) Amendment Order 2020;
 - 3.3 Tariff (Specified PACER Plus Parties) Order 2020 [PCO 21628/5.0];
 - 3.4 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020 [PCO 21587/6.0];
- 4 **noted** that a waiver of the 28-day rule is sought:
 - 4.1 so that the instruments can come into force in time for entry into force of PACER Plus on 13 December 2020;
 - 4.2 on the grounds that early commencement is necessary to comply with New Zealand's international obligations under PACER Plus;

5 **agreed** to a waiver of the 28-day rule so that the instruments can come into force on 13 December 2020.

Michael Webster
Secretary of the Cabinet

Proactively released by the
Minister for Trade and Export Growth



Cabinet

Summary

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Pacific Agreement on Closer Economic Relations Plus (PACER Plus): Orders in Council and Amendment Regulations

Portfolio Trade and Export Growth

Purpose This paper seeks authorisation for the submission to the Executive Council of four legislative instruments to implement and give effect to New Zealand's obligations under the Pacific Agreement on Closer Economic Relations Plus (PACER Plus).

Previous Consideration In October 2018, the Cabinet Legislation Committee (LEG) noted that PACER Plus will be implemented domestically through an Act (the Tariff (PACER Plus) Amendment Act 2018) and other legal instruments.

LEG authorised the submission to the Executive Council of instruments to implement and give effect to New Zealand's obligations under PACER Plus, when the date of entry into force of PACER Plus was known.

[LEG-18-MIN-0151]

Summary PACER Plus is a trade and development treaty between New Zealand, Australia and nine Pacific countries, covering goods, services, movement of natural persons, investment, trade-related development assistance and other associated areas. New Zealand signed PACER Plus on 14 June 2017.

PACER Plus will enter into force on 13 December 2020 for the eight countries that have ratified it (New Zealand, Australia, Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, and Tonga).

The instruments implement and give effect to New Zealand's obligations under PACER Plus.

Regulatory Impact Analysis An extended National Interest Analysis was prepared at the time that PACER Plus was approved.

Compliance	<p>Customs certified the Tariff (PACER Plus) Amendment Order 2020 on 12 November 2020 as being in order for submission to Cabinet.</p> <p>Parliamentary Council certified the three other instruments on 11 November 2020 as being in order for submission to Cabinet.</p> <p>A waiver of the 28-day rule is sought so that the instruments can come into force on 13 December 2020. The waiver is sought on the grounds that on the grounds that early commencement is necessary to comply with New Zealand's international obligations under PACER Plus.</p>
Timing Issues	The instruments come into force on 13 December 2020.
Announcement	None indicated.
Proactive Release	This paper will be proactively released.
Consultation	<p>Paper prepared by MFAT. DPMC, MBIE, and Customs were consulted.</p> <p>The Minister for Trade and Export Growth indicates that the Minister of Commerce and Consumer Affairs and the Minister of Customs were consulted.</p>

The Minister for Trade and Export Growth recommends that Cabinet:

- 1 note that in October 2018, the Cabinet Legislation Committee:
 - 1.1 noted that the Pacific Agreement on Closer Economic Relations Plus (PACER Plus) will be implemented domestically through an Act (the Tariff (PACER Plus) Amendment Act 2018) and other legal instruments;
 - 1.2 authorised the submission to the Executive Council of instruments to implement and give effect to New Zealand's obligations under PACER Plus, when the date of entry into force of PACER Plus is known;

[LEG-18-MIN-0151]
- 2 note that PACER Plus will enter into force on 13 December 2020 for New Zealand and seven other countries (Australia, Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, and Tonga);
- 3 authorise the submission to the Executive Council of the
 - 3.1 Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2020 [PCO 21601/5.0];
 - 3.2 Tariff (PACER Plus) Amendment Order 2020;
 - 3.3 Tariff (Specified PACER Plus Parties) Order 2020 [PCO 21628/5.0];
 - 3.4 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020 [PCO 21587/6.0];

- 4 note that a waiver of the 28-day rule is sought:
 - 4.1 so that the instruments can come into force in time for entry into force of PACER Plus on the 13 December 2020;
 - 4.2 on the grounds that early commencement is necessary to comply with New Zealand's international obligations under PACER Plus;
- 5 agree to a waiver of the 28-day rule so that the instruments can come into force on 13 December 2020.

Gerrard Carter
for Secretary of the Cabinet

Hard-copy distribution:
The Cabinet

Proactively released by the
Minister for Trade and Export Growth

Office of the Minister for Trade and Export Growth
Office of the Minister of Commerce and Consumer
Affairs and Minister of Customs

Chair, Cabinet Legislation Committee

Legal Instruments to Implement the Pacific Agreement on Closer Economic Relations Plus (PACER Plus)

Proposal

1 It is proposed that the Cabinet Legislation Committee (LEG) authorise the submission to the Executive Council of the:

- Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
- Tariff (PACER Plus) Amendment Order 2019;
- Tariff (Specified PACER Plus Parties) Order 2019; and
- Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.

2 These legal instruments are necessary to implement and give effect to New Zealand's obligations under the Pacific Agreement on Closer Economic Relations Plus (PACER Plus). The accompanying draft legal instruments will be finalised with necessary amendments once the date of entry into force of PACER Plus is known.

Policy

3 On 31 May 2017, the previous Cabinet invited the previous Minister of Trade to issue drafting instructions to the Parliamentary Counsel Office to draft the appropriate Bill and regulations to give effect to PACER Plus (EGI-17-MIN-0121). New Zealand signed PACER Plus on 14 June 2017. The Foreign Affairs, Defence and Trade Committee (FADTC) presented its report on the PACER Plus text and the accompanying National Interest Analysis to the House of Representatives on 4 August 2017.

4 PACER Plus will be implemented domestically through an Act and other legal instruments, as has been usual practice for the majority of New Zealand's previous free trade agreements. The Tariff (PACER Plus) Amendment Act 2018 (the Act) amends the Tariff Act 1988 and the Tariff to enable the application of preferential tariff rates under the Agreement, and amend the rules on "goods re-entered after repair and alteration" in the Tariff. The Act received Royal Assent on 13 September 2018.

