Doing Business in New Zealand:

2013 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In New Zealand

Market Overview Return to top

New Zealand offers the ease of an English-speaking culture, a stable democracy, rule of law, a transparent market, and business practices similar to those in the United States.

The foundation of New Zealand's economy is exporting agricultural products such as dairy products, meat, forest products, fruit and vegetables, and wine. High international commodity prices, particularly for protein will continue to help New Zealand's economy through 2013 but farm incomes are falling as a result of the 2012/2013 summer drought – the worst in 70 years. Domestically, the Canterbury rebuild is expected to be the main driver of growth in 2013. The New Zealand Treasury estimates the damage from the Christchurch earthquakes at around NZ$40 billion, much of which is covered by private insurance (reinsured through overseas insurances companies).

Opportunities exist for American technologies and products that reduce cost, increase productivity, and wring more value from supply chains. In addition, a continuous drive to remain globally-competitive with a relatively-small manufacturing sector should drive prospects for productivity-enhancing products such as information technology and manufactured goods.

In 2010, the United States, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam began negotiating the Trans-Pacific Partnership (TPP), a regional Asia-Pacific trade agreement, with the objective of shaping a high-standard, broad-based regional agreement. Since 2010, Mexico and Canada both successfully negotiated to became TPP members. In July 2013, Japan is expected to join the TPP. The TPP agreement will create a potential platform for economic integration across the Asia-Pacific region, and a means to advance U.S. economic interests with the fastest-growing economies in the world.

Market Challenges Return to top

- Successful American exporters to New Zealand should develop business models allowing them to do business effectively given New Zealand's small population and distance from the United States.

- Competition is relatively open in most sectors, but neighboring Australia's dominance of New Zealand's trade presents a significant challenge to American suppliers who face higher freight costs.

Market Opportunities Return to top

- American exporters are advised to monitor exchange rates and New Zealand's demand for price-competitive technologies that support economic sustainability.

- The importance of the agricultural sector to New Zealand's export economy will maintain demand for innovative, agricultural equipment.

- An imminent construction boom led by the Christchurch rebuild.

Market Entry Strategy Return to top

- Successful market entry strategies for New Zealand have three common elements: understanding the market; selecting the optimal partner; and providing ongoing support to that partner in the market.

- A common language and familiar business framework may lead Americans to overlook New Zealand's cultural and market differences. It is vital to understand the New Zealand context for a product or service, including competitors, standards, regulations, sales channels, and applications.

- Estimates of sales, market share, or demand should rely on comprehensive, product- or technology-specific market research.

- Success in the New Zealand market requires establishing a local sales presence. For most American exporters this means appointing an agent or distributor. In New Zealand, American firms choose to give responsibility for marketing and sales to a distributor in Australia or elsewhere in the region, especially if the distributor has a subsidiary office in New Zealand. While there is increasing integration between the two nations' economies, providing adequate coverage from one country requires a distributor to expend significant additional resources for a limited increase in accounts.

- The distance from trading partners causes New Zealand firms to stress the importance of local support and service. Representatives of American companies should visit New Zealand to meet prospective partners and demonstrate ongoing support, as this is common practice of competitors, many of which are just across the Tasman Sea in Australia.

- Performing due diligence is important and numerous resources are available for assistance.

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INTERNATIONAL
TRADE
ADMINISTRATION

COUNTRY FACT SHEET: NEW ZEALAND

PROFILE

Population in 2011 (Millions): 4
Capital: Wellington
Government: Constitutionalmonarchy

ECONOMY	2009	2010	2011
Nominal GDP (Current Billions $U.S.)	117	140	159
Nominal GDP Per Capita (Current $US)	27,141	32,061	35,973
Real GDP Growth Rate (% change)	-2.4	1.8	1.3
Real GDP Growth Rate Per Capita (% change)	-3.4	0.71	0.25
Consumer Prices (% change)	2.1	2.3	4.0
Unemployment (% of labor force)	6.1	6.5	6.5

Economic Mix in 2006: 24.8% All Industries; 14.9% Manufactures; 69.5% Services; 5.6% Agriculture

FOREIGN MERCHANDISE TRADE ($US Millions)	2009	2010	2011
New Zealand Exports to World	24,933	30,932	37,633
New Zealand Imports from World	25,566	30,158	36,111
U.S. Exports to New Zealand	2,159	2,819	3,571
U.S. Imports from New Zealand	2,558	2,762	3,163
U.S. Trade Balance with New Zealand	-399	56.8	408
Position in U.S. Trade:			
Rank of New Zealand in U.S. Exports	52	51	47
Rank of New Zealand in U.S. Imports	55	56	59
New Zealand Share (%) of U.S. Exports	0.20	0.22	0.24
New Zealand Share (%) of U.S. Imports	0.16	0.14	0.14

Principal U.S. Exports to New Zealand in 2011:

1. Transportation Equipment (36.1%)
2. Machinery, Except Electrical (10%)
3. Chemicals (9.3%)
4. Computer & Electronic Products (7.8%)
5. Special Classification Provisions, Nesoi (7.4%)

Principal U.S. Imports from New Zealand in 2011:

1. Food & Kindred Products (49.6%)
2. Beverages & Tobacco Products (7.1%)
3. Machinery, Except Electrical (5.1%)
4. Primary Metal Mfg (5.1%)
5. Chemicals (4.8%)

FOREIGN DIRECT INVESTMENT	2009	2010	2011
U.S. FDI in New Zealand (US $Millions)	5,508	6,203	6,741
FDI in U.S. by New Zealand (US $Millions)	767	584	1,660

DOING BUSINESS/ECONOMIC FREEDOM RANKINGS

World Bank Doing Business in 2012 Rank: 3 of 185
Heritage/WSJ 2012 Index of Freedom Rank: 4 of 179

Source: Created by USDOC/ITA/OTII-TPIS from many sources: FDI from USDOC, Bureau of Economic Analysis. US Trade from USDOC,Census Bureau,Foreign Trade Division. New Zealand Trade with World from United Nations where available. National Macroecono data from IMF/World Bank databases including World Economic Outlook and World Development Indicators. .WORLD and other country aggregates are summaries of available UN COMTRADE, IMF and other data, and coverage varies over time and by source, but typically represents greater than 85 percent of world trade and production. Note: Principal U.S. Exports and Imports Are 3-digit NAICS Categories

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

(The following is the new link to the Background Notes)

http://www.state.gov/r/pa/ei/bgn/index.htm

http://www.state.gov/r/pa/ei/bgn/35852.htm

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Chapter 3: Selling U.S. Products and Services

Using an Agent or Distributor

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We advise American companies to establish a local sales presence to improve their market position and chances of success in New Zealand. While some businesses will open a subsidiary in New Zealand, for most American exporters this means appointing an agent or distributor. Whether a distributor can "cover" the New Zealand market from a base in Australia, or elsewhere in the region, depends on the industry and the product or service. We encourage American firms to research three key determinants: the purchasing practices of their target customers, the competitive climate in the New Zealand market, and the importance of after-sales service. Companies producing specialized products with limited and finite potential accounts can easily justify a single distributor for the two countries and should select a distributor who is prepared to commit the additional resources to pursuing and supporting the New Zealand market.

New Zealand can offer steady and profitable sales but it is also a competitive market. New Zealand agents and distributors are aware of worldwide developments in their industries and participate in trade shows worldwide as both exhibitors and attendees. This activity places them in direct contact with new and competing products and technologies. American companies need to demonstrate the competitive advantages of their own products or services.

Establishing an Office

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Establishing a permanent office in New Zealand can take several forms, all similar to structures available in the United States.

1. INDIVIDUAL PROPRIETOR: As in the United States, an individual may establish a business without incorporation, subject to various formalities and authorizations that apply to specific types of activities. The owner has the sole responsibility for the operation and is personally liable for the business' debts.

2. PARTNERSHIP: Partnerships and the general principles relating to the rights and liabilities of partners are similar to those applicable under English or American law. Generally, a partner is jointly and separately liable for all debts of the firm while a partner.

   A special partnership, similar to a limited partnership under English law, may be formed for transaction of business other than banking and insurance. Such a partnership must be registered and consist of general partners and special partners. Special partners may invest in, but not transact, the business of the partnership.

3. COMPANY: The Companies Act of 1993 governs all new companies and existing companies that re-register under the new Act. Companies may have limited or unlimited liabilities, however, the majority of companies are established as limited liability companies (Ltd). The shareholders of limited liability companies are liable to creditors on dissolution only to the extent of any unpaid calls on their shares. A limited liability company must have the word "Limited" as the last word of its name.

The Registrar of Companies grants the required registration and the Inland Revenue Department assigns an IRD number. New companies must have at least one share, one shareholder, and one director. The New Zealand Companies Office provides guidance on the steps and documentation required to incorporate (see link in the Web Resources section). Companies must maintain proper accounting records and prepare an annual report, including financial statements for shareholders. Companies also must file an annual return at the Companies Office.

In New Zealand, the Companies Act also provides for companies incorporated outside the country to carry on business. An overseas company must not carry on business in New Zealand unless the name of the overseas company has been registered with the Registrar of Companies. Overseas companies must file an annual return with the New Zealand Companies Office. Please note however, that registration with the New Zealand Companies Office does not imply creditworthiness or good standing and, taken alone, should not substitute for the process of due diligence.

Repatriation of overseas capital and capital gains is permitted. The New Zealand Government allows the remittance of profits, interest, and dividends earned by overseas investors. This policy applies to loan, direct, and portfolio investments. American companies, however, are encouraged to seek advice from legal counsel on tax policy and implications.

Franchising Return to top

Traditionally, most New Zealand businesses are small. Approximately 97 percent of New Zealand's businesses have fewer than 20 employees. Franchising has become an important business model in New Zealand. By purchasing a franchise, New Zealand investors take advantage of the benefits of scale offered by a larger corporation such as brand recognition, marketing, operations support, and training. Most of the initial growth has been concentrated in retail but has recently included the service sector.

In New Zealand, U.S.-based companies have found a great deal of success in franchising. New Zealand boasts one of the world's highest per-capita ownership of franchises.

Direct Marketing

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Direct marketing is a popular sales channel in New Zealand. The New Zealand Direct Marketing Association estimates that direct marketing is now a USD1.5 billion industry, boosted by the growth of the Internet. The Association's membership includes more than 500 corporate members.

The deregulation and privatization of New Zealand's postal system (NZ Post) has opened competition for special mailing services. NZ Post offers standard services from bulk mailing rates, data processing, and bonded goods storage to remittance processing. Private companies also offer all of these services except for mail processing.

Telemarketing is used for direct sales, lead generation, inquiry qualification, customer service operations, research, validation of previous orders, promulgating advertising messages, public image building, credit handling, and 0800 number (akin to 800 numbers in the U.S.) marketing.

Likewise, direct marketing through mass e-mail is growing at a rate similar to that in the United States but with the same legal concerns regarding "spam." We advise American companies to consider the advantages and limitations of direct marketing carefully. A direct mail campaign should be, at best, a component of a larger marketing plan and should involve a local presence to provide effective follow-up.

Joint Ventures/Licensing

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There are no compulsory requirements for foreign companies to form a joint venture with a New Zealand entity when starting up operations. Some U.S. firms do choose for their own strategic reasons to join forces with established New Zealand firms to manufacture and market their products.

Licensing by the New Zealand Government for export and import activity was repealed as part of the significant deregulation of the economy that began in 1984.

Selling to the Government

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New Zealand has effectively removed all barriers to foreign firms' bidding and winning procurement contracts. Government procurement follows the principle of best value through competition. There is no domestic preference policy or discrimination against foreign suppliers. The New Zealand Government, however, encourages "full and fair opportunity" for New Zealand suppliers. Procurement decisions are made at the individual department or agency level.

Procurement information for most government agencies can be found on their websites. There is no official or comprehensive list of government procurement opportunities. Two websites provide information about many tender opportunities: the Industry Capability Network New Zealand website and the Government Electronic Tenders Service (GETS). GETS provides as well information on the New Zealand government's procurement policy. While New Zealand is not a party to the World Trade Organization's Government Procurement Agreement (GPA), the Government of New Zealand views its procurement policy as exceeding the requirements of the GPA.

Distribution and Sales Channels

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Marketing channels in New Zealand resemble those found in the United States. Until May 1998, the principal import channels were sales agents, importer-distributors (distributors who import and stock certain lines and take orders for direct shipment of others), direct importers, and users. In May 1998, the Government of New Zealand repealed its prohibition on parallel importing. In October 2003, the Labour Government amended the parallel import law to give greater protection to film and video products.

Sales agents can be employed to market a variety of products including: materials produced to customer specifications and consumer goods for mass distribution. Even before the legal authorization of parallel importing, New Zealanders preferred to buy direct from manufacturers when possible. To counter wholesale purchase preferences, sales agents often employ specially trained personnel to offer technical and sales support.

Importer-distributors are a more common channel for products requiring technical knowledge, service, repairs, or spare parts. The size of the New Zealand market usually allows one or at most two distributors per unique product/manufacturer. Many handle more than one manufacturer's products. A stocking importer or distributor is important where continuity of supply is a selling point, such as for certain industrial or consumer goods. Large New Zealand retailers also work through purchasing agents or consolidators in the United States and other countries. Numerous subsidiaries of foreign manufacturers import directly from parent companies and distribute products to round out or supplement their domestic production. Import and distribution by a New Zealand branch or subsidiary is common when the volume is substantial and the foreign parent wishes to retain control of distribution.

New Zealand's modern distribution infrastructure supports any supply-chain or inventory control strategy. A number of well-established companies with nationwide networks perform a broad range of other functions such as trading, transportation, packaging, manufacturing, and distribution at both the wholesale and retail levels. These firms are usually excellent representatives for new products seeking to penetrate the New Zealand market, although they usually import products to complement existing lines.

