



## COVERSHEET

<b>Minister</b>	Hon David Clark	<b>Portfolio</b>	Minister of Commerce and Consumer Affairs
<b>Title of Cabinet paper</b>	Technical update to the New Zealand Tariff to meet international obligations to the World Customs Organization	<b>Date to be published</b>	3 November 2021

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
September 2021	Technical update to the New Zealand Tariff to meet international obligations to the World Customs Organization	Office of the Minister of Commerce and Consumer Affairs
22 September 2021	Technical update to the New Zealand Tariff to meet international obligations to the World Customs Organization DEV-21-MIN-0184	Cabinet Office

### Information redacted

**NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.



# Cabinet Economic Development Committee

## Minute of Decision

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

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### Technical Update to the New Zealand Tariff to Meet International Obligations to the World Customs Organization

**Portfolio** Commerce and Consumer Affairs

On 22 September 2021, the Cabinet Economic Development Committee:

- 1 **noted** that New Zealand has an international obligation to update its Tariff to reflect changes arising from the revised Harmonized Commodity Description and Coding System (HS Code) by 1 January 2022;
- 2 **noted** that the changes to the Tariff are primarily a technical transposition and any impact on annual tariff revenue will be negligible;
- 3 **noted** that the changes in the New Zealand Tariff will also impact other legal instruments that cite the Tariff, such as rules of origin regulations, Excise and Excise-equivalent Duties Table under New Zealand Customs Service legislation and various instruments that use the Tariff to identify goods subject to levies;
- 4 **agreed** to update the Tariff, the Excise and Excise-equivalent Duties Table and associated legal instruments;
- 5 **agreed** to eliminate duties on the products as identified in paragraph 8, that are now grouped with zero rated products as a result of the HS Code update;
- 6 **agreed** to amend clause 21(6) of Schedule 3 of the Customs and Excise Act 2018 to include the new tariff heading for tobacco products created by HS 2022;
- 7 **invited** the Minister of Customs to instruct the New Zealand Customs Service to draft the necessary legislative amendments to update the Working Tariff Document, and the Excise and Excise-equivalent Duties Table, and on behalf of all relevant Ministers, to instruct Parliamentary Counsel Office to draft consequential amending legislation where necessary;
- 8 **authorised** the Minister of Customs to make decisions, consistent with the above proposals, on any issues that arise during the drafting process;
- 9 **noted** that officials will engage freight forwarders, customs brokers and importers to raise awareness of this technical and operational update;

Gerrard Carter  
Committee Secretary

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**Attendees: (see over)**

**Present:**

Hon Grant Robertson (Chair)  
Hon Dr Megan Woods (Deputy Chair)  
Hon Chris Hipkins  
Hon Carmel Sepuloni  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Poto Williams  
Hon Damien O'Connor  
Hon Stuart Nash  
Hon Kris Faafoi  
Hon Willie Jackson  
Hon Michael Wood  
Hon Dr David Clark  
Hon Dr Ayesha Verrall  
Hon Meka Whaitiri  
Hon Phil Twyford  
Rino Tirikatene, MP  
Dr Deborah Russell, MP

**Officials present from:**

Office of the Prime Minister  
Office of the Chair  
Officials Committee for DEV