5 The legal instruments required to implement and give effect to PACER Plus will:

- Bring the Tariff (PACER Plus) Amendment Act 2018 into force;
- Amend the Tariff of New Zealand to confer on specified PACER Plus Parties the tariff preferences negotiated under PACER Plus;
- Declare PACER Plus signatories to be specified PACER Plus Parties for the purposes of the Tariff Act 1988; and
- Amend, through incorporation by reference, the Customs and Excise Regulations 1996 to give effect to the rules of origin agreed between New Zealand and PACER Plus Parties and to provide for specific rules of origin for goods imported to New Zealand from PACER Plus Parties.

6 Under sections 403 and 407 of the Customs and Excise Act 2018, the Governor-General may, by Order in Council, make regulations prescribing the goods which are deemed to be the produce and manufacture of any country, and the conditions to be fulfilled. Section 407 provides that the Minister of Customs shall consult the Minister of Commerce in relations to such regulations. This is discussed further under the Consultation section below.

Timing and 28-day rule

7 PACER Plus does not specify a date for entry into force, requiring instead that the Agreement shall enter into force 60 days after the date on which eight negotiating Parties have notified the Depository (Tonga) in writing of the completion of their internal requirements (Article 8 of Chapter 15 of PACER Plus).

8 Officials expect that PACER Plus will enter into force in late 2019. New Zealand aims to be one of the first countries to ratify PACER Plus (in conjunction with Australia). This will send a positive signal to other PACER Plus signatories who are currently working on their domestic processes to allow ratification. Early ratification by New Zealand also reflects the large development commitments New Zealand (and Australia) have made to Pacific signatories as part of our broad goal to promote economic integration and long term prosperity in the Pacific.

9 The legal instruments must be confirmed by Cabinet before New Zealand is in a position to provide the Depository with the written notification outlined in paragraph 7 above. It is necessary that the legal instruments come into force on the same date as PACER Plus enters into force for New Zealand. It is therefore recommended that the Cabinet Legislation Committee approve the draft legal instruments for submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known.

Compliance

10 The legal instruments are consistent with:

- the principles of the Treaty of Waitangi;
- the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;

- the principles and guidelines set out in the Privacy Act 1993;
- relevant international standards and guidelines; and
- the LAC Guidelines on the Process and Content of Legislation (2014 edition), which are maintained by the Legislation Design and Advisory Committee.

Regulations Review Committee

11 There are no grounds for the Regulations Review Committee to draw the Orders or the Regulations to the attention to the House under Standing Order 319.

Certification by Parliamentary Counsel

12 The following draft instruments have been certified by the Parliamentary Counsel as being in order for submission to Cabinet:

- Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
- Tariff (Specified PACER Plus Parties) Order 2019; and
- Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.

13 The New Zealand Customs Service has drafted and certified the Tariff (PACER Plus) Amendment Order 2019.

14 When the entry into force date of PACER Plus is known, the Parliamentary Counsel Office and the New Zealand Customs Service will finalise the relevant legal instruments, with necessary amendments, for submission to the Executive Council. This process will ensure that the legal instruments come into force on the same date as PACER Plus enters into force for New Zealand.

Impact analysis

15 An extended National Interest Analysis (NIA) incorporating Regulatory Impact Analysis (RIA) elements was prepared and submitted at the time that Cabinet approval of the PACER Plus outcome and legislative implementation was sought [CAB Min (EGI-17-MIN-0121) refers]. The NIA set out the legislative, including regulatory, changes required to implement PACER Plus.

Publicity

16 The PACER Plus page on the MFAT website (<https://mfat.govt.nz/pacer>) provides the full text and a series of factsheets explaining the key aspects of PACER Plus. Information will also be provided on the Customs website.

17 Public outreach and consultation took place during the negotiation of PACER Plus and subsequent to signing, including with Māori, Pacific interest and community groups, relevant private sector organisations, civil society and academia. Public submissions were also received when negotiations commenced in 2009. Thirteen public submissions were received from a range of individuals and organisations involved in development,

business, education, unions, social services and a church based group. Since then, interest has not been widespread but has been steady.

Consultation

Section 407 of the Customs and Excise Act 2018

18 Section 407 of the Customs and Excise Act 2018 requires that the Minister of Customs consult with the Minister of Commerce and Consumer Affairs about any amendment to the rules of origin regulations. As one of the signatories to this paper as the Minister of Commerce and Consumer Affairs, and the Minister of Customs, I have considered the matters outlined in the Cabinet Manual on "Exercise of Ministers' statutory powers and functions in the collective Cabinet context" in sections 5.34 to 5.37.

19 I have received independent advice from the Ministry of Business, Innovation and Employment on considerations relevant to the Commerce and Consumer Affairs portfolio and from the New Zealand Customs Service in regard to considerations relevant to the Customs portfolio. I have also received advice from the Department of Prime Minister and Cabinet.

20 Based on the advice received, I have consulted myself as Minister of Customs and Minister of Commerce and Consumer Affairs. I confirm that by signing as the Minister of Commerce and Consumer Affairs and the Minister of Customs, the required consultation under section 407 of the Customs and Excise Act 2018 has taken place.

Departmental Consultation

21 The Ministry of Business, Innovation and Employment, which administers the Tariff Act 1988, and the New Zealand Customs Service, which administers the Customs and Excise Act 2018, have been consulted and concur with the recommendations of this paper. The Parliamentary Counsel Office has also been consulted in the preparation of this paper. The Department of Prime Minister and Cabinet and the Treasury have been informed.

22 Extensive consultations took place in the context of the PACER Plus negotiation and domestic implementation process. Information was gathered from a range of sources, both in New Zealand and from the Pacific region, about potential economic, social and environmental impacts. The information was gathered from government agencies, Māori, Pasifika groups, business groups, civil society, academia and various domestic and regional media.