Selling Factors/Techniques

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Sales calls and one-on-one discussions with potential buyers are the predominant method of selling capital intensive or service products to other businesses. Retailers most often use mass media to advertise.

Electronic Commerce

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New Zealand is active in its use of e-commerce platforms and was an early adopter due to its deep familiarity with the pre-cursor payment system EFTPOS (Electronic Funds Transfer at Point Of Sale). New Zealand's use of e-commerce is smaller than in the United States, but its penetration for the scale of the economy is impressive. Numerous successful platforms operate at the wholesale level, enabling New Zealand's primary industries to trade domestically and internationally.

Trade Promotion and Advertising

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New Zealand has around 30 daily newspapers. Eight of these are daily newspapers with circulation greater than 25,000. The paper with the largest circulation is *The New Zealand Herald*, published in Auckland with a circulation of over 200,000. Other major dailies include *The Dominion Post* and *The Press*. There are three national Sunday newspapers, the *Sunday Star Times, the Sunday News* and the *Herald on Sunday.* New Zealand has one major business journal: The *National Business Review* but its circulation does not exceed 20,000. There are more than 6,000 magazines regularly available in New Zealand. Of this number, 650 are published in New Zealand.

New Zealand has five national television stations, a pay television vendor that offers five additional choices, a hybrid fiber-coaxial cable company, and satellite service. A State-funded indigenous language channel is available and the emerging digital platform, *Freeview*, makes another 12 or so small channels available.

Television New Zealand (TVNZ), the operator of two of the four free-to-air commercial channels, is a State Owned Enterprise (SOE). TVNZ has two further (small) channels available on Digital *Freeview* platform. *TV3 Network Services Ltd*. (TV3) is a privately owned commercial network. It operates both TV3 and TV4. About 96 percent of the population receives TV3.

Prime Television Ltd is a free-to-air network, which began broadcasting in New Zealand in 1998. It broadcasts on UHF and through Sky Digital and is affiliated with Australia's Nine Network. *Prime* has approximately 91 per cent coverage.

There are two self-regulatory bodies in New Zealand's advertising industry, the Advertising Standards Authority and the Advertising Standards Complaint Board. Additionally, the Broadcasting Standards Authority (statutory) is responsible for approving codes of broadcasting practice, including advertising, developed by radio and television.

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Pricing Return to top

There are no Government price control regulations. A Goods and Services Tax (GST) of 15% is applied to all goods and services.

Sales Service/Customer Support Return to top

Sales service and customer support is important for New Zealand retailers and manufacturers. The New Zealand buyer is discerning. The entrance of U.S.-based retailers and franchises has contributed to increased service expectations. At the industrial level, service and technical support remains an important competitive factor.

Protecting Your Intellectual Property Return to top

In New Zealand a number of statutes provide enhancement procedures and remedies for owners of intellectual property. The statutes include the:

Consumer Guarantees Act 1993:
http://www.legislation.co.nz/act/public/1993/0091/latest/DLM311053.html?search=ts_act_Consumer+Guarantees+Act_resel&sr=1

Copyright Act 1994:
http://www.legislation.co.nz/act/public/1994/0143/latest/DLM345634.html?search=ts_act_Copyright+Act+1994_resel&sr=1

The Copyright (New Technologies) Amendment Act 2008 was passed April 15, 2008.

Key changes are:

- That an Internet Service Provider (ISP) will not be protected from liability if it has reason to believe that material on its clients websites is infringing, regardless of whether or not they have received a notice from a rights-holder to that effect.

- A requirement for ISPs to have and reasonably implement a policy for termination of the accounts of repeat infringers. (See Investment Climate Section for more information.)

Crimes Act 1961:
http://www.legislation.co.nz/act/public/1961/0043/latest/DLM327382.html?search=ts_act_Crimes+Act+1961_resel&sr=1

Designs Act 1953
http://www.legislation.co.nz/act/public/1953/0065/latest/DLM281071.html?search=ts_act_Designs+Act+1953_resel&sr=1

Fair Trading Act 1986
http://www.legislation.co.nz/act/public/1986/0121/latest/DLM96439.html?search=ts_act_Fair+Trading+Act_resel&sr=1

Layout Designs Act 1994
http://www.legislation.co.nz/act/public/1994/0116/latest/DLM341481.html?search=ts_act_Layout_resel&sr=1

Patents Act 1953
http://www.legislation.co.nz/act/public/1953/0064/latest/DLM280031.html?search=ts_act_Patents_resel&sr=1

Plant Variety Rights Act 1987
http://www.legislation.co.nz/act/public/1987/0005/latest/DLM100578.html?search=ts_act_Plant+Variety+Rights_resel&sr=1

Trade Marks Act 2002
http://www.legislation.co.nz/act/public/2002/0049/latest/DLM164240.html?search=ts_act_Trade+marks_resel&sr=1

Protecting Your Intellectual Property in New Zealand:

Several general principles are important for effective management of intellectual property ("IP") rights in New Zealand. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in New Zealand than in the U.S. Third, rights must be registered and enforced in New Zealand, under local laws. Your U.S. trademark and patent registrations will not protect you in New Zealand. There is no such thing as an "international copyright" that will automatically protect an author's writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the New Zealand market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in New Zealand. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in New Zealand law. The U.S. Commercial Service can provide a list of local lawyers upon request. Website: http://newzealand.usembassy.gov/professional_services.html

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in New Zealand require constant attention. Work with legal counsel familiar with New Zealand laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both New Zealand or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at **www.StopFakes.gov**.

- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.

- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.

- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.

- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: **http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html**

- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: **www.StopFakes.gov** This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

- The U.S. Commerce Department has positioned IP attachés in key markets around the world. You can get contact information for the IP attaché who covers New Zealand at:

  Peter N. Fowler
  Regional IP Attache for Southeast Asia
  USPTO/Foreign Commercial Service
  U.S. Embassy Bangkok
  Room 302, GPF Witthayu Tower A
  93/1 Wireless Road
  Bangkok 10330, Thailand
  Tel: 662-205-5913
  Email: peter.fowler@trade.gov

Due Diligence Return to top

The legal system in New Zealand developed from British law. Much of the law is codified, but English common law remains important in many areas.

U.S. companies should hire a New Zealand attorney as they would in the United States: to advise them in drawing up or closing a contract, performing due diligence, acquiring a company, forming a joint venture, or developing human resource policy. In New Zealand, the U.S. Commercial Service maintains contact with a variety of local solicitors and barristers and can provide a list for business reference.

Private credit reporting agencies are active in New Zealand. In addition, the U.S. Commercial Service in New Zealand provides background checks on New Zealand companies for a nominal fee.

Local Professional Services

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Local professional services such as accounting, consulting, human resource, and finance are widely available and perform to a high standard. Several U.S. and global service providers operate in New Zealand's cities.

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Information about the International Company Profile as a tool for due diligence:
http://www.export.gov/newzealand

Government Electronic Tenders Service: http://www.gets.govt.nz
Industrial Capability Network: http://www.icn.govt.nz
Intellectual Property Office of New Zealand: http://www.iponz.govt.nz
New Zealand Companies Office: http://www.business.govt.nz/companies
Plant Varieties Office: http://www.pvr.govt.nz

Protecting your Intellectual Property Rights:
http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html
http://www.ice.gov/iprcenter/iprreferral.htm
http://www.stopfakes.gov/

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

Agricultural Sectors

AGRICULTURE EQUIPMENT

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	971.669	1151.54	1060.00	1100.00
Total Local Production	300.000	300.000	300.000	300.000
Total Exports	263.042	227.401	240.000	240.000
Total Imports	934.711	1078.941	1000.00	1100.00
Imports from the U.S.	187.567	208.627	210.000	215.000
Exchange Rate: 1 USD	1.2644	1.2349	1.2333	1.2222

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)
Data Sources: Statistics New Zealand/World Trade Atlas

New Zealand's agriculture and forestry sectors cover over 80% of farmable land (outside reserves, national parks and urban areas) making agriculture vital to New Zealand's economy. New Zealand is one of the largest exporters of internationally traded dairy commodities and is a large producer of sheep meat. It also exports large volumes of beef, wool, fruit, vegetables, and wine.

Mechanization has contributed to New Zealand's efficient farming systems. The United States enjoys a reputation in New Zealand for producing robust and reliable machinery suitable for New Zealand's rugged terrain. The strength of the New Zealand dollar helps import costs of agriculture equipment.

Farm incomes and expenditure are connected. New Zealand's dairy sector is a major source of income for New Zealand. Although high international dairy prices are helping New Zealand farmers, the 2012/2013 summer drought is forecast to decrease farm incomes.

Climate change is one of the key factors affecting the agriculture sector. Droughts and floods are prevalent. Water availability, control of the environmental impact of fertilizer run-off, and dairy effluent are significant issues facing the industry. These issues present opportunities for innovative U.S. technologies.

Sub-Sector Best Prospects

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- Dairy effluent systems
- Irrigation equipment
- Wastewater systems

Opportunities

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Annually, the U.S. Commercial Service in New Zealand exhibits at Fieldays, the largest agriculture equipment show in the Southern Hemisphere and the fourth-largest event of its type in the world. For more than 30 years, Fieldays attracts buyers, sellers and end users of agriculture equipment from mainly New Zealand, but also from many other countries including Australia, South America, and Europe. Fieldays will be held June 12-15, 2013 in Hamilton, New Zealand.

Web Resources

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Federated Farmers: http://www.fedfarm.org.nz
Ministry of Agriculture and Forestry: http://www.maf.govt.nz
Statistics New Zealand: http://www.stats.govt.nz
Fieldays 2012: http://www.fieldays.co.nz

AIRCRAFT PARTS

Overview

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	837.104	394.114	400.000	400.000
Total Local Production	140.000	100.000	100.000	100.000
Total Exports	133.151	71.300	75.000	80.000
Total Imports	830.255	365.414	375.000	380.000
Imports from the U.S.	553.031	209.349	220.000	225.000
Exchange Rate: 1 USD	1.2644	1.2349	1.2333	1.2222

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)
Data Sources: Statistics New Zealand/World Trade Atlas

U.S. aircraft represent more than 50 percent of New Zealand's aircraft fleet (both fixed wing and helicopters). There are 4499 registered aircraft in New Zealand comprising of approximately 500 models. The composition of the fleet means U.S. aircraft parts are required by overhaul and maintenance providers. The United States is consistently the leading source of aircraft parts.

Most of New Zealand's 800 aviation and related companies are small and privately owned. An exception is Air New Zealand with a majority shareholding held by the New Zealand Government. Pacific Aerospace, based in Hamilton, New Zealand is the only commercial manufacturer of aircraft.

Aircraft are important segments of the New Zealand economy including tourism and trade. New Zealand is geographically isolated from its trading partners. Exporters of perishable products such as seafood and flowers rely on the aviation sector for shipping to international markets. There is a strong history of agricultural aviation in New Zealand. Approximately 99% of all travelers to New Zealand arrive by air.

Air New Zealand, this country's national airline is committed to a US$2.6 billion long haul fleet investment program that will ensure a steady market for spares, accessories and service over the next decade. In November 2009, Air New Zealand announced its intention to buy 14 Airbus 320s to replace its existing domestic fleet of Boeing 737-300s. Airbus aircraft include U.S. aviation components.

Sub-Sector Best Prospects

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Aircraft engines and parts

Aircraft wiring sets

Opportunities

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There are no large trade events in this sector held in New Zealand.

Web Resources

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Aviation New Zealand: http://www.aviationnz.co.nz
New Zealand Aviation Industry Association: http://www.aia.org.nz
New Zealand Trade & Enterprise: http://www.nzte.govt.nz
Statistics New Zealand: http://www.stats.govt.nz

ENERGY

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New Zealand's international competitiveness and economic growth is reliant on an efficient, affordable and dependable energy sector. New Zealanders value green principles and are receptive to green technologies. New Zealand's demand for green technologies comes partly in response to New Zealand's commitment under the Kyoto Protocol to reduce greenhouse gas emissions.

Renewable energy has always been a major part of New Zealand's total primary energy supply. New Zealand's electricity generation is mainly hydro but gas, and geothermal (and increasingly wind and solar) are key components of New Zealand's electricity supply. New Zealand has abundant coal reserves. Electricity demand is forecast to grow at 1.5% per annum. New generation plants are required to meet future electricity demands. By 2025, the New Zealand Government aims to generate 90% of electricity through renewable sources. Source: New Zealand Energy Strategy

Approximately half of New Zealand's energy use is in the form of refined oil products (petrol and diesel). New Zealand is currently only about 20% self-sufficient in oil supply, but geological surveys suggest that the country has the potential to be self-sufficient. Finding new oil sources will help prevent New Zealand from becoming further dependent on imported fuel. New Zealand's oil and gas exploration sector is poised for growth due to legislation changes by the New Zealand Government to encourage oil and gas exploration and production.

Transpower, the owner and system operator of New Zealand's electricity transmission grid built in the 1950s and 60s is investing USD2.1 billion to upgrade the grid.

Sub-Sector Best Prospects
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Electric cars/infrastructure
Products to eliminate/limit emissions and waste
Metering systems

Opportunities
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There are no large trade events in this sector held in New Zealand.

Web Resources
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Energy Efficiency and Conservation Authority: http://www.eeca.govt.nz
Ministry of Economic Development: http://www.med.govt.nz
Statistics New Zealand: http://www.statistics.govt.nz
Transpower New Zealand: http://www.transpower.govt.nz

FRANCHISING

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New Zealanders' preference for self-employment builds a solid foundation for franchising by alleviating the risks associated with a start-up business. The New Zealand franchise sector accounts for a total annual turnover of approximately USD 11.5 billion (estimate). During periods of higher unemployment, the number of people considering investing in franchise opportunities (using severance payments) increases. Unemployment was 6.9% for the year ending December 2012.

Most major international franchises are in New Zealand. U.S. brands McDonalds, KFC, Burger King, Carl's Jr., Starbucks, Subway and The Athlete's Foot enjoy a high visibility. Support services, accommodation and food services represent the largest industry sectors within franchising.

Highlights of the 2012 Franchising New Zealand survey are:

- There are 446 active franchise systems in New Zealand
- Franchising is estimated to contributed between NZ$19.4 billion and NZ$21 billion to the New Zealand economy
- Franchised business account for just over 5% of New Zealand SMEs
- 88% of franchises are New Zealand enterprises
- Most business format franchisors operate in service industries, followed closely by retail franchise
- Just over half the franchise systems report increased sales activity but a significant number experienced pressure on profit margins

Source: Massey University, New Zealand and Griffith University, Australia

New Zealand has no franchise-specific laws. The sector relies on generic business law (e.g. contract law, intellectual property law and fair trading law) and self-regulation. This is done through the Franchise Association of New Zealand (FANZ) – a voluntary organization that requires members to adhere to a Code of Practice and Code of Ethics. In June 2009, a Government review of the franchising sector decided there was no need for the introduction of franchise-specific regulation.

Sub-Sector Best Prospects Return to top

Food and Beverages
Entertainment
Health: self-health analysis for an aging population

Opportunities

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Business Opportunities and Franchise Expo
October 19-20, 2013
Auckland, New Zealand
Website: http://www.franchisingexpo.co.nz/exhibitor-info

Business Opportunities and Franchise Expo
April 20, 2013
Christchurch, New Zealand
Website: http://www.franchisingexpo.co.nz/exhibitor-info

Web Resources

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Franchise Association of New Zealand: http://www.franchiseassociation.org.nz
Ministry of Economic Development: http://www.med.govt.nz
Statistics New Zealand: http://www.stats.govt.nz

INFORMATION AND COMMUNICATIONS TECHNOLOGY

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	1943.338	2045.844	2070.000	2370.000
Total Local Production	300.000	300.000	300.000	300.000
Total Exports	227.758	229.114	230.000	230.000
Total Imports	1871.096	1974.958	2000.000	2300.000
Imports from the U.S.	114.625	96.297	100.000	120.000
Exchange Rate: 1 USD	1.2644	1.2349	1.2333	1.2222

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)
Data Sources: Statistics New Zealand/World Trade Atlas

Information and Communications Technology (ICT) technology is used throughout the New Zealand economy. ICT which includes subsectors telecommunications, IT hardware, IT software, IT services, Internet services and wireless technologies, is viewed as a key tool by the New Zealand Government to increase local productivity and enhance innovation.

Internet-accessible devices such as tablets, pocket WiFi and smart-phones is increasing demand by New Zealanders to the Internet and for faster Internet speeds. The New Zealand Government is improving broadband services via two significant investments: the Ultra-Fast Broadband Initiative and the Rural Broadband Initiative. The Ultra-Fast Broadband Initiative will bring fiber optic technology to homes, schools, hospitals, and businesses. The Rural Broadband Initiative will deliver broadband Internet to rural communities at a cost and service level comparable with urban areas.

New Zealand's ICT sector comprises of around 7,500 organizations. Most multinational brands are distributed in New Zealand. U.S. suppliers of hardware represent approximately 50% of New Zealand's ICT imports from the United States. New Zealand's domestic software sector has strong links internationally including with the U.S. film sector partly due to the success of animation software evolving out of the New Zealand-made trilogy "The Lord of the Rings"; "Avatar" and "The Hobbit".

Sub-Sector Best Prospects

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Internet-accessible consumer products
Electronic components
Wireless technologies

Opportunities Return to top

There are no large trade events in this sector held in New Zealand.

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Ministry of Economic Development/Communications: http://www.med.govt.nz/sectors-industries/technology-communication
New Zealand Computer Society Inc: www.nzcs.org.nz
Statistics New Zealand: www.statistics.govt.nz
Telecommunication Users Association of New Zealand: www.tuanz.org.nz

MEDICAL EQUIPMENT

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	362.030	406.393	425.000	440.000
Total Local Production	100.000	120.000	130.000	130.000
Total Exports	89.983	100.617	105.000	110.000
Total Imports	352.013	387.010	400.000	420.000
Imports from the U.S.	125.967	140.775	150.000	155.000
Exchange Rate: 1 USD	1.2644	1.2349	1.2333	1.2222

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)
Data Sources: Statistics New Zealand/World Trade Atlas

New Zealand's health system is comprised of public, private, and voluntary sectors that coordinate with each other to provide and fund health care. More than 78 percent of health care is Government funded. Improving performance and ensuring New Zealand's medical expenditure is spent appropriately is the basis of procurement decisions. New Zealand's 2011 health targets are:

- shorter stays in emergency departments
- improved access to elective surgery
- shorter waits for cancer treatment
- increased immunization
- better help for smokers to quit
- more heart and diabetes checks

The last three targets focus on early intervention to prevent ill health. This is important as New Zealand's aging population is creating more demand on the health budget. Health forecasts report orthopedic and other muscular-skeletal conditions will become the major cause of disability. The aging population will increase demand for facilities such as retirement villages with on-site hospitals.

The New Zealand Medicines and Medical Devices Safety Authority (Medsafe) is responsible for the regulation of medicines and medical devices in New Zealand, and the safe use of medicines.

U.S. companies specializing in healthcare products have a strong reputation in New Zealand based on performance, cost, and reliability. Imports, particularly those from the United States are an important source of sophisticated medical technology

Sub-Sector Best Prospects

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Disability equipment
Geriatric supplies
Scanning equipment
Surgical supplies

Opportunities

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There are currently no large trade events in this sector held in New Zealand.

Web Resources

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Medsafe: http://www.medsafe.govt.nz
Ministry of Health: http://www.moh.govt.nz
Pharmac: http://www.pharmac.govt.nz
Statistics New Zealand: http://www.stats.govt.nz

TOURISM

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Departures by N.Z. residents (short-term)	2,092,655	2,169,149	2,200,000	2,250,000
Visitors to New Zealand	2,601,444	2,546,618	2,600,000	2,600,000
Departures by N.Z. residents to the U.S.	104,359	121,620	130,000	135,000
Exchange Rate: 1 USD	1.2644	1.2349	1.2333	1.2222

Data Sources: Statistics New Zealand

New Zealanders are avid travelers due to the country's physical isolation from the rest of the world. Most New Zealanders expect to travel internationally at some point in their lives. Tourism is the economy's largest export earner.

For the year ending December 2012, more than two million New Zealanders made short-term international departures. Vacationing was the main travel reason. In 2012, the United States was the most popular destination long-haul destination for New Zealanders. Besides vacationing, the United States is an important business and trade show destination.

Effective March 2013, Hawaiian Airlines began an air service from Honolulu, Hawaii to Auckland, New Zealand. Other U.S. airlines servicing New Zealand from the United States include Air New Zealand, the national carrier (code shares with United Airlines) and Qantas (code shares with American Airlines). There is strong competition between each airline – consumers are enjoying attractive flight deals.

The New Zealand Visit USA Committee continues to promote travel to the United States. The committee's main tourism event is the annual Visit USA program.

Sub-Sector Best Prospects

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Adventure Tourism
Anaheim Theme Parks
Shopping
Trade Events/Business

Opportunities

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Visit USA Seminar
Auckland, New Zealand, February 21, 2013

Web Resources

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New Zealand Visit USA Committee: www.visitusa.co.nz
Statistics New Zealand: www.stats.govt.nz

Agricultural Sectors

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Fresh Fruit

The United States is New Zealand's largest supplier of fresh fruit in terms of value, providing counter-seasonal imports. Grapes, oranges, pears, lemons, limes, peaches, plums, nectarines, and citrus (oranges and grapefruit) are among the fresh fruits imported from the United States.

Unit: US$ thousands

	2011	2012	2013(estimate)	2014 (estimate)
Total Exports	1,261,104	1,233,845	1,245,000	1,257,000
Total Imports	127,583	139,935	140,000	141,000
Imports from the U.S.	32,837	37,460	38,209	38,973
Exchange Rate: US$	1.26	1.23	1.23	1.23

Data Sources: Global Trade Atlas; Projections of USDA Wellington

Snack Foods (Including Tree Nuts)

U.S. snack food exports consist largely of cocoa and confectionery products, cookies, and tree nuts. Most U.S. tree nuts exported to New Zealand are consumed as snack foods.

Unit: US$ thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Exports	183,304	184,394	185,000	190,000
Total Imports	349,855	355,440	362548	369,799
Imports from the U.S.	13,338	21,540	21,970	22,409
Exchange Rate: 1 US$	1.26	1.23	1.23	1.23

Data Sources: Global Trade Atlas; Projections of USDA Wellington

Frozen/Chilled Red Meat

Largely U.S. frozen pork meat is exported to New Zealand. Current export value is approximately $12.6 million but there is potential for increased sales if access for fresh pork is achieved, particularly in the food service sector.

Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Exports	4,325,850	4,143,165	4,350,323	4,567,000
Total Imports	126,544	126,641	132,973	139,621
Imports from the U.S.	19,007	23,079	19,957	20,955
Exchange Rate: 1 USD	1.26	1.23	1.23	1.23

Data Sources: Global Trade Atlas; Projections of USDA Wellington

For more information on best agricultural prospects, see post's Exporter Guide (NZ2016, December 2012 and Food and Agricultural Import Requirements Report (NZ1217, December 2012) on the FAS home page http://www.fas.usda.gov/

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Chapter 5: Trade Regulations, Customs and Standards

Import Tariffs

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The New Zealand Ministry of Commerce grants tariff concessions to goods unavailable from New Zealand manufacturers.

Most tariffs range from zero to 10%. These duty rates apply mostly to clothing, footwear, and carpeting. Most passenger vehicles and almost all computer software and hardware enter tariff-free. Alcoholic beverages (including beer, wine, and spirits), tobacco products, and some petroleum products are subject to excise duties that also apply to similar items that are produced domestically.

All imported goods are liable to a 15% Goods and Service Tax (GST). This tax is payable on the sum of the Customs value of the goods, any Customs duty payable thereon, and freight and insurance costs incurred in transporting the goods to New Zealand. The government implements an import transaction fee of NZ$ 18 on every commercial import that has a duty and/or liability of NZ$ 50 or more. The fee is not charged on private import declarations for goods valued under NZ$ 1,000.

More information, including help in categorizing and estimating relevant tariff rates can be found on the websites of the Ministry of Economic Development (www.med.govt.nz/buslt/tariffs) and the New Zealand Customs Service (www.customs.govt.nz).

Trade Barriers

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The U.S. pharmaceutical industry has voiced strong concerns over access to New Zealand's pharmaceutical market, in which the Government of New Zealand is the primary purchaser of pharmaceuticals in the country. Some U.S. pharmaceutical companies have even left the market or substantially scaled back operations since the Pharmaceutical Management Agency (PHARMAC) was created in 1993. PHARMAC administers the Pharmaceutical Schedule of over 2,000 medicines, which lists medicines that are entitled to subsidies from the New Zealand Government. It also manages the Exceptional Circumstance program (medical funding for people with rare conditions). In 2010, PHARMAC's role was significantly expanded to buy hospital drugs (which formerly were done by district health boards) and some medical equipment. Within the budget, which is set by the Minister of Health, PHARMAC essentially decides what medicines to fund, negotiates prices with pharmaceutical companies, and sets the subsidy levels and conditions.

Because of PHARMAC's stringent cost control measures, many new medicines are often limited or delayed from entering the market. Industry representatives criticize PHARMAC's lack of transparency, timeliness and predictability in the reference pricing process and the onerous approval processes and delays in reimbursing new products. Combine, these issues create an unfavorable environment for innovative medicines. While New Zealand does not restrict the sale of approved pharmaceuticals that do not receive a pricing subsidy, most private medical insurance companies will not cover the cost of these medicines and doctors are often reluctant to prescribe them. The small market size for private purchasing of pharmaceuticals outside of PHARMAC makes it unsustainable for pharmaceutical companies to rely solely on this market. When PHARMAC declines a pharmaceutical on a sole supply tender, the company is essentially excluded from market access in that therapeutic area. (Note: Sole supply tendering occurs when PHARMAC funds a company to supply 100 percent of the New Zealand public market. The period of the sole supply tender may last for years. There is no right to view the basis for the decision or appeal the decision. PHARMAC also uses a rigidly capped budge to fund both growth in volume of existing medicines and the purchase of new medicines. As a result, the budget relies on savings on existing medicines to fund the inclusion of new innovative medicines, which, in practice severely restricts the entrance of new medicine.

Because of such concerns, PHARMAC has said that it is working to improve transparency and increase stakeholder involvement in its processes. The pharmaceutical industry has also reached out to partner with the Government of New Zealand and other stakeholders in achieving better provision of quality medicines, as well as better health and economic outcomes.

The amendment to the Patents Act of 1953 that was introduced into Parliament in July 2008, if passed, may also have negative consequences for U.S. pharmaceutical companies. Specifically, the amendment does not contain provisions for patent term restoration, which is in keeping with international best practices. Industry estimates say that the regulatory approval process for new drugs in New Zealand is approximately three years after the date of approval in the country of first launch. The entry into New Zealand's market is also delayed by the timeliness of the PHARMAC approval process, which is essential to make the market viable for the pharmaceutical company. As such, New Zealand will not have a mechanism to restore patent terms for pharmaceutical products to recover lost time from the regulatory approval process.