Recommendations

23 We recommend that the Cabinet Legislation Committee:

- 1 **Note** that PACER Plus will be implemented domestically through an Act (the Tariff (PACER Plus) Amendment Act 2018) and other legal instruments (as noted below).

Page 5 of 5

- 2 **Authorise** the submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known, of the:
- 2.1 Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
 - 2.2 Tariff (PACER Plus) Amendment Order 2019;
 - 2.3 Tariff (Specified PACER Plus Parties) Order 2019; and
 - 2.4 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.
- 3 **Note** that the date on which the legal instruments come into force will be the date on which PACER Plus enters into force for New Zealand.

Statutory prerequisite for consultation under the Customs and Excise Act 2018

- 4 **Note** that section 407 of the Customs and Excise Act 2018 requires the Minister of Customs to consult the Minister of Commerce about making regulations determining country of produce or manufacture.
- 5 **Note** that the Minister of Customs and Commerce and Consumer Affairs confirms that adequate consultation in terms of section 407 has taken place.

Authorised for lodgement

Hon David Parker

Minister for Trade and
Export Growth

Hon Kris Faafoi

Minister of Commerce and
Consumer Affairs and Minister
of Customs

PCO 21587/6.0
 Drafted by Anshuman Chakraborty

IN CONFIDENCE

Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020

Governor-General

Order in Council

At Wellington this day of 2020

Present:
 in Council

These regulations are made under sections 403(1), 407, and 412 of the Customs and Excise Act 2018—

- (a) on the advice and with the consent of the Executive Council; and
- (b) to the extent that these regulations, in accordance with section 407(1)(b) of the Customs and Excise Act 2018, prescribe goods that are treated as being the produce or manufacture of any country for the purposes of the Tariff Act 1988, on the recommendation of the Minister of Customs made after consultation with the Minister of Commerce and Consumer Affairs.

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**Customs and Excise (Rules of Origin for PACER Plus
Goods) Amendment Regulations 2020**

Regulations

1 Title

These regulations are the Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020.

2 Commencement

These regulations come into force on 13 December 2020.

3 Principal regulations

These regulations amend the Customs and Excise Regulations 1996 (the **principal regulations**).

4 New regulations 51ZZG and 51ZZH and cross-heading inserted

After regulation 51ZZF, insert:

Provisions relating to PACER Plus parties

51ZZG Interpretation

In this regulation and regulation 51ZZH, unless the context otherwise requires,—

PACER Plus means the Pacific Agreement on Closer Economic Relations Plus done at Nuku'alofa, Tonga, on 14 June 2017

PACER Plus party means a country that is declared by Order in Council under section 7A(1)(bb) of the Tariff Act 1988 to be a specified PACER Plus party for the purposes of that Act.

51ZZH Originating goods

Particular goods are treated for the purposes of the Act and the Tariff Act 1988 as being the produce or manufacture of a PACER Plus party if the goods meet all applicable requirements set out in the following provisions of PACER Plus:

- (a) Chapter 3, Section A: Rules of Origin, Articles 1 to 14; and
- (b) Chapter 3, Section B: Origin Procedures, Articles 15 to 25; and
- (c) Annex 3-A: Declaration of Origin Requirements; and
- (d) Annex 3-B: Schedule of Product Specific Rules.

Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations come into force on 13 December 2020, which is the date on which the Pacific Agreement on Closer Economic Relations Plus (**PACER Plus**), done at Nuku'alofa, Tonga, on 14 June 2017, enters into force for New Zealand.

These regulations amend the Customs and Excise Regulations 1996 (the **principal regulations**). These regulations prescribe rules of origin, including product-specific rules and other applicable requirements, for goods imported to New Zealand from parties to PACER Plus for the purpose of giving effect to PACER Plus.

The rules of origin in PACER Plus are incorporated into the principal regulations by reference. At the time of the making of these regulations, the text of PACER Plus is available at <https://www.mfat.govt.nz/pacer>

Access to the provisions incorporated by reference is also facilitated by the chief executive of the New Zealand Customs Service in the other ways required by section 52 of the Legislation Act 2012 (as applied by section 412(3) of the Customs and Excise Act 2018).

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*:

These regulations are administered by the New Zealand Customs Service.

Proactively released by the
Minister for Trade and Export Growth

IN CONFIDENCE

Office of the Minister for Trade and Export Growth
Chair, Cabinet

Pacific Agreement on Closer Economic Relations Plus (PACER Plus): Orders in Council and Amendment Regulations

Proposal

- 1 It is proposed that Cabinet:
 - 1.1 note the 2018 authorisation for submission to the Executive Council of the legal instruments (Orders in Council and Regulations) needed to implement and give effect to New Zealand's obligations under PACER Plus; and
 - 1.2 agree to waive the 28-day rule for entry into effect of the Orders and Regulations.

Policy

- 2 PACER Plus is a trade and development treaty between New Zealand, Australia and nine Pacific countries (Cook Islands, Kiribati, Nauru, Niue, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu). PACER Plus covers goods, services, movement of natural persons, investment, trade-related development assistance and other associated areas. It does not include investor-state dispute settlement. Nauru, Tuvalu, and Vanuatu have signed but not yet ratified the treaty.
- 3 New Zealand signed PACER Plus on 14 June 2017. After completing Parliamentary Treaty Examination and passing the necessary legislation (The Tariff (PACER Plus) Amendment Act 2018), New Zealand notified the Depositary (Tonga) of the completion of our internal requirements (ratification) on 24 October 2018.
- 4 A number of Orders in Council and Regulations are also required to give effect to New Zealand's international obligations under PACER Plus. These are listed below:
 - 4.1 Tariff (PACER Plus) Amendment Act Commencement Order 2020;
 - 4.2 Tariff (PACER Plus) Amendment Order 2020;
 - 4.3 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020; and
 - 4.4 Tariff (Specified PACER Plus Parties) Order 2020.
- 5 On 18 October 2018, the Cabinet Legislation Committee (LEG-18-MIN-0151):

IN CONFIDENCE

- 5.1 authorised the submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus was known, of the required Orders in Council and Regulations;
- 5.2 authorised the Minister for Trade and Export Growth, the Minister of Commerce and Consumer Affairs, and the Minister of Customs to approve any minor or technical amendments to these legal instruments; and
- 5.3 noted that the date on which the legal instruments come into force will be the date on which PACER Plus enters into force for New Zealand.
- 6 There have been minor amendments to finalise the legal instruments for entry into force. All of the instruments have been amended to provide for a commencement date of 13 December 2020. The Tariff (Specified PACER Plus Parties) Order has also been amended to specify the countries for which PACER Plus will be in force.
- 7 New Zealand was formally notified on 15 October 2020 that PACER Plus will enter into force on 13 December 2020 for the eight countries that have ratified it (New Zealand, Australia, Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, and Tonga).