Import Requirements and Documentation Return to top

There are few documentation requirements for the import and export of goods. The New Zealand Customs website (http://www.customs.govt.nz) outlines the minimal requirements. The importer or a Customs House Broker acting for the importer must make all import declarations electronically.

The Ministry of Agriculture and Forestry (MAF) requires that exporters' declarations include a statement that any wooden or plywood packing case, crates, wooden containers, or cargo pallets destined for New Zealand have been inspected before shipment. These goods must be free from bark and visible signs of insect and fungal infestation. This declaration must accompany all bills of lading and other shipping documents. For more information on prohibited items, please visit the MAF website: http://www.biosecurity.govt.nz/

Fruits, plants, and seeds must be accompanied by certificates from the appropriate authorities in the country of origin to the effect that the items have been examined and have been found to be free of disease. In the United States, the U.S. Department of Agriculture issues these certificates. The certificates should be forwarded to the consignee in New Zealand and accompany the consignment. The Ministry of Agriculture may inspect the shipment on arrival, and, if signs of insect infestation are present, order the consignment to be either fumigated or denied entry.

The New Zealand Food Safety Authority (NZFSA) allows the import of U.S. bovine products based on a case-by-case assessment requirement. No poultry meat imports (except canned) can enter New Zealand

U.S. Export Controls

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New Zealand participates in a variety of multilateral arrangements and agreements that control the export and re-export of strategic items, including missiles and missile components, nuclear and nuclear-related materials, chemicals and chemical equipment, biological agents and equipment, defense equipment and defense-related goods, as well as some industrial "dual use" items that could be used for military or civilian purposes. For these items, permission to export must be obtained from New Zealand Customs, which acts on the advice of the Ministry of Foreign Affairs and Trade.

Temporary Entry

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New Zealand admits samples of negligible value duty free. For example, small shipments of trade catalogs, price lists printed outside New Zealand, and advertising products produced abroad are admitted duty free. However, these items must bear the name and address of the foreign manufacturer. These items may not be designed to advertise the sale of products by any company, firm, or individual with a business established in New Zealand. Temporary, duty-free admission of advertising films is permitted.

Samples of commercial value may be imported temporarily under bond or deposit of the duty amount to which they are liable. Such samples are subject to the same customs regulations and duties in New Zealand as are ordinary commercial shipments of the commodities represented. There is no provision for the prepayment of such duties in the United States.

Labeling and Marking Requirements

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New Zealand prohibits the importation of all goods bearing false or deceptive trademarks. New Zealand also prohibits the entry of any foreign manufactured goods that bear the name or trademark of a New Zealand manufacturer or trader, the name of a place in New Zealand, or words that would associate the goods with New Zealand, unless the names or words are accompanied by a definite indication of the country of origin.

There is no general requirement that the country of origin be indicated on all imported goods. The country of origin must, however, be shown on footwear, clothing items, and dry-cell batteries.

Various prepared, blended, compounded, mixed, or imitation foodstuffs require compliance with detailed regulations regarding labeling. In general, food labeling requirements in the U.S. market exceed those of the New Zealand market. Paints containing lead, wool products, electrical appliances and equipment, footwear, drugs, toilet preparations, and food products must also be specially labeled. Regulations also provide that all packaged goods bear an indication of the net weight of the contents and specify how such weights are to be indicated for each commodity. All weights and measures should be quoted in metrics.

New Zealand has a labeling standard for genetically modified (GM) food. Under the standard, the label listing ingredients for food products, with certain exceptions, must include the words “genetically modified” if genetic material or protein from genetic modification is present. It is the responsibility of food businesses applying the food label, re-labeling food or selling the food to meet this standard’s requirement. This includes manufacturers, packers, importers, and sometimes retailers. A number of exceptions exist for the labeling of GM food.

With the exception of movie film and dangerous goods, there are no regulations governing the marking of outside packing cases.

Website New Zealand Customs: http://www.customs.govt.nz/

Prohibited and Restricted Imports

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Although a pervasive system of import licensing controls was abolished in the mid-1980s, New Zealand maintains controls on the importation of a variety of goods based on criteria such as “community protection”, to protect the earth’s ozone layer, control toxic substances, and safeguard consumers. New Zealand also maintains a strict quarantine regime to protect its agricultural and forestry industries from pests or disease contamination.

Among the controlled products are firearms and other weapons, explosives, controlled drugs, hazardous wastes, radioactive substances, pesticides, plants, animals, and animal and plant products. Publications, films, audio recordings, and computer disks are restricted for objectionable material. Some agricultural goods are restricted on phytosanitary grounds with the main commodities affected being poultry and pork products. Currently, only canned or cooked products in these categories are allowed entry. New Zealand also complies with United Nations sanctions prohibiting import of goods from sanctioned countries. Detailed information is available from New Zealand Customs: http://www.customs.govt.nz

Customs Regulations and Contact Information

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Duty on New Zealand imports is typically calculated as a percentage of the cost of the goods free on board (f.o.b.). In some cases, duty is calculated on the basis of a charge on a specific unit of weight, volume, or other measurement ("specific" rate). Occasionally duty is calculated on the basis of a combination of ad valorem and specific rates. Ad valorem duty is assessed on the f.o.b. value of the goods.

The rate of duty payable is determined by the classification of the goods in the New Zealand Tariff, which is based on the Harmonized Commodity Description and Coding System. The Customs Department in Wellington will give an advance ruling on goods that are intended to be shipped, provided a sufficient description of the goods is submitted (and, if requested, samples given) to determine the correct customs classification. Such decisions are regarded as binding, but the customs authorities assume no responsibility for changes that may subsequently be made on the tariff rates.

Standards

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New Zealand Standards cover a wide variety of subjects, including design, safety, specifications, performance, and quality of products. Adoption of these standards is generally voluntary, but can be made compulsory through a statutory reference. Compliance with these Standards may be an important factor in sales promotion and production certification (“S” Mark). New Zealand operates under the metric system of weights and measures. New Zealand Standards use the identifier NZS. Joint Australian and New Zealand Standards use the identifier AS/NZS.

New Zealand cooperates with several of its major trading partners on reciprocal recognition and acceptance of standards.

The Trans-Tasman Mutual Recognition Arrangement (TTMRA) between New Zealand and Australia integrates both countries' standards. Products sold in one economy may legally be sold in the other, regardless of differences in standards or other sale-related regulatory requirements.

New Zealand has an agreement with the European Union known as the Mutual Recognition of Conformity Assessment (NZ/EU MRA) - for Conformité Européenne (CE) Marking. The NZ/EU MRA enables exporters to assess conformity (testing, inspection, and certification) with standards in their own country before the goods are shipped. This agreement does not consider the two sides' standards as equivalent, but has designated certification bodies in each country as competent to assess against the other party's standards. The NZ/EU MRA currently covers a limited number of product sectors.

Standards Organizations Return to top

The New Zealand Standards Council oversees the development and adoption of standards. Standards New Zealand is the national standards body and represents New Zealand in the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).

Recognizing the close ties between the two economies, Standards New Zealand cooperates closely with Standards Australia to develop joint Australian-New Zealand standards (ASNZS) that are based, to a large extent, on international standards. The Active Co-operation Agreement with Standards Australia is also intended to meet both nations' obligations under the World Trade Organization (WTO) Standards.

Assurance of compliance with standards is provided through product, service, quality, and environmental certification services, for example:

The Quality Assured Supplier (QAS) Mark demonstrates that a company is committed to quality, assuring customers that an effective quality assurance system is in place. QAS is verified by independent assessors for meeting NZSASISO 9000 Quality Standards.

Within New Zealand's agricultural sector, at least two organizations offer organic certification services to food producers.

AsureQuality provides an organic certification service to organic producers and processors through its certification business Certenz. The company provides independent testing, analysis, and quality assurance systems for farm, food, forestry, and plant products. Certenz markets its business processes as meeting ISO 65, enabling it to ensure market access to the European Union. The AsureQuality Organic Standard is based on the international Codex Alinorm 99/22, EU Regulations and the Australian National Standard. BIO-GRO New Zealand is the business arm of the non-profit New Zealand Biological Producers and Consumers Council Inc. BIO-GRO itself is a registered trademark, and has developed its own set of organic agriculture production standards. The organization is accredited as a member of the International Federation of Organic Agriculture Movements (IFOAM), based in Germany.

Another set of safety standards applies to gas and electrical appliances for the consumer market. The Energy Safety Service (ESS) is a division of the Ministry of Consumer Affairs and develops and applies internationally accepted standards to New Zealand's systems of electricity and gas safety. The Regulatory Compliance Mark, or RCM, indicates an appliance complies with the relevant safety Standard.

The New Zealand Council on Healthcare Standards operates through Quality Health New Zealand to provide national accreditation for hospitals and other health and disability services. Quality Health also audits health services to determine compliance with its own standards in order to establish Ministry of Health certification. Quality of Health audits the following services: hospitals, rest homes, mental health services, community and home care services, hospices, disability services, primary care services, and health non-profit organizations.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: http://www.nist.gov/notifyus/

Conformity Assessment

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Standards New Zealand assesses products and systems and certifies conformance to particular standards.

Product Certification

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New Zealand is recognized internationally as a certifying body.

Accreditation

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The accreditation authority for ISO 9000 certifying bodies in New Zealand is the Joint Accreditation System - Australia and New Zealand (JAS-ANZ), established in 1991.

International Accreditation New Zealand (IANZ) is the national authority for accrediting technical professional services. Its primary role is the accreditation of testing and calibration laboratories and inspection bodies. IANZ accredits laboratories against the international standard ISO/IEC 17025: “General Requirements for the Competence of Testing and Calibration Laboratories.” It also accredits specific professional activities, including radiology services and pharmacies.

Website for International Accreditation New Zealand: http://www.ianz.govt.nz/

Publication of Technical Regulations

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Standards New Zealand publishes and distributes standards.

Labeling and Marking

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New Zealand’s “S” Mark is granted by Standards New Zealand and provides independent, third-party assurance that a product or service complies with a standard or a recognized requirement.

Use of the Regulatory Compliance Mark (RCM) on a product for sale in New Zealand requires a company or organization to be registered as a RCM user. Registration can be made through the Energy Safety Service, Standards New Zealand, or Standards Australia.

Contacts

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Standards New Zealand
Radio New Zealand House
Level 10, 155 The Terrace
Private Bag 2439
Wellington 6011
New Zealand
Ph: 64 (4) 498-5990
Fax: 64 (4) 498-5994
Email: enquiries@standards.co.nz
Website: http://www.standards.co.nz/

Standards Point-of-contact at the U.S. Commercial Service – New Zealand: Janet.Coulthart@trade.gov

Trade Agreements

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New Zealand and Australia trade through a Closer Economic Relationship (CER), which is a free trade agreement eliminating all tariffs between the two countries. The rules of origin under the CER do not, however, permit products to enter Australia duty free from New Zealand unless the products are of at least 50 percent New Zealand origin. Additionally, the last manufacturing process must be carried out in New Zealand. The enactment of the Free Trade Agreement between Australia and the United States on January 1, 2005 removes any tariff disadvantage to U.S. firms that choose re-export products from New Zealand to Australia. Website: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Australia/index.php

New Zealand concluded a Closer Economic Partnership (CEP) agreement with Singapore that entered into force on January 1, 2001. Details on MFAT website at: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Singapore/index.php

New Zealand concluded a concluded a CEP agreement with Thailand that entered into force on July 1, 2005. Details on MFAT website at: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Thailand/index.php

New Zealand concluded an FTA with China that entered into force on October 1, 2008. Details on MFAT website at: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/China/index.php

New Zealand and Malaysia signed an FTA October 26, 2009, but is yet to enter into force. Details on MFAT website at: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Malaysia/index.php

New Zealand concluded work on an FTA with the Gulf Cooperation Council (GCC) on October 31, 2009, but the agreement has not yet been signed. Details on MFAT website at: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Gulf-Cooperation-Council/index.php

New Zealand concluded a CEP with Hong Kong, which entered into force on January 1, 2011: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Hong-Kong/index.php.

A Free Trade Agreement between New Zealand, Australia and the Association of South East Asian Nations (ASEAN) was signed on February 27, 2009. Details on MFAT website at: http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Asean/index.php

The Trans-Pacific Strategic Economic Partnership Agreement (TPP, previously known as the “P4”) between Brunei Darussalam, Chile, New Zealand and Singapore was signed in 2005. In 2010, the United States, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam began negotiating a regional Asia-Pacific trade agreement called the Trans-Pacific Partnership (TPP), with the objective of shaping a high-standard, broad-based regional agreement. This agreement will create a potential platform for economic integration across the Asia-Pacific region, and a means to advance U.S. economic interests with the fastest-growing economies in the world. Details about the original“P4” TPP Agreement can be found on MFAT website:

http://www.mfat.govt.nz/Trade-and-Economic-Relations/Trade-Relationships-and-Agreements/Trans-Pacific/index.php

New Zealand is also currently negotiating separate FTAs with India, Indonesia and Korea, as well as a block trade agreement with Russia, Belarus, and Kazakhstan.

Web Resources

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AsureQuality: http://www.asurequality.com
Bio-Gro New Zealand: http://www.bio-gro.co.nz
Energy Safety Service: http://www.energysafety.govt.nz
Free Trade Agreements (NZ Ministry of Foreign Affairs & Trade): http://www.mfat.govt.nz
International Accreditation New Zealand: http://www.ianz.govt.nz
Ministry of Agriculture and Forestry: http://brkb.biosecurity.govt.nz
Ministry of Economic Development Tariff Policy and Administration Unit: http://www.med.govt.nz/templates/StandardSummary____29.aspx
New Zealand Customs: http://www.customs.govt.nz
Quality Health New Zealand: http://www.telarcqualityhealth.co.nz
Standards New Zealand: http://www.standards.co.nz/default.htm

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Chapter 6: Investment Climate

Openness to Foreign Investment Return to top

Foreign investment in New Zealand is generally welcomed and encouraged without discrimination. With minimal corruption, New Zealand has an open, transparent economy, where businesses and investors can generally make commercial transactions with ease. With few exceptions, foreigners may invest in any sector of the economy, and there are generally no limits on foreign ownership or control. New Zealand has a rapidly expanding network of bilateral investment treaties and free trade agreements with investment components to facilitate increased investment. New Zealand also has a well-developed legal framework and regulatory system, and the judicial system generally upholds the sanctity of contracts. There are no restrictions on the inflow or outflow of capital, and expropriation is not an issue. Investment disputes are rare, and there are no government mandated performance requirements or incentives associated with foreign investment. Private entities generally have the right to freely establish business enterprises, and property rights (both real property and intellectual property) are generally well-protected. New Zealand has a sound financial system, but it is making changes to its financial system to shore up investor confidence in the wake of the global financial crisis. Both inbound and outbound investment continues to increase. In international indices with investment related aspects, New Zealand consistently receives high scores.

New Zealand screens foreign investment that falls within certain criteria. Under the auspices of the Overseas Investment Act 2005, New Zealand's Overseas Investment

Office (OIO) screens foreign investments that would result in the acquisition of 25 percent or more ownership of, or a controlling interest in “significant business assets” (significant business assets are defined as assets valued at more than NZD100 million). Government approval also is required for purchases of land larger than 5 hectares (12.35 acres) and land in certain sensitive or protected areas, or fishing quota. If the land or fishing quota to be purchased is owned by a company or other entity, approval will be required if the investor will be acquiring 25 percent or more equity or a controlling interest.

For those investments that require screening, the investor must demonstrate the necessary business experience and acumen to manage the investment, demonstrate financial commitment to the investment, be of good character, and not be a person who would be ineligible for a permit under New Zealand immigration law. Any application to purchase land must also satisfy a “benefit to New Zealand” test, unless the investor intends to live in New Zealand indefinitely. For land purchases, foreigners who do not intend to live in New Zealand indefinitely must provide a management proposal covering any historic, heritage, conservation, or public access matters and any planned economic development. That proposal would generally be made a condition of consent.

Large-scale overseas purchases of farmland have sparked public controversy, and the New Zealand Government sought to create greater ministerial flexibility to respond to economic concerns about foreign investment in “sensitive” assets. A review of the Overseas Investment Act of 2005 was conducted in 2009, concluding in 2010 with the release of the final Regulations and Directive Letter, which was provided to the Overseas Investment Office for implementation.

Although the Overseas Investment Act 2005 itself was not changed, the directive established new rules that went into effect at the beginning of 2011 and apply to applications received after this time. The new implementing rules provide Government ministers with increased power to consider a wider range of issues when assessing foreign investment in sensitive assets, primarily large-scale overseas ownership of farmland and vertically integrated primary production companies. Two new factors, in addition to the existing factors and good character test, will be assessed under the benefit test: an “economic interests” factor that allows ministers to consider whether New Zealand's economic interests are adequately “safeguarded and promoted,” and a “mitigating” factor that enables ministers to consider whether an overseas investment provides adequate opportunities for New Zealand oversight or involvement. Besides applying to land such as that adjoining the foreshore or under conservation, the rules now include “sensitive land” defined as “large” areas of farmland ten times the average size of any given type of farm. For example, the average dairy farm is 172 hectares according to New Zealand statistics, which means the threshold that triggers the screening is 1,720 hectares. Likewise, the average sheep farm is 443 hectares, so the threshold would be 4,430 hectares.

The Government has also recently taken measures to cut red tape and reduce processing time of applications. According to Government reports from 2012 the application processing time has dropped to an average of 38 days, down from 63 days in 2009.

The OIO also monitors foreign investments after approval. All consents are granted with reporting conditions, which are generally standard in nature. Investors must report regularly on their compliance with the terms of the consent. It is an offence to intentionally or recklessly make false or misleading statements, or any material omission, in any information provided to the OIO. If the High Court is satisfied that an offense has been committed, the High Court can order the disposal of the investor's New Zealand holdings.

In practice, the government's approval requirements have not been an obstacle for U.S. investors. Between 2004-2012 only 30 applications, out of 1317, were denied. Those denied, for the most part, intended to purchase land in sensitive areas or for farming purposes, residential subdivision, or accommodation. In 2012, 113 applications were approved by the OIO, and none were declined.

The Government of New Zealand does not discriminate against foreign investors, but has placed separate limitations on foreign ownership of Air New Zealand and Telecom Corporation of New Zealand. The constitution of Telecom Corporation of New Zealand Limited (Telecom) provides that no person shall have a relevant interest in 10 percent or more of the voting shares without the consent of the Minister of Finance and the Telecom Board, and no person who is not a New Zealand national shall have a relevant interest in more than 49.9 percent of the total voting shares without the written approval of the Minister of Finance.

According to Air New Zealand's constitution, no person who is not a New Zealand national may hold or have an interest in equity securities which confer 10 percent or more of the voting rights without the consent of the Minister of Transport. There must be a maximum of eight directors and a minimum of five directors of Air New Zealand. At least three directors must be ordinarily resident in New Zealand. The majority of the Air New Zealand Board of directors must be New Zealand citizens.

New Zealand's main methods for taxation are the goods and services tax (GST), company tax, and income tax. In 2010, the New Zealand Government implemented sweeping changes to all three. The reform lowered personal and company income tax rates, increased indirect taxation, broadened the existing tax base, and tightened tax deduction rules. On October 1, 2010 New Zealand reduced its personal tax rate, which now ranges from 10.5 percent to 33 percent, as compared to the previous tax range of 12.5 percent to 38 percent. At the same time, GST was raised to 15 percent from 12.5 percent. The company tax was also cut from 30 percent to 28 percent, and first applied to the 2011/2012 income year. For most companies, this took effect on April 1, 2011. New Zealand also dropped its top tax rate for most portfolio investment entities (PIES) by 2 percent to 28 percent.

There is no capital gains tax, but some "gains", such as the profits on the sale of patent rights, may be considered as income.

New Zealand has agreements on taxation with 38 countries or territories, including the United States. A protocol amending the income tax treaty between the United States and New Zealand came into force in 2010, with provisions including: elimination of source-country withholding tax on certain direct dividend payments; elimination of source-country withholding tax on certain interest payments, including interest paid to certain banks and financial enterprises; reduced source-country withholding tax on all royalty payments; a comprehensive limitation on benefits provision; and a comprehensive provision allowing for full exchange of information between the U.S. and New Zealand revenue authorities. With respect to taxes withheld at source, the protocol has effect for amounts paid or credited on or after January 1, 2011. For all other taxes, the protocol generally has effect in the United States for taxable periods starting on or after January 1, 2011, and in New Zealand for taxable periods starting on or after April 1, 2011.

In October 2012, New Zealand announced it would pursue a Foreign Account Tax Compliance Act (FATCA) agreement with the United States, in an effort to reduce compliance costs for New Zealand institutions. Under the agreement, New Zealand's Inland Revenue Department (IRD) would submit the required information to the IRS on behalf of a financial institution's behalf. New Zealand also signed the multilateral "Convention on Mutual Administrative Assistance in Tax Matters" on October 31, 2012.

Under legislation passed in New Zealand in 1995, foreign firms and investors were granted a national treatment obligation on corporate taxes and transfer-pricing rules were aligned so that New Zealand adheres to Organization for Economic Cooperation and Development (OECD) practices. Additionally, thin capitalization regulations were tightened to discourage foreign companies from using excessive debt to avoid New Zealand taxes. The rules offer foreign investors greater transparency and predictability. Investment New Zealand, the government's investment promotion agency, works with offshore investors to facilitate investment in New Zealand.

Measure Year Index/Ranking

Measure	Year	Index or Rank
TI Corruption Perceptions Index	2012	90 (1)
Heritage Foundation's Economic Freedom index	2012	81.4 (4)
World Bank's Doing Business Report	2012	3

Conversion and Transfer Policies

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There are no restrictions on the inflow or outflow of capital, and the currency is freely convertible. Full remittance of profits and capital is permitted through normal banking channels. There is no difficulty in obtaining foreign exchange.

Expropriation and Compensation

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Expropriation is not an issue in New Zealand, and there are no outstanding cases.

Dispute Settlement

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Investment disputes are extremely rare, and there have been no major disputes in recent years involving U.S. or other foreign investors. The mechanism for handling disputes is the judicial system, which is generally open, transparent and effective in enforcing property and contractual rights. Property and contractual rights are enforced by a British-style legal system. The highest appeals court is a domestic Supreme Court, which replaced the Privy Council in London and began hearing cases July 1, 2004. New Zealand courts are independent and impartial, and the decisions of judges are subject only to the law. The courts can recognize and enforce a judgment of a foreign court if the foreign court is considered to have exercised proper jurisdiction over the defendant according to private international law rules. New Zealand has well defined and consistently applied commercial and bankruptcy laws. Arbitration is a widely-used dispute resolution mechanism inside New Zealand, and is governed by the Arbitration Act 1996, Arbitration (Foreign Agreements and Awards) Act 1982, and the Arbitration (International Investment Disputes) Act 1979.

New Zealand is a party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States and to the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards.

Performance Requirements and Incentives

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The Government of New Zealand does not maintain any measures that are alleged to violate the Trade Related Investment Measures text in the World Trade Organization. There are no performance requirements or incentives associated with foreign investment. However, for those investments that require OIO approval and are subject to reporting requirements, investors must report regularly on their compliance with the terms of the consent agreement.

Right to Private Ownership and Establishment

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Private entities generally have the right to freely establish, acquire, and dispose of business enterprises. There are a few exceptions in the treatment of domestic and foreign private entities. Government approval is required for foreign investments over NZD 100 million and investments in commercial fishing and certain land (as outlined in the “Openness to Foreign Investment” section above. In general, there has been no restriction on foreign purchasers in the privatization of assets, except for the ceilings on foreign ownership stakes in Air New Zealand and the Telecom Corporation of New Zealand. To preserve landing rights, no more than 49 percent of Air New Zealand, the national flagship carrier, can be owned by foreigners. A single foreign investor can hold a maximum of 49.9 percent of the total voting shares of Telecom New Zealand. In addition, under the Fisheries Act 1983, foreigners can only lease New Zealand fishing rights.

Protection of Property Rights

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New Zealand recognizes and enforces secured interest in property, both movable and real. Most privately owned land in New Zealand is regulated by the Land Transfer Act 1952 (as amended) and the Land Transfer Regulations 2002. These provisions set forth the issuance of land titles, the registration of interest in land against land titles, guarantee of title by the State. The Register-General of Land develops standards and sets an assurance program for the land rights registration system. New Zealand's legal system protects and facilitates acquisition and disposition of all property rights.

Regarding intellectual property rights (IPR) protection, New Zealand generally has a strong record and is an active participant in international efforts to strengthen IPR enforcement globally. It is a party to nine World Intellectual Property Organization (WIPO) treaties and actively participates in the Trade Related Aspects of Intellectual Property Rights (TRIPS) Council. However, New Zealand is not party to the WIPO internet treaties (the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty). New Zealand implemented the Madrid Treaty in December 2012, allowing New Zealand companies to file international trade marks through the Intellectual Property Office of New Zealand (IPONZ). IPONZ also overhauled their systems to allow for online application and management, to cut down administration and compliance burdens. New Zealand is a party to the multi-lateral Anti-Counterfeiting Trade Agreement (ACTA), which is aimed at establishing a comprehensive international framework that will assist Parties to the agreement in their efforts to effectively combat the infringement of intellectual property rights, in particular the proliferation of counterfeiting and piracy. New Zealand Government agencies, including the New Zealand Agency for International Development (NZAID), Ministry for Business, Innovation and Employment (MBIE) and IPONZ assist developing countries in the Asia-Pacific region with implementation of their obligations under the TRIPS Agreement through technical assistance and capacity building programs.

The principle legislation governing copyright protection in New Zealand is The Copyright Act of 1994. Under the legislation, copyright protection is granted for the author's lifetime plus 50 years from the calendar year, in which the author died, for literary, dramatic, musical, and artistic works; and for 50 years from the calendar year in which they were made, for sound recordings and films. In April 2008, New Zealand passed the Copyright (New Technologies) Amendment Act, which is aimed at bringing the original copyright law up to date with digital technology. Among other things, the amendment required that internet service providers (ISPs) have a policy in place to address termination for repeat offenders. The industry attempted to form a voluntary code to address how this would be accomplished; however, agreement between rights holders and ISPs was never reached. As a result, the Government intervened to establish a more prescriptive legislation.

On February 23, 2010, the then Commerce Minister Simon Power introduced the Copyright (Infringing File Sharing) Amendment Bill into Parliament, repealing Section 92A of the Copyright Act. The bill was passed in April 2011, becoming the Copyright (Infringing File Sharing) Amendment Act. The Act puts in place a three notice regime intended to deter illegal file sharing. Copyright owners who can provide evidence of infringement will be able to request that internet service providers (ISPs) notify alleged infringers to stop infringing activity. The account holder may receive up to three warnings within a nine month period that infringement has occurred. Should the alleged infringement continue, the legislation enables copyright owners to seek the suspension of the internet account through the district court for up to six months. The account holder has the right to challenge the notice. The Bill also extends the jurisdiction of the Copyright Tribunal, enabling it to hear complaints and award penalties of up to NZD 15,000 (USD 12,300). Despite backlash from the New Zealand internet community, the Act came into force in September 2011. Although many rights holders initially expressed optimism over the legislation, they have since expressed concerns that subsequent implementing regulations issued by the Ministry of Business, Innovation and Employment, which allow internet service providers to charge up to NZ$25 (US$20.50) per issuance of an infringement notice. The cost has deterred some rights holders from using the system.