Timing and 28-day rule

- 8 Ordinarily, regulations must not come into force until at least 28-days after they have been notified in the New Zealand Gazette. There are some instances where it may be appropriate to seek a waiver of the 28-day rule, such as to meet international obligations (Cabinet Manual, paragraph 7.97(c)).
- 9 To comply with New Zealand's obligations under PACER Plus and to meet the entry into force date, I seek a waiver of the 28-day rule on the grounds that early commencement is necessary to comply with New Zealand's international obligations under PACER Plus. This will ensure that the PACER Plus legislative package comes into force by 13 December 2020 when the PACER Plus international obligations come into effect.

Proactive release

- 10 This paper will be proactively released in full.

Consultation

- 11 The Ministry of Business, Innovation and Employment, which administers the Tariff Act 1988, and the New Zealand Customs Service, which administers the Customs and Excise Act 2018 and the Working Tariff Document, have been consulted and concur with the recommendations of this paper. The Parliamentary Counsel Office has also been consulted in the preparation of his paper. The Department of Prime Minister and Cabinet has been informed.

Recommendations

- 12 I recommend that Cabinet:

IN CONFIDENCE

- 1 **note** that on 18 October 2018 the Cabinet Legislation Committee authorised the submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus was known, of the legal instruments needed to implement and give effect to New Zealand's obligations under PACER Plus (LEG-18-MIN-0151);
- 2 **note** that PACER Plus will enter into force on 13 December 2020 for New Zealand and seven other countries (Australia, Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, and Tonga);
- 3 **note** that a waiver of the 28-day rule is sought:
 - 3.1 so that the Regulations can come into force in time for entry into force of PACER Plus on the 13 December 2020;
 - 3.2 on the grounds that early commencement is necessary to comply with New Zealand's international obligations under PACER Plus;
- 4 **agree** to waive the 28-day rule so that the Regulations can come into force on 13 December 2020.

Authorised for lodgement

Hon Damien O'Connor
Minister for Trade and Export Growth



Cabinet Legislation Committee

Minute of Decision

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Pacific Agreement on Closer Economic Relations Plus (PACER Plus): Orders in Council

Portfolio Trade and Export Growth / Commerce and Consumer Affairs / Customs

On 18 October 2018, the Cabinet Legislation Committee:

- 1 **noted** that PACER Plus will be implemented domestically through an Act (the Tariff (PACER Plus) Amendment Act 2018) and other legal instruments, as noted below;
- 2 **authorised** the submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known, of the:
 - 2.1 Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019 [PCO 21601/2.0];
 - 2.2 Tariff (PACER Plus) Amendment Order 2019;
 - 2.3 Tariff (Specified PACER Plus Parties) Order 2019 [PCO 21628/2.0];
 - 2.4 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019 [PCO 21587/3.0];
- 3 **authorised** the Minister of Trade and Export Growth and the Minister of Commerce and Consumer Affairs and Customs to approve any minor or technical amendments to the legal instruments, referred to in paragraph 2 above;
- 4 **noted** that the date on which the legal instruments come into force will be the date on which PACER Plus enters into force for New Zealand;

Statutory prerequisite for consultation under the Customs and Excise Act 2018

- 5 **noted** that section 407 of the Customs and Excise Act 2018 requires the Minister of Customs to consult the Minister of Commerce about making regulations determining country of produce or manufacture;
- 6 **noted** that the Minister of Customs and Commerce and Consumer Affairs confirms that adequate consultation in terms of section 407 has taken place.

Vivien Meek
Committee Secretary

Hard-copy distribution (see over)

Present:

Rt Hon Winston Peters
Hon Chris Hipkins (Chair)
Hon Andrew Little
Hon Dr David Clark
Hon Iain Lees-Galloway
Hon Damien O'Connor
Hon Tracey Martin
Hon Eugenie Sage
Hon Ruth Dyson (Senior Government Whip)

Officials present from:

Officials Committee for LEG

Hard-copy distribution:

Minister for Trade and Export Growth
Minister of Commerce and Consumer Affairs
Minister of Customs

Proactively released by the
Minister for Trade and Export Growth



NEW ZEALAND
FOREIGN AFFAIRS & TRADE



2 October 2018

Minister for Trade and Export Growth

For action by 11 October 2018

Legal Instruments to Implement PACER Plus

BRIEFING	Cabinet Paper Covering
PURPOSE	This Cabinet paper seeks approval to submit to the Executive Council legal instruments necessary to implement and give effect to New Zealand's obligations under PACER Plus.