Trademarks in New Zealand are protected under the Trade Marks Act of 2002, which entered into force in 2003. The legislation has been amended several times, and the most recent amendment is the Trade Marks Amendment Act 2011, which is effective from September 15, 2011. The amendment prescribes that all trademarks must be classified according to the Nice classification system (in accordance with New Zealand's accession to the Nice Agreement). To bring New Zealand in line with its obligation under the Madrid Protocol, the amendment establishes the Patent Office as New Zealand's office of origin and provides for regulations to be made in regards to international registrations. The amendment also revises provisions regarding parallel importing, suspension of border protection notices, removal of licensees on the Trade Marks Register, and more.

New Zealand meets the minimum requirements of the TRIPS Agreement, providing patent protection for 20 years from the date of filing. The New Zealand Government grants both product and process patents. Patents are protected under the Patents Act 1953, last amended in 1999. In 2008 a new bill was introduced to Parliament to replace the 1953 Act, but the bill has not yet passed into law.

Under the proposed legislation, the patent term will remain at twenty years, and criteria for granting a patent will become stricter. An absolute novelty standard will be introduced as well as a requirement that requires all applications be examined for "obviousness" and utility. The legislation will also remove the 1953 Act provision for pre-grant opposition and will introduce a "re-examination" provision which can be invoked at any time after acceptance of an application, a provision potentially of concern, as it differs from international practice. Reexamination will be limited to issues of novelty and inventive step based on documentary prior art. The 1953 Act post-grant opposition provisions will be expanded, making it possible to invoke post-grant opposition at any time during the patent term. The legislation also provides for the establishment of a Maori Advisory Committee to advise the Commissioner of Patents where patent applications involve traditional knowledge and indigenous plants and animals. In addition, the legislation includes provisions that will reform the regulatory environment for patent lawyers. Pharmaceutical companies have expressed concern that the bill does not bring patent term restoration in line with international best practices.

The bill received its first reading in Parliament on May 5, 2009, after which it was open for public comment. In March 2010, the Bill was updated, and a new clause was inserted by the Commerce Select Committee that bars patents on all software. Although there was strong protest from the U.S. software industry, the then Commerce Minister Simon Power publicly stated there will be no further amendment to the bill; however, the Government would first seek to formulate implementing guidelines before the legislation moves forward. The Intellectual Property Office of New Zealand (IPONZ) has since drafted the guidelines and released them for public comment. In light of negotiations on the Trans-Pacific Partnership free trade agreement, the U.S. Government has expressed concern that a number of provisions in the draft Patents Bill (including, but not limited to its provision on software patentability) do not provide the high level of IPR protection reflected in past U.S. trade agreements. During its second reading in parliament, the Bill was once again amended to again include patents on software, in certain cases. The Bill is currently awaiting its final report before heading to its third reading and its likely passage into law.

Transparency of Regulatory System Return to top

New Zealand's regulatory, legal, and accounting systems are generally transparent and consistent with international norms. Proposed laws and regulations are regularly published in draft form for public comment via the internet, and law makers generally make every effort to give public submissions due consideration. While some standards are set through legislation or regulation, the vast majority of standards are developed through Standards New Zealand, the country's leading standards setting body. Standards New Zealand is a Crown entity, but it operates autonomously and is self-funded. When setting standards, they rely on expert committee consensus, public input and widespread consultation with affected parties, both foreign and domestic. The majority of standards are set in coordination with Australia.

There are a number of laws and policies that govern New Zealand's competition policy. The key competition law statute in New Zealand is the Commerce Act 1986, which covers both restrictive trade practices and the competition aspects of M&A transactions. It also sets forth regulation of industries and sectors with certain natural monopolies, such as electricity, airports, and telecommunications. The Commerce Act 1986 is overseen and enforced by New Zealand's Commerce Commission. In general, any contracts, arrangements, or understandings that have the purpose or effect of substantially lessening competition in a market are prohibited, unless authorized by the Commerce Commission. Before granting such authorization, the commission must be satisfied that the public benefit would outweigh the reduction of competition.

The Commerce Commission can block a merger or takeover that would result in the new company gaining a dominant position in the market. The use of a dominant market position to lessen or prevent various specified types of competition is contrary to the Act's provisions. However, the enforcement of any right under any copyright, patent, protected plant variety, registered design, or trademark does not necessarily constitute abuses of a dominant position.

Suppliers' use of resale price maintenance, in which suppliers of goods set and enforce sale prices to be charged by re-sellers, is also prohibited. Advice should be obtained on the application of the Act before the establishment of exclusive distribution, selling, and franchising arrangements in New Zealand.

To ensure competition in "natural monopolies," such as telecommunications and electricity, the government has increased oversight. Under the 1997 WTO Basic Telecommunications Services Agreement, New Zealand committed to the maintenance of an open, competitive environment in the telecommunications sector. Key reforms of the sector, through legislation enacted in December 2001 and December 2006, included the appointment of a commissioner responsible for resolving commercial disputes, the introduction of regulated services (including local loop and bitstream unbundling), the strengthening of the monitoring and enforcement arrangements for regulated services, and the operational separation of Telecom New Zealand.

Mobile termination rates (MTRs) have long been unregulated in New Zealand's small, isolated market, creating an environment for protectionist behavior. Under the unregulated system in New Zealand, prices and other terms are negotiated commercially between network operators (fixed or mobile). New Zealand's dominant telecommunication companies, Vodafone and Telecom, have historically had termination rates that were among the highest of all industrialized countries. These above-cost MTRs also created a framework for the other anticompetitive behavior, such as significant on-net/off-net retail price differentiation resulting in highly concentrated geographic regions dominated by one or other of the incumbent networks. On a national basis however, Vodafone and Telecom control 51 percent and 46 percent of the market respectively.

On August 4, 2010, New Zealand's then Minister for Information Technology and Communications Steven Joyce accepted a recommendation by the Commerce Commission to regulate termination rates. The Government has subsequently added mobile termination access services to Schedule 1 of the Telecommunications Act by regulation. The Commerce Commission will now go through a process to set wholesale access prices and determine other pro-competitive conditions, potentially around on-net / off-net retail price discrimination that mobile carriers must adhere to.

One law that draws consistent criticism as a barrier to investment (from both foreign and domestic investors) is the Resource Management Act 1991. The Act regulates access to natural and physical resources such as land and water. Critics contend that the resource management process mandated by the law is unpredictable, protracted and subject to undue influence from competitors and lobby groups. There have been several well publicized cases in which it was alleged that companies have used the objections submission process under the law to stifle competition. Investors have also raised concerns that the law is unequally applied between jurisdictions because of the lack of implementing guidelines. To address some of these concerns, the Resource Management (Simplifying and Streamlining) Amendment Act was passed in 2009.

Efficient Capital Markets and Portfolio Investment Return to top

New Zealand policies generally facilitate the free flow of financial resources to support the flow of resources in the product and factor markets. Credit is generally allocated on market terms, and foreigners are able to obtain credit on the local market. The private sector has access to a variety of credit instruments. It has a strong infrastructure of statutory law, policy, contracts, codes of conduct, corporate governance, and dispute resolution that support financial activity and allow it to thrive. The banking system, mostly dominated by foreign banks, is world class in electronic banking and is rapidly moving New Zealand into a "cashless" society. However, in November 2010, Standard & Poor's downgraded its outlook for New Zealand's credit rating from stable to negative, citing a weakening of the nation's banks. Despite initially supporting the measures outlined in the government's May 2011 budget, both Standard & Poors and Fitch further downgraded

New Zealand from an AA+ to AA rating on September 30, 2011, where it remains as of December 2012.

New Zealand also has a full range of other financial institutions, including a securities exchange, investment firms and trusts, insurance firms and other non-bank lenders. Non-bank finance institutions experienced difficulties during the financial crisis due to risky lending practices, and the Government of New Zealand has undertaken legal changes to bring them into the regulatory framework, which will take effect in the middle of 2013.

New Zealand banks are regulated by the Reserve Bank of New Zealand (RBNZ) under the Reserve Bank of New Zealand Act 1989. The RBNZ is statutorily independent and is responsible for conducting monetary policy and maintaining a sound and efficient financial system. The New Zealand banking system consists of 22 registered banks and more than 90 percent of their combined assets are owned by foreign banks, mostly Australian. There is no requirement in New Zealand for financial institutions to be registered to provide banking services, but an institution must be registered to call itself a bank.

The RBNZ has no requirement to guarantee the viability of a registered bank or provide permanent deposit insurance. However, in response to the global financial crisis, the New Zealand Government announced in October 2008, that it would guarantee certain retail deposits up to NZD 1 million for two years. While generally successful, the Government was required to pay out NZD 1.2 billion in 2011 as a result of a large finance company failure. The Serious fraud office is currently investigating the company directors.

For investment-grade financial institutions that have substantial borrowing and lending operations in New Zealand, the Government also offered a wholesale funding guarantee facility. On April 30, 2010, the New Zealand Government ended its wholesale funding guarantee program (which helped banks access funding during the liquidity crisis) but the retail deposit guarantee will continue.

Despite the global financial crisis, banks in New Zealand have done relatively well. No banks have failed, and there are relatively low levels of mortgage defaults. While banks have remained relatively stable, the largest four New Zealand banks (ANZ, ASB, Westpac & BNZ) were downgraded on December 3, 2011 following downgrades of their Australian parent banks. The main reason cited for the downgrades was due to foreign instability and the banks' reliance on foreign funding. Because banks in New Zealand predominately rely on foreign funding, they are heavily exposed to foreign liquidity risk. It is estimated that approximately 45 percent of total funding comes from overseas capital markets. The global financial crisis also spurred the Government of New Zealand to review banking regulation and crackdown on tax evasion by foreign-owned banks.

The Securities Commission, under the Securities Act 1978 and amendments, regulated the issuance of securities. The Act requires registration of prospectuses for public offerings of new securities and prescribes the information that must be disclosed. The Securities Markets Act 1988 provides civil remedies for loss or damages resulting from insider trading and market manipulation. Amendments in 2002 gave the Securities Commission additional powers to increase its effectiveness in monitoring and enforcement, including criminal sanctions for insider trading and market manipulation. In

September 2008, New Zealand passed the Financial Advisers Act and the Financial Service Providers (Registration and Dispute registration) Act, which also gave what was then the Securities Commission authority to regulate the financial services industry, including market participants, intermediaries, investors and consumers.

In April 2010, the New Zealand Cabinet agreed to establish a new consolidated market conduct regulator for the financial sector, the Financial Markets Authority (FMA), as well as a new register of securities offerings. The Financial Markets Authority Act was passed in April 2011, and the FMA began operation that same month, replacing the Securities Commission, which no longer exists. The FMA also carries out some of the current work of the Ministry of Business, Innovation and Employment, including the regulatory role of the Government Actuary and some of the roles of the Registrar of Companies. The FMA has already shown it has a strong hand in regulating registered exchanges. The New Zealand Markets Disciplinary Tribunal (NZMDT) is now an independent body supported by the FMA. The regulation also created a register for all public offers of securities that facilitates between financial products.

Legal, regulatory, and accounting systems are transparent. Financial accounting standards are issued by the Accounting Standards Review Board. The Act makes the adoption of financial accounting standards mandatory for registered companies and issuers of securities, including entities listed on the New Zealand Stock Exchange (NZX). The standards generally are adopted by other entities as well. The Board's accounting standards are based largely on international accounting standards, and the use of international accounting standards will be universal. Smaller companies (except issuers of securities and overseas companies) that meet proscribed criteria face less stringent reporting requirements. Entities listed on the stock exchange are required to produce annual financial reports for shareholders together with abbreviated semi-annual reports. Stocks in a number of New Zealand listed firms are also traded in Australia and in the United States.

Small, publicly held companies not listed on the NZX may include in their constitution measures to restrict hostile takeovers by outside interests, domestic, or foreign. However, NZX rules generally prohibit such measures by its listed companies.

As a result of the global financial crisis, New Zealand has undertaken a review of its financial system to shore up investor confidence. Reforms are focused on establishing a regime to supervise financial advisors, enforcement of rules related to finance companies and the selling of financial products, and legal reforms to facilitate the raising of capital. Much of the impetus for the reforms stems from finance companies that engaged in high risk property lending through the issuance of debentures and “mis-selling” financial products. Many such finance companies collapsed or froze repayments. The Government of New Zealand is currently reviewing disclosure requirements under the Securities Regulations and legislative changes to the Securities Act, which may affect trustee responsibilities and supervision, supervision of funds managers, and disclosure rules for securities offerings, among other things.

Competition from State Owned Enterprises

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The Government of New Zealand owns a variety of commercial assets, including 18 state-owned enterprises (SOEs), eight Crown research institutes, four Crown financial institutions, five non-financial Crown companies, 76.5 percent of Air New Zealand Limited, and other Crown shareholdings in a shipping line and four airports. Although the SOEs are set up by the State-Owned Enterprises Act of 1986, they are regulated by the provisions of the Companies Act and are registered as public companies. Unlike Crown entities, the SOEs are structured as companies because they provide public services via market determined prices. The Crown Ownership Monitoring Unit (COMU), which is part of the New Zealand Treasury, is responsible for overseeing the SOEs and provides "shareholding" ministers with advice on the SOE performance. The board of directors of each SOE reports to two ministers, the Minister of Finance and the relevant portfolio minister.

Most of New Zealand's SOEs are concentrated in the energy and transportation sectors. Private enterprises are allowed to compete with public enterprises under the same terms and conditions with respect to markets, credit, and other business operations. For example, Contact Energy, a publicly listed company, is allowed to sell energy in direct competition with Meridian Energy Limited, which is an SOE. Under SOE Continuous Disclosure Rules, SOEs are required to continuously report on any matter that may materially affect their commercial value.

The re-elected (2011) National government has outlined plans to partially sell a number of key state assets, in particular its energy companies and Air New Zealand. While controversial, the asset sales were set to begin at the end of 2012, starting with either Mighty River Power or Genesis energy, but legal challenges have pushed this until the middle of 2013. Up to 49 percent of the companies will be for sale, with the government retaining the majority share. The New Zealand Government intends on restricting initial sales to New Zealand residents.

Corporate Social Responsibility

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The Government of New Zealand actively promotes corporate social responsibility (CSR), which is widely practiced throughout the country. There are a number of New Zealand NGOs that are dedicated to facilitating and strengthening CSR, including the New Zealand Business Council for Sustainable Development, the Sustainable Business Network, and the American Chamber of Commerce in New Zealand.

Political Violence

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New Zealand is a stable Western democracy.

Corruption

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Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov/criminal/fraud/

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. [Insert information as to whether your country is a party to the OECD Convention.]

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN

Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. [Insert information as to whether your country is a party to the UN Convention.]

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html) [Insert information as to whether your country is a party to the OAS Convention.]

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.) [Insert information as to whether your country is a party to the Council of Europe Conventions.]

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: http://www.ustr.gov/trade-agreements/free-trade-agreements. [Insert information as to whether your country has an FTA with the United States: Country [X] has a free trade agreement (FTA) in place with the United States, the [name of FTA], which came into force. Consult USTR Website for date: http://www.ustr.gov/trade-agreements/free-trade-agreements.]

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department's U.S. and Foreign Commercial Service can provide assistance with navigating the host country's legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

New Zealand is renowned for its efforts to ensure a transparent, competitive, and corruption-free government procurement system. Stiff penalties against bribery of government officials as well as those accepting bribes are strictly enforced. New Zealand consistently achieves top ratings in the Transparency International's Corruption Perception Index (CPI). In 2012, Transparency International ranked New Zealand first equal (out of 180 countries and territories), with a rating of 90. The highest possible score (i.e. least corrupt) is 100.

The legal framework for combating corruption in New Zealand consists of domestic and international legal and administrative methods. Domestically, New Zealand's criminal offences related to bribery are contained in the Crimes Act 1961 and the Secret Commissions Act 1910. The New Zealand Government has a strong code of conduct, The Standards of Integrity and Conduct, which applies to all State Services employees and is rigorously enforced. The New Zealand Police has its own Code of Conduct that applies to all New Zealand Police employees, and the Office of the Judicial Conduct Commissioner was established in August 2005 to deal with complaints about the conduct of judges. New Zealand's Office of the Controller and Auditor-General and the Office of the Ombudsman take an active role in uncovering and exposing corrupt practices. The Protected Disclosures Act was enacted to protect public and private sector employees who engage in "whistleblowing".

Internationally, New Zealand has signed and ratified the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. In October 2006, the OECD examined New Zealand for compliance with the convention. New Zealand has also signed and ratified the UN Convention Against Transnational Organized Crime. In 2003, New Zealand signed the UN Convention Against Corruption and is currently working to ratify it. New Zealand opted to joined the GATT/WTO Government Procurement Agreement in 2012, citing benefits for exporters, while noting that there would be little change for foreign companies bidding within New Zealand's totally deregulated government procurement system. New Zealand supports multilateral efforts to increase transparency of government procurement regimes. New Zealand also engages with Pacific Island countries in capacity building projects to bolster transparency and anti-corruption efforts.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.

- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf.

- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See http://www.transparency.org/publications/gcr.

- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See http://info.worldbank.org/governance/wgi/index.asp. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: http://data.worldbank.org/data-catalog/BEEPS.

- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See http://www.weforum.org/s?s=global+enabling+trade+report.

- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at http://www.state.gov/g/drl/rls/hrrpt/.

- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

Bilateral Investment Agreements Return to top

New Zealand currently has signed bilateral investment treaties (BIT) with four partners: Argentina (August,1999), Chile (July, 1999), China (November, 1988), and Hong Kong (July, 1995). Besides these treaties, the country has concluded a number of economic agreements that also contain provisions on investment:

New Zealand and Australia trade through a Closer Economic Relationship (CER), which is a free trade agreement eliminating all tariffs between the two countries. However, the rules of origin under the CER do not permit products to enter Australia duty free from New Zealand unless the products are of at least 50 percent New Zealand origin. Additionally, the last manufacturing process must be carried out in New Zealand. The enactment of the Free Trade Agreement between Australia and the United States on January 1, 2005, removes any tariff disadvantage to U.S. firms that choose to re-export products from New Zealand to Australia.

New Zealand concluded a Closer Economic Partnership (CEP) agreement with Singapore that entered into force on January 1, 2001.

New Zealand concluded a concluded a CEP agreement with Thailand that entered into force on July 1, 2005. The FTA contains a specific chapter on investment.

New Zealand concluded an FTA with China that entered into force on October 1, 2008. The FTA contains a specific chapter on investment.

New Zealand and Malaysia signed an FTA October 26, 2009, but is yet to enter into force. The FTA contains a specific chapter on investment.

New Zealand concluded work on an FTA with the Gulf Cooperation Council (GCC) on October 31, 2009, but the agreement has not yet been signed.

New Zealand concluded a CEP with Hong Kong, which entered into force on January 1, 2011.

A Free Trade Agreement between New Zealand, Australia and the Association of South East Asian Nations (ASEAN) was signed on February 27, 2009. The FTA contains a specific chapter on investment.

The Trans-Pacific Strategic Economic Partnership Agreement (TPP, previously known as the "P4") between Brunei Darussalam, Chile, New Zealand and Singapore was signed in 2005. In 2010, the United States, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam began negotiating a regional Asia-Pacific trade agreement called the Trans-Pacific Partnership (TPP), with the objective of shaping a high-standard, broad-based regional agreement. Canada and Mexico joined negotiations in 2012. This agreement will create a potential platform for economic integration across the Asia-Pacific region, and a means to advance U.S. economic interests with the fastest-growing economies in the world. In December, 2012, New Zealand hosted a round of TPP negotiations in Auckland.

New Zealand is also currently negotiating separate FTAs with India and Korea, as well as a block trade agreement with Russia, Belarus, and Kazakhstan. A joint study between New Zealand and Taiwan was announced in late 2011, with independent submissions from both sides being exchanged in November 2011. Results of the submissions have not been released.

New Zealand joined the Regional Comprehensive Economic Partnership (RCEP), launched at the East Asia Summit in November 2012. The RCEP developed among 16 countries: the 10 members of ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam) and the six countries with which ASEAN has existing Free Trade Agreements (FTAs) – Australia, China, India, Japan, Korea, and New Zealand. Negotiations commence in early 2013.

OPIC and Other Investment Insurance Programs Return to top

As an OECD member country and developed nation, New Zealand is not eligible for OPIC programs. Although the New Zealand Government does not provide OPIC-like services to encourage New Zealand investment in developing countries, New Zealand is a member of the Multilateral Investment Guarantee Agency (MIGA). It also has an export insurance program administered under the New Zealand Export Credit Office (NZECO). NZECO provides credit guarantees to protect exporters against uncontrollable events and aims to help build the capacity of New Zealand exporters to offer long-term finance terms to international buyers.

Labor

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The seasonally adjusted unemployment rate at the end of the September 2012 quarter rose to 7.3 percent from 6.8 percent in the previous quarter. Despite a downward trend in unemployment from a peak of 7.1 percent in December 2009, this marked increase highlights the difficulties New Zealand is experiencing economically, largely due to external pressures. While still below the OECD average of 7.9 percent, New Zealand has slipped in the last year from eleventh to fifteenth lowest unemployment rate of the 33 OECD countries.

As of the end of the September 2012 quarter, there were 3,497,000 people in the working age population; 2,393,000 persons employed in the workforce (68.4 percent), and 1,103,000 persons not in the labor force (31.6 percent). Of those in the workforce, 2,218,000 are employed (92.7 percent) and 157,000 are unemployed (6.5 percent). Approximately 77 percent of those employed were full-time workers.

In comparison with a year ago, employment is growing most rapidly in agriculture, forestry and fishing, transport, postal and warehousing, and professional services. Manufacturing, construction, and education employment have all dropped. The unemployment rate within certain parts of the population continues to rise. Unemployment rates among Maori and Pacific Islanders now stand at 15.1 percent, 15.6 respectively, as compared to 13.1 percent and 14.4 percent at the end of September 2011. New Zealand continues to lose many of its workers to Australia (where any New Zealander can legally work). New Zealand workers are drawn there by relatively higher wages and more plentiful job opportunities.

A number of employment statutes govern the work place in New Zealand. The most important is the Employment Relations Act (ERA) 2000, which repealed the Employment Contracts Act 1991. Other key legislation that supplement the ERA include the Employment, Equal Pay Act 1972, Health and Safety in Employment Act 1992, Holidays Act 2003, Minimum Wage Act 1983, the Parental Leave and Employment Protection Act 1987, Volunteers Employment Protection Act 1973, and Wages Protection Act.

Some notable changes to New Zealand's labor law in recent years include a 2004 revision of the ERA, which strengthens collective bargaining, good faith provisions, and dispute resolution mechanisms. It also provides additional protection for workers in the event that company ownership changes. The Employment Relations (Flexible Working Arrangements) Amendment Bill, which was passed in 2007, changes the Employment Relations Act to provide employees who care for others with the statutory right to request part-time or flexible hours. The changes are not limited to hours of work but can also include the place of work, such as working from home, compressing the work week into fewer days, flexi-time, staggered hours, shift swapping, and job sharing. In 2007, the mandatory minimum annual leave time increased to four weeks. In November 2010, the New Zealand Government amended the Holidays Act 2003 and the Employment Relations Act 2000. The amendments introduced a wide range of changes, including: the ability for employees to cash in a maximum of one week of annual holidays, the ability to transfer public holidays to another working day, extending trial periods to all employers, changes to the personal grievance provisions, requiring consent to be given before a union can access a workplace, requiring employers to retain employment agreements, and extending the role and powers of labor inspectors. The changes for both amendments took effect on April 1, 2011.

Another notable change in New Zealand's labor law occurred in 2010 with the promulgation of the Employment Relations (Film Production Work) Amendment. After Warner Bros threatened to move the production of the movie *The Hobbit* elsewhere because of a dispute with acting unions, the Government of New Zealand, on short notice, amended the Employee Relations Act 2000. The amendment essentially changed the law so that workers involved with film production work will be considered as independent contractors rather than employees, unless they choose to be employees by entering into an agreement that provides that they are such. This includes production work for video games as well but not for programs initially intended for television. The amendment aims to provide clarity and certainty about the status of workers in the film industry and removes courts' authority to reclassify independent contractors as employees despite the type of work agreement. In most other sectors, New Zealand courts have the authority to determine the nature of the work agreement between employer and employee regardless of the type of contract entered into.

Labor laws are generally well enforced, and disputes are usually handled by the New Zealand Employment Relations Authority. Its decisions may be appealed in an Employment Court. The New Zealand Department of Labour is responsible for enforcement of laws governing work conditions. Unions have the right to organize and collectively bargain. The proportion of union members in the total employed labor force is roughly 17 percent. The New Zealand Council of Trade Unions is the umbrella organization for 350,000 union members in 40 affiliated unions. Work stoppages continue to decline. Twelve work stoppages ended in 2011, consisting of eight complete strikes, three partial strikes and one lockout. The 12 stoppages involved 2,098 employees, a loss of 4,850 person-days of work and an estimated NZD1 million loss in wages and salaries. The year-on-year trend indicates a decrease in the number of work stoppages with 2011 recording the lowest number of stoppages since reporting started in 1986.

Employment rights mandate that every employee has a written employment agreement. The adult (employees who are 16 and over and are not new entrants or trainees) minimum wage is NZD 13.50 (US$11.07) per hour. The new entrants and training minimum wage is NZD 10.80 (US$8.86) per hour.

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New Zealand does not have any foreign trade zones or free ports.

Foreign Direct Investment Statistics Return to top

For the quarter ending September 2012, New Zealand's direct investment abroad (stock) was NZ$23.77 billion, up NZ$654 million from the same quarter in 2011. Total foreign direct investment (stock) in New Zealand was NZ$98.88 billion, an increase of NZ$4.6 billion. As a percent of GDP, New Zealand's investment abroad and foreign investment in New Zealand was 17.18 percent and 71 percent respectively. (Note: Real GDP for the same time period was NZ$138.35 billion expressed in 1995/96 prices.) Australia remains New Zealand's largest investment partner; it accounts for 51 percent of total New Zealand investment abroad and 51 percent of total foreign investment in New Zealand. Together with Australia, the United Kingdom and the United States make up New Zealand's three biggest investment partners.

Direct investment in the United States is 18 percent of New Zealand's direct investment overseas, and the United States is the source of 14 percent of total foreign direct investment in New Zealand. As of the year ending March 2012, the value of New Zealand's direct investment in the United States was NZ$4 billion (an increase of 5.95 percent from the Mar 2011 year), and the total value of U.S. investment in New Zealand was NZ$10.3 billion (down 7.5 percent from the Mar 2011 year).