Recommended referrals

Minister of Foreign Affairs	For information by	10 October 2018
Minister of Commerce and Consumer Affairs	For action by	10 October 2018
Minister of Customs	For action by	10 October 2018

Timing requirements

Complete consultation	By 10 am on 10 October 2018
In Cabinet Office	By 10 am on 11 October 2018
For Cabinet Legislation Committee (LEG) meeting	on 18 October 2018
For Cabinet meeting	on 23 October 2018

Contact details

NAME	ROLE	DIVISION	WORK PHONE	MOBILE PHONE
Nicola Ngawati	Acting Unit Manager	Pacific Regional	s9(2)(a)	
Chantal Hickey	Legal Adviser	Trade Law Unit, Legal		

Minister's Office comments

*Signed / reserved
Cen 2/10/18*

Key points

- New Zealand signed the Pacific Agreement on Closer Economic Relations Plus (PACER Plus) on 14 June 2017 in Nuku'alofa, Tonga. The previous Cabinet invited the previous Minister of Trade to issue instructions to Parliamentary Counsel Office to draft the appropriate Bill and regulations to give effect to PACER Plus (EGI-17-MIN-0121).
- The Tariff (PACER Plus) Amendment Act 2018 received Royal Assent on 13 September 2018.
- The attached Cabinet paper proposes that the Cabinet Legislation Committee (LEG) authorise the submission to the Executive Council of the:
 - Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
 - Tariff (PACER Plus) Amendment Order 2019;
 - Tariff (Specified PACER Plus Parties) Order 2019; and
 - Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.
- The legal instruments are necessary to implement and give effect to New Zealand's obligations under PACER Plus, and must be confirmed by Cabinet before New Zealand is in a position to inform the Depository (Tonga) of New Zealand's completion of its domestic requirements. The previous Cabinet agreed that, subject to completion of the Parliamentary treaty examination process, and the passing of implementing legislation and regulations, New Zealand notify the depository in writing of the completion of our internal requirements, necessary for entry into force for the Agreement (EGI-17-MIN-0121).
- New Zealand will be the first country to ratify PACER Plus. It is hoped that New Zealand's ratification will act as a useful catalyst to encourage Pacific signatories to progress their own domestic processes to proceed to ratification in 2019. It also aligns with New Zealand's significant development contribution.
- PACER Plus will enter into force 60 days after eight negotiating Parties have notified the PACER Plus Depository of the completion of their internal requirements.
- The Cabinet paper recommends that the Cabinet Legislation Committee approve the draft legal instruments for submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known.

- We recommend that the Cabinet paper be signed by both you and Minister Faafoi in his capacity as both Minister of Commerce and Consumer Affairs and Minister of Customs. This is because the Ministry of Business, Innovation and Employment administers the Tariff Act 1988 and the New Zealand Customs Service administers the Customs and Excise Act 2018, and both agencies were involved in the drafting of these legal instruments.
- MBIE and Customs have been consulted on this paper and support the recommendations and process.



Victoria Hallum
for Secretary of Foreign Affairs and Trade

Recommendations

It is recommended that you:

- 1 **Note** that the previous Cabinet invited the previous Minister of Trade to issue instructions to Parliamentary Counsel Office to draft the appropriate Bill and regulations to give effect to PACER Plus. Yes / No
- 2 **Sign** the attached Cabinet paper proposing that the Cabinet Legislation Committee (LEG) authorise the submission to the Executive Council of the: Yes / No
 - 2.1 Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
 - 2.2 Tariff (PACER Plus) Amendment Order 2019;
 - 2.3 Tariff (Specified PACER Plus Parties) Order 2019; and
 - 2.4 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.
- 3 **Note** that the legal instruments listed above must be confirmed by Cabinet before New Zealand can inform the PACER Plus Depository of New Zealand's completion of its domestic requirements. Yes / No

- 4 **Note** that the previous Cabinet agreed that, subject to completion of the Parliamentary treaty examination process and the passing of implementing legislation and regulations, New Zealand notify the depositary in writing of the completion of our internal requirements, necessary for entry into force for the Agreement. Yes / No
- 5 **Note** that the attached Cabinet paper recommends that the Cabinet Legislation Committee approve the draft legal instruments for submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known. Yes / No
- 6 **Submit** the attached Cabinet Paper to the Cabinet Office. Yes / No



Hon David Parker
Minister for Trade and Export Growth

Proactively released by the
Minister for Trade and Export Growth

Office of the Minister for Trade and Export Growth

Office of the Minister of Commerce and Consumer
Affairs and Minister of Customs

Chair, Cabinet Legislation Committee

Legal Instruments to Implement the Pacific Agreement on Closer Economic Relations Plus (PACER Plus)

Proposal

1 It is proposed that the Cabinet Legislation Committee (LEG) authorise the submission to the Executive Council of the:

- Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
- Tariff (PACER Plus) Amendment Order 2019;
- Tariff (Specified PACER Plus Parties) Order 2019; and
- Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.

2 These legal instruments are necessary to implement and give effect to New Zealand's obligations under the Pacific Agreement on Closer Economic Relations Plus (PACER Plus). The accompanying draft legal instruments will be finalised with necessary amendments once the date of entry into force of PACER Plus is known.

Policy

3 On 31 May 2017, the previous Cabinet invited the previous Minister of Trade to issue drafting instructions to the Parliamentary Counsel Office to draft the appropriate Bill and regulations to give effect to PACER Plus (EGI-17-MIN-0121). New Zealand signed PACER Plus on 14 June 2017. The Foreign Affairs, Defence and Trade Committee (FADTC) presented its report on the PACER Plus text and the accompanying National Interest Analysis to the House of Representatives on 4 August 2017.

4 PACER Plus will be implemented domestically through an Act and other legal instruments, as has been usual practice for the majority of New Zealand's previous free trade agreements. The Tariff (PACER Plus) Amendment Act 2018 (the Act) amends the Tariff Act 1988 and the Tariff to enable the application of preferential tariff rates under the Agreement, and amend the rules on "goods re-entered after repair and alteration" in the Tariff. The Act received Royal Assent on 13 September 2018.

5 The legal instruments required to implement and give effect to PACER Plus will:

Page 2 of 5

- Bring the Tariff (PACER Plus) Amendment Act 2018 into force;
- Amend the Tariff of New Zealand to confer on specified PACER Plus Parties the tariff preferences negotiated under PACER Plus;
- Declare PACER Plus signatories to be specified PACER Plus Parties for the purposes of the Tariff Act 1988; and
- Amend, through incorporation by reference, the Customs and Excise Regulations 1996 to give effect to the rules of origin agreed between New Zealand and PACER Plus Parties and to provide for specific rules of origin for goods imported to New Zealand from PACER Plus Parties.

6 Under sections 403 and 407 of the Customs and Excise Act 2018, the Governor-General may, by Order in Council, make regulations prescribing the goods which are deemed to be the produce and manufacture of any country, and the conditions to be fulfilled. Section 407 provides that the Minister of Customs shall consult the Minister of Commerce in relations to such regulations. This is discussed further under the Consultation section below.

Timing and 28-day rule

7 PACER Plus does not specify a date for entry into force, requiring instead that the Agreement shall enter into force 60 days after the date on which eight negotiating Parties have notified the Depositary (Tonga) in writing of the completion of their internal requirements (Article 8 of Chapter 15 of PACER Plus).

8 Officials expect that PACER Plus will enter into force in late 2019. New Zealand aims to be one of the first countries to ratify PACER Plus (in conjunction with Australia). This will send a positive signal to other PACER Plus signatories who are currently working on their domestic processes to allow ratification. Early ratification by New Zealand also reflects the large development commitments New Zealand (and Australia) have made to Pacific signatories as part of our broad goal to promote economic integration and long term prosperity in the Pacific.

9 The legal instruments must be confirmed by Cabinet before New Zealand is in a position to provide the Depositary with the written notification outlined in paragraph 7 above. It is necessary that the legal instruments come into force on the same date as PACER Plus enters into force for New Zealand. It is therefore recommended that the Cabinet Legislation Committee approve the draft legal instruments for submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known.

Compliance

10 The legal instruments are consistent with:

- the principles of the Treaty of Waitangi;
- the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;

- the principles and guidelines set out in the Privacy Act 1993;
- relevant international standards and guidelines; and
- the LAC Guidelines on the Process and Content of Legislation (2014 edition), which are maintained by the Legislation Design and Advisory Committee.

Regulations Review Committee

11 There are no grounds for the Regulations Review Committee to draw the Orders or the Regulations to the attention to the House under Standing Order 319.

Certification by Parliamentary Counsel

12 The following draft instruments have been certified by the Parliamentary Counsel as being in order for submission to Cabinet:

- Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
- Tariff (Specified PACER Plus Parties) Order 2019; and
- Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.

13 The New Zealand Customs Service has drafted and certified the Tariff (PACER Plus) Amendment Order 2019.

14 When the entry into force date of PACER Plus is known, the Parliamentary Counsel Office and the New Zealand Customs Service will finalise the relevant legal instruments, with necessary amendments, for submission to the Executive Council. This process will ensure that the legal instruments come into force on the same date as PACER Plus enters into force for New Zealand.

Impact analysis

15 An extended National Interest Analysis (NIA) incorporating Regulatory Impact Analysis (RIA) elements was prepared and submitted at the time that Cabinet approval of the PACER Plus outcome and legislative implementation was sought [CAB Min (EGI-17-MIN-0121) refers]. The NIA set out the legislative, including regulatory, changes required to implement PACER Plus.

Publicity

16 The PACER Plus page on the MFAT website (<https://mfat.govt.nz/pacer>) provides the full text and a series of factsheets explaining the key aspects of PACER Plus. Information will also be provided on the Customs website.

17 Public outreach and consultation took place during the negotiation of PACER Plus and subsequent to signing, including with Māori, Pacific interest and community groups, relevant private sector organisations, civil society and academia. Public submissions were also received when negotiations commenced in 2009. Thirteen public submissions were received from a range of individuals and organisations involved in development,

business, education, unions, social services and a church based group. Since then, interest has not been widespread but has been steady.

Consultation

Section 407 of the Customs and Excise Act 2018

18 Section 407 of the Customs and Excise Act 2018 requires that the Minister of Customs consult with the Minister of Commerce and Consumer Affairs about any amendment to the rules of origin regulations. As one of the signatories to this paper as the Minister of Commerce and Consumer Affairs, and the Minister of Customs, I have considered the matters outlined in the Cabinet Manual on "Exercise of Ministers' statutory powers and functions in the collective Cabinet context" in sections 5.34 to 5.37.

19 I have received independent advice from the Ministry of Business, Innovation and Employment on considerations relevant to the Commerce and Consumer Affairs portfolio and from the New Zealand Customs Service in regard to considerations relevant to the Customs portfolio. I have also received advice from the Department of Prime Minister and Cabinet.

20 Based on the advice received, I have consulted myself as Minister of Customs and Minister of Commerce and Consumer Affairs. I confirm that by signing as the Minister of Commerce and Consumer Affairs and the Minister of Customs, the required consultation under section 407 of the Customs and Excise Act 2018 has taken place.

Departmental Consultation

21 The Ministry of Business, Innovation and Employment, which administers the Tariff Act 1988, and the New Zealand Customs Service, which administers the Customs and Excise Act 2018, have been consulted and concur with the recommendations of this paper. The Parliamentary Counsel Office has also been consulted in the preparation of this paper. The Department of Prime Minister and Cabinet and the Treasury have been informed.

22 Extensive consultations took place in the context of the PACER Plus negotiation and domestic implementation process. Information was gathered from a range of sources, both in New Zealand and from the Pacific region, about potential economic, social and environmental impacts. The information was gathered from government agencies, Māori, Pasifika groups, business groups, civil society, academia and various domestic and regional media.

Recommendations

23 We recommend that the Cabinet Legislation Committee:

- 1 **Note** that PACER Plus will be implemented domestically through an Act (the Tariff (PACER Plus) Amendment Act 2018) and other legal instruments (as noted below).

Page 5 of 5

- 2 **Authorise** the submission to the Executive Council, finalised with necessary amendments, when the date of entry into force of PACER Plus is known, of the:
- 2.1 Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2019;
 - 2.2 Tariff (PACER Plus) Amendment Order 2019;
 - 2.3 Tariff (Specified PACER Plus Parties) Order 2019; and
 - 2.4 Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2019.
- 3 **Note** that the date on which the legal instruments come into force will be the date on which PACER Plus enters into force for New Zealand.