U.S. investment in New Zealand is concentrated in the telecommunications, forestry, transportation, food processing, and electronic data processing sectors. Increasingly U.S. investments are going into petroleum refining and distribution, financial services, information technology, and biotechnology. New Zealand primarily invests abroad in the financial and insurance industry and manufacturing. For reference purposes, NZ$1 roughly equals 83 U.S. cents. (December 2012).

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Reserve Bank of New Zealand: http://www.rbnz.govt.nz/
Overseas Investment Office: http://www.linz.govt.nz/overseas-investment
New Zealand Ministry of Economic Development: http://www.med.govt.nz/
New Zealand Ministry of Justice: http://www.justice.govt.nz/
New Zealand Department of Labour: http://www.dol.govt.nz/
New Zealand Council of Trade Unions: http://www.union.org.nz/
New Zealand Export Credit Office: http://www.nzeco.govt.nz/
New Zealand Financial Markets Authority: http://www.fma.govt.nz/
New Zealand Ministry of Foreign Affairs and Trade: http://www.mfat.govt.nz/
New Zealand Commerce Commission: http://www.comcom.govt.nz/
Intellectual Property Office of New Zealand: http://www.iponz.govt.nz/
Statistics New Zealand: http://www.stats.govt.nz

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Chapter 7: Trade and Project Financing

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The main sources of capital for financing imports or new development in New Zealand are undistributed profits, the share market, merchant banks, insurance companies, savings banks, finance companies (including hire-purchase or leasing companies), private sources, investment by overseas companies in New Zealand branches, subsidiaries, joint venture companies, and foreign capital inflows. The New Zealand Government has set-up a venture capital program that aims to match NZ$100 million in public funds with NZ$200 million of private funds. Although there is a broad array of suppliers of debt, the smaller population means there are relatively fewer New Zealand sources of early stage equity, including venture capital.

In New Zealand, standard private financial products are available to support, import, and export opportunities. Local financial institutions offer secured bank credit and trade finance products (e.g., sight draft, irrevocable letters of credit, etc.). Open account purchase agreements are quite common among long-time trading partners.

How Does the Banking System Operate Return to top

The Reserve Bank of New Zealand oversees the banking system of New Zealand. Like the U.S. Federal Reserve, it formulates and implements monetary policy, monitors banks, manages currency issuance, and acts as the central bank of New Zealand. It grants banking licenses and operates the Exchange Settlement Account System (ESAS), through which banks make regular, high-value payments with each other. Additionally, the Reserve Bank provides clearing and settlement services to the financial markets for high-value debt and equities. New banks have to apply for a separate license for foreign exchange trading, but this usually poses no difficulty.

There are 19 registered banks in New Zealand. To reduce bank failures, registered banks must meet minimum standards. Overseas entities own more than 90 percent of the country's banking assets. TSB Bank Limited of New Plymouth, SBS Bank, and Kiwi Bank, a government-established bank operated out of NZ Post Shops are the only domestically owned banks. Additionally, finance companies, insurance companies, and building societies are engaged in capital formation and investment. The Securities Commission regulates these institutions.

Banks in New Zealand provide customary retail and commercial business including: depository services, lending, and foreign exchange services. These banks maintain the usual correspondent relationships with banks around the world.

The Government of New Zealand's liberalization of the banking system has ended almost all restrictions on the number, activities, and ownership of banks operating in New Zealand. There are no limits on the number of licenses granted, and foreign-owned institutions have full equality with nationally based firms. In general, banks operate on an "at your own risk" policy for both management and depositors. Customers' deposits are not covered by any system of depositors' insurance.

Foreign-Exchange Controls Return to top

There are no major controls on foreign exchange trading except for the separate license requirement stated earlier.

U.S. Banks and Local Correspondent Banks Return to top

New Zealand Retail Banks:

ANZ National Bank Group Limited: http://www.anz.co.nz/business
ASB Bank Limited: https://www.asb.co.nz/Business-Banking
Australia and New Zealand Banking Group Limited: http://www.anz.com/small-business
Bank of New Zealand: http://www.bnz.co.nz/business-banking
Kiwibank Limited: http://www.kiwibank.co.nz/business-banking
TSB Bank Limited: http://www.tsb.co.nz
Westpac New Zealand Ltd: http://www.westpac.co.nz/

U.S. Banks (Wholesale):

Citibank New Zealand: http://www.citibank.com/us/home.htm
J.P. Morgan: http://www.jpmorgan.com/pages/jpmorgan

Project Financing Return to top

Debt and venture capital financing are readily available at New Zealand market rates. Low residential savings rates require banks to obtain higher cost offshore funds to meet loan demand.

Vendors often offer financing for large equipment purchases. Commercial banks, often operating in a consortium, provide project financing in New Zealand. New Zealand is not a developing country, therefore, multilateral institutions and development banks, such as The World Bank or USAID, do not lend into New Zealand.

The U.S. Export-Import Bank standard policies apply to U.S. firms selling to New Zealand entities.

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Export-Import Bank of the United States: http://www.exim.gov

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: http://www.opic.gov

Trade and Development Agency: http://www.tda.gov/

SBA's Office of International Trade: http://www.sba.gov/oit/

USDA Commodity Credit Corporation: http://www.fsa.usda.gov/ccc/default.htm

U.S. Agency for International Development: http://www.usaid.gov

(Insert a link to the applicable Multilateral Development Bank here and any other pertinent web resources.)

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Chapter 8: Business Travel

Business Customs

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New Zealand business customs are similar to those practiced in the United States. It is common and courteous practice to make and keep appointments in a timely manner. Senior level officials are as accessible for relevant business consultations as their peers are in the United States.

Travel Advisory

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Normal commercial travel agency assistance is appropriate for travel and hotel arrangements while traveling in New Zealand.

The State Department consular information sheet for New Zealand can be found at: http://travel.state.gov/travel/cis_pa_tw/cis/cis_984.html

New Zealand maintains stringent bio-security standards to protect its agricultural industries. Arriving international travelers should be careful to make an accurate declaration of any food or plant items in their baggage. Quarantine officials can impose immediate fines for infractions, starting at NZ$200. For more information consult the website of the Ministry of Agriculture and Forestry (MAF) http://www.maf.govt.nz/

For longer stays, the New Zealand Embassy or Consulate should be contacted for information pertaining to workers' and permanent residency permits.

Visa Requirements

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(Include information here on visa requirements entering this country.)

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: http://travel.state.gov/visa/

In New Zealand, consular activities are undertaken at the American Consulate General, Auckland: http://newzealand.usembassy.gov/american_citizen.html

Telecommunications

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New Zealand has modern telecommunications infrastructure. Mobile phones operate on GSM and CDMA systems. Internet access, either broadband or dial-up, is available in most city hotels and through wireless hotspots and Internet cafes.

New Zealand's telephone line density ratio is slightly over 477 lines per 1,000 persons, which is comparable to U.S. and European ratios. The switchgear and line qualities are more than satisfactory for facsimile transmission. The country supports many long distance billing services (Telecom, AT&T, Sprint, and more) 2Degrees, Vodafone and Telecom are the three cellular networks. Vodafone and Telecom offer rental services for visitors.

Transportation

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Most travelers to New Zealand arrive by air. Air New Zealand, the national air carrier code shares with United Airlines. Qantas, Australia's national air carrier code shares with American Airlines. In March 2013, Hawaiian Airlines began flights from Honolulu, Hawaii to Auckland, New Zealand.

New Zealand is well equipped with both public and private transportation options that can be booked through the Internet or travel agents. Automobiles are right hand drive and traffic travels on the left side of the road.

Language

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New Zealand is an English-speaking country. Maori is the language of the indigenous people of New Zealand. By law, Maori is an official language.

New Zealand's literacy rate is 99 percent.

Health

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The standard of public health is high. The New Zealand health system consists of public, private, and voluntary sectors that interact to provide and fund health care. The public sector provides free treatment at hospitals for emergency and major medical problems, including maternity and geriatric care and free dental treatment for those less than 18 years of age. American travelers to New Zealand are encouraged to obtain supplemental health insurance prior to entering the country to provide coverage against unforeseen health problems or accidents.

Local Time, Business Hours, and Holidays

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New Zealand business operates on a five-day (Monday through Friday) workweek. Retail outlets are open until 6 p.m. with extended hours Thursday/Friday and in December. There are many supermarkets and gas stations open 24 hours a day.

January 1	New Year's Day
January 2	For day after New Year's Day
January 21	Wellington Anniversary (Wellington only)
January 28	Auckland Anniversary (Auckland only)
February 6	Waitangi Day
March 29	Good Friday
April 1	Easter Monday
April 25	ANZAC Day
June 3	Queen's Birthday
October 28	Labour Day
November 15	Canterbury Anniversary Day (Christchurch only)
December 25	Christmas Day
December 26	Boxing Day

Ocean surrounds New Zealand allowing for a temperate climate. The Southern Hemisphere's seasons are opposite the Northern Hemisphere with summer weather during the five-month, November to March period. Temperature extremes are confined to the mountainous areas in the North and South Islands.

Temporary Entry of Materials and Personal Belongings

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New Zealand admits samples of negligible value duty free. Small shipments of trade catalogs and price lists printed outside New Zealand and advertising products produced abroad are admitted duty free if they bear the name and address of the foreign manufacturer and are not designed to advertise the sale of those products by any company, firm, or individual with a business established in New Zealand. Personal belongings (goods) up to NZ$1000 may be brought into New Zealand.

Web Resources

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U.S. Consular: http://newzealand.usembassy.gov/american_citizen.html
Customs: http://www.customs.govt.nz

Ministry of Agriculture and Fisheries (MAF): http://www.maf.govt.nz
New Zealand Embassy: http://www.nzembassy.com/usa
New Zealand Immigration: http://www.immigration.govt.nz
Weather: http://www.metservice.com

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Chapter 9: Contacts, Market Research and Trade Events

Contacts Return to top

New Zealand Ministry of Agriculture and Forestry
http://www.maf.govt.nz

Airways Corporation of New Zealand
http://www.airways.co.nz

New Zealand Ministry of Civil Defense and Emergency Management
http://www.civildefence.govt.nz

New Zealand Commerce Commission
http://www.comcom.govt.nz

New Zealand Ministry of Economic Development
http://www.med.govt.nz

New Zealand Customs Service
http://www.customs.govt.nz

New Zealand Ministry of Defense
http://www.defence.govt.nz

Environmental Risk Management Authority (ERMA)
http://www.ermanz.govt.nz

New Zealand Ministry of Health
http://www.moh.govt.nz

New Zealand Police (National Headquarters)
http://www.police.govt.nz

New Zealand Trade and Enterprise
http://www.nzte.govt.nz

Overseas Investment Office
http://www.linz.govt.nz/overseas-investment/index.aspx

Statistics New Zealand
http://www.stats.govt.nz

New Zealand Agricultural Commodity Boards

Full Export Monopoly Boards:

ENZA Ltd.
http://www.enza.co.nz

Fonterra Cooperative Group Limited
http://www.fonterra.com

Zespri International Ltd
http://www.zespri.com

Non-Marketing Commodity Boards

Meat New Zealand
http://www.meatnz.co.nz

New Zealand-Based Multipliers

American Chamber of Commerce
http://www.amcham.co.nz
Executive Director: Mike Hearn

Auckland Chamber of Commerce
http://www.b-vital.com

Wellington Employers' Chamber of Commerce
http://www.wecc.org.nz

Canterbury Employer's Chamber of Commerce
http://www.cecc.org.nz

New Zealand-Based Commercial and Economic Personnel

The Senior Commercial Officer based in the American Consulate General – Sydney, Australia, manages the U.S. Commercial Service in New Zealand.

Joe Kaesshaefer, Senior Commercial Officer
U.S. Department of Commerce, U.S. Commercial Service
19-29 Martin Place, Level 59 MLC Centre
Sydney, NSW 2000 Australia
Phone: +61 2 9373-9202; Fax: +61 2 9221-0573
Email: Joe.Kaesshaefer@trade.gov

American Embassy – Wellington
http://newzealand.usembassy.gov

Ambassador David Huebner
29 Fitzherbert Terrace or PO Box 1190
Thorndon, Wellington, New Zealand

Janet Coulthart, Commercial Specialist
U.S. Department of Commerce, American Embassy
29 Fitzherbert Terrace or PO Box 1190, Thorndon, Wellington
Phone: +64 4 462-6002 Fax: +64 4 473-0070
Email: Janet.Coulthart@trade.gov

Dorothy Mayhew, Economic Officer
American Embassy
29 Fitzherbert Terrace or PO Box 1190
Thorndon, Wellington
Phone: +64 4 462-6182; Fax: +64 4 472-3537
E-mail: MayhewD@state.gov

The Agriculture Attache at the American Embassy in Canberra, Australia manages the U.S. Agriculture Service in New Zealand:

Hugh Magginis, Agricultural Attaché
U.S. Department of Agriculture
American Embassy
Moonah Place
Canberra ACT 2600, Australia
Phone: +61-2-6214-5854; Fax: +61-2-6273-1656

Washington-Based Country Contacts

New Zealand Desk Officer
U.S. Department of State
EAP/ANP, Washington, D.C. 20520
Phone (202) 736-4745; Fax: (202) 647-0118

New Zealand Desk Officer
U.S. Department of Commerce
Washington, D.C. 20230
Phone: (202) 482-3971; Fax: (202) 482-6165

The United States-New Zealand Council
DACOR Bacon House
1801 F Street, N.W., 3rd Floor
Washington, D.C. 20006
Phone: (202) 842-0772; Fax: (202) 842-0749
Mr. Bill Maroni, President

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: http://www.export.gov/mrktresearch/index.asp and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents/index.asp

http://export.gov/newzealand/tradeevents/nz/index.asp

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Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully**, **connect them with trade opportunities** and **support them once they do have exporting opportunities**.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E).**

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