Statutory prerequisite for consultation under the Customs and Excise Act 2018

- 4 **Note** that section 407 of the Customs and Excise Act 2018 requires the Minister of Customs to consult the Minister of Commerce about making regulations determining country of produce or manufacture.
- 5 **Note** that the Minister of Customs and Commerce and Consumer Affairs confirms that adequate consultation in terms of section 407 has taken place.

Authorised for lodgement



Hon David Parker

Minister for Trade and
Export Growth

Hon Kris Faafoi

Minister of Commerce and
Consumer Affairs and Minister
of Customs



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere



16 November 2020

Minister for Trade and Export Growth

For action by 17 November 2020

Legal instruments required to implement PACER Plus

BRIEFING Cabinet Paper Covering

PURPOSE This Cabinet Paper proposes that Cabinet note the submission to the Executive Council of the legal instruments necessary to implement and give effect to New Zealand's obligations under PACER Plus, and approve a waiver of the 28-day rule.

Tukunga tūtohua – Recommended referrals

Minister of Foreign Affairs	For information by	17 November 2020
Minister of Commerce and Consumer Affairs	For action by	17 November 2020
Minister of Customs	For action by	17 November 2020

Timing requirements

In Cabinet Office	By 10 am on 19 November 2020
For Cabinet meeting	on 23 November 2020

Taipitopito whakapā – Contact details

NAME	ROLE	DIVISION	MOBILE PHONE
Keawe Woodmore	Unit Manager, FTA Implementation	Trade Negotiations Division	s9(2)(a)

Minister's Office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Noted	<input type="checkbox"/> Seen
<input type="checkbox"/> Needs amendment	<input type="checkbox"/> Declined	<input type="checkbox"/> Withdrawn
<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	

Comments

Legal instruments required to implement PACER Plus

Pito mātua – Key points

- New Zealand signed the Pacific Agreement on Closer Economic Relations Plus (PACER Plus) on 14 June 2017 in Nuku'alofa, Tonga.
- The Foreign Affairs, Defence and Trade Committee (FADTC) presented its report on the PACER Plus text and the accompanying National Interest Analysis to the House of Representatives on 4 August 2017. After passing the necessary legislation, New Zealand notified the Depository (Tonga) of the completion of our internal requirements (ratification) on 24 October 2018.
- PACER Plus requires eight ratifications in order to enter into force. Following the ratification of the Agreement by the Cook Islands on 14 October 2020, PACER Plus will now enter into force on 13 December 2020 for New Zealand and seven other countries (Australia, Cook Islands, Kiribati, Niue, Samoa, Solomon Islands and Tonga).
- A number of legal instruments are necessary to implement and give effect to New Zealand's obligations under PACER Plus.
- The Tariff (PACER Plus) Amendment Act 2018 received Royal Assent on 13 September 2018.
- On 18 October 2018, the Cabinet Legislation Committee authorised the submission to the Executive Council of the Orders in Council and Regulations necessary to implement PACER Plus. This authorisation was provided on the understanding that these legal instruments would need to be amended before they could be submitted to Executive Council to provide for the date of entry into force. One Order also would need to be amended to specify the countries for which PACER Plus will be in force.
- The attached Cabinet paper therefore proposes that Cabinet note the submission to the Executive Council of the:
 - Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2020;
 - Tariff (PACER Plus) Amendment Order 2020;
 - Tariff (Specified PACER Plus Parties) Order 2020; and
 - Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020.
- A waiver of the 28-day rule for entry into effect of the Orders and Regulations is sought. This is because there is insufficient time to meet the 28-day rule before

Legal instruments required to implement PACER Plus

PACER Plus enters into force. A waiver is justified on the grounds that the Orders and Regulations are necessary to comply with international obligations.

- Legal instruments submitted to the Executive Council are required to be accompanied by an advice sheet recommending that the Governor General sign the instrument. Advice sheets are in the name of the Minister responsible for the instrument, although any Minister can sign the actual sheet.
- We recommend that the advice sheets for the legal instruments be signed by you and Ministers Clark and Whaitiri as follows:
 - Minister for Trade and Export Growth: the Tariff (PACER Plus) Amendment Act Commencement Order 2020;
 - Minister of Customs: the Tariff (PACER Plus) Amendment Order 2020 and the Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020; and
 - Minister of Commerce and Consumer Affairs: the Tariff (Specified PACER Plus Parties) Order 2020.
- This is because your predecessor as Minister for Trade and Export Growth was the responsible Minister for the Tariff (PACER Plus) Amendment Bill, and the remaining legal instruments relate to the Tariff Act 1988 and the Customs and Excise Act 2018 which fall under the Commerce and Consumer Affairs and Customs portfolios.
- MBIE and Customs have been consulted on this paper and support the recommendations and process.

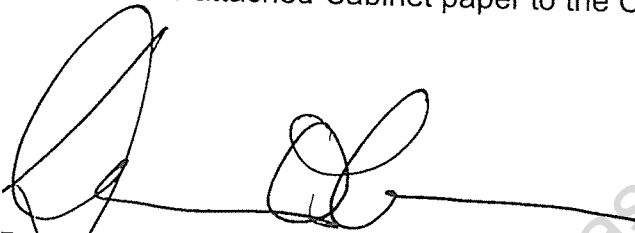
Signed by Clare Kelly

Clare Kelly
for Secretary of Foreign Affairs and Trade

Legal instruments required to implement PACER Plus

Tūtohu – RecommendationsIt is recommended that you:

- 1 **Note** that a number of legal instruments are necessary to implement and give effect to New Zealand's obligations under PACER Plus when it enters into force on 13 December 2020. Yes / No
- 2 **Sign** the attached Cabinet paper proposing that Cabinet note the submission to the Executive Council of the legal instruments and approves a waiver of the 28-day rule. Yes / No
- 3 **Sign** the attached advice sheet for the Tariff (PACER Plus) Amendment Act Commencement Order 2020. Yes / No
- 4 **Submit** the attached Cabinet paper to the Cabinet Office. Yes / No



Hon Damien O'Connor
Minister for Trade and Export Growth

Date: 17/11/20

Proactively released by the
Minister for Trade and Export Growth

PCO 21601/5.0
 Drafted by Anshuman Chakraborty

IN CONFIDENCE

**Tariff (PACER Plus) Amendment Act 2018
 Commencement Order 2020**

Governor-General

Order in Council

At Wellington this day of 2020

Present:
 in Council

This order is made under section 2 of the Tariff (PACER Plus) Amendment Act 2018 on the advice and with the consent of the Executive Council.

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2	Commencement of Tariff (PACER Plus) Amendment Act 2018	1

Order

1 Title

This order is the Tariff (PACER Plus) Amendment Act 2018 Commencement Order 2020.

2 Commencement of Tariff (PACER Plus) Amendment Act 2018

The Tariff (PACER Plus) Amendment Act 2018 comes into force on 13 December 2020.

Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order brings into force, on 13 December 2020, the Tariff (PACER Plus) Amendment Act 2018.

The Tariff (PACER Plus) Amendment Act 2018 amends the Tariff Act 1988 and the notes to, and Part II of, the Tariff as part of the implementation of a free trade agreement, the Pacific Agreement on Closer Economic Relations Plus (**PACER Plus**), done at Nuku'alofa, Tonga, on 14 June 2017. The amendments—

- enable the application of Preferential Tariff rates under PACER Plus; and
- amend the rules on “goods re-entered after repair or alteration” in the Tariff.

At the time of the making of this order, the text of PACER Plus was available at <https://www.mfat.govt.nz/pacer>

PACER Plus will also be implemented by regulations—

- to enable goods from specified PACER Plus parties that meet the rules of origin and other applicable requirements to have a Preferential Tariff rate of “Free”; and
- to give effect to the rules of origin and product-specific rules for goods imported from specified PACER Plus parties.

The regulations are—

- Tariff (PACER Plus) Amendment Order 2020; and
- Tariff (Specified PACER Plus Parties) Order 2020; and
- Customs and Excise (Rules of Origin for PACER Plus Goods) Amendment Regulations 2020.

The commencement of the Tariff (PACER Plus) Amendment Act 2018, effected by *clause 2* of this order, is co-ordinated with the date of the coming into force of PACER Plus for New Zealand.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*:

This order is administered by the Ministry of Business, Innovation, and Employment.

IN CONFIDENCE

Tariff (PACER Plus) Amendment Order 2020

Governor General

Order in Council

At Wellington this day of 2020

Present:

Her Excellency the Governor-General in Council

Pursuant to section 9 of the Tariff Act 1988, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following order.

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3	Principal document amended	2
4	Tariff amended	2

Tariff (PACER Plus) Amendment Order 2020**Order****1 Title**

This order is the Tariff (PACER Plus) Amendment Order 2020.

2 Commencement

This order comes into force on 13 December 2020.

3 Principal document amended

This order, in accordance with section 9F(2) of the Tariff Act 1988, amends the Tariff.

4 Tariff amended

The footnote on each page of the Tariff is amended by inserting 'PPP' after 'Pac' so that the footnote reads;

*Unless otherwise indicated, AAN, AU, CN, CPT, HK, KR, LLDC, MY, Pac, PPP, SG, TH, TPA and TW rates in the Preferential Tariff are Free

Clerk of the Executive Council

Proactively released by the
Minister for Trade and Export Growth

Tariff (PACER Plus) Amendment Order 2020**Explanatory note**

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on 13 December 2020 amends the Working Tariff Document so that goods from the Pacific Agreement on Closer Economic Relations Plus (**PACER Plus**) specified countries that meet the rules of origin and other applicable requirements have a Preferential Tariff rate of Free. The amendments give effect to the PACER Plus done at Nuku'alofa, Tonga, on 14 June 2017.

The new rate of duty indicated by this order is set out in the provisions of PACER Plus.

At the time of the making of this order, the text of PACER Plus was available at—

- <https://www.mfat.govt.nz/pacer/>

This order is a confirmable instrument under section 47B of the Legislation Act 2012. It is revoked on the close of 31 December 2021 unless earlier confirmed by an Act of Parliament.

Issued under the authority of the Tariff Act 1988.
This order is administered by the New Zealand Customs Service.
Date of notification in the Gazette: ----

Proactively released by the
Minister for Trade and Export Growth

PCO 21628/5.0
 Drafted by Anshuman Chakraborty

IN CONFIDENCE

Tariff (Specified PACER Plus Parties) Order 2020

Governor-General

Order in Council

At Wellington this day of 2020

Present:
 in Council

This order is made under section 7A(1)(bb) of the Tariff Act 1988 on the advice and with the consent of the Executive Council.

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3	Specified PACER Plus parties	1

Order

1 Title

This order is the Tariff (Specified PACER Plus Parties) Order 2020.

2 Commencement

This order comes into force on 13 December 2020.

3 Specified PACER Plus parties

The following countries that are parties to PACER Plus are declared to be specified PACER Plus parties for the purposes of the Tariff Act 1988:

(a) Australia:

- (b) Cook Islands:
- (c) Kiribati:
- (d) Niue:
- (e) Samoa:
- (f) Solomon Islands:
- (g) Tonga.

Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on 13 December 2020, declares Australia, the Cook Islands, Kiribati, Niue, Samoa, Solomon Islands, and Tonga to be specified parties to the Pacific Agreement on Closer Economic Relations Plus (**PACER Plus**) for the purposes of the Tariff Act 1988. PACER Plus is a free trade agreement, done at Nuku'alofa, Tonga, on 14 June 2017.

The effect of this order is to entitle the countries specified in *clause 3* to preferential tariffs set under the Tariff Act 1988 in accordance with PACER Plus.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*:

This order is administered by the Ministry of Business, Innovation, and Employment.