

# **United Kingdom Free Trade Agreement Legislation Bill**

Government Bill

As reported from the committee of the whole House

This Bill was formerly part of the United Kingdom Free Trade Agreement Legislation Bill as reported from the Foreign Affairs, Defence and Trade Committee. The committee of the whole House has divided it into the following Bills:

- this Bill comprising clauses 1 and 2, Parts 1 to 4, and Schedule 1
- Apple Transitional Export Quota Bill comprising Part 5 and Schedule 2



*Hon Damien O'Connor*

# **United Kingdom Free Trade Agreement Legislation Bill**

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**Schedule 1**  
**New Part 9 inserted into Schedule 1AA of Overseas Investment**  
**Regulations 2005**

**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the United Kingdom Free Trade Agreement Legislation Act **2022**.

**2 Commencement**

- (1) This Act comes into force on a date appointed by the Governor-General by Order in Council. 5
- (2) An order made under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

**Part 1**

**Amendment to Copyright Act 1994** 10

**3 Principal Act**

This Part amends the Copyright Act 1994.

**4 Section 174B replaced (Consent required for making sound recording available to public)**

Replace section 174B with: 15

**174B Consent required to communicate or play sound recording to public**

A performer's rights are infringed by a person who, without the performer's consent, and by means of a recording,—

- (a) communicates to the public the whole or a substantial part of a performance; or 20
- (b) plays in public the whole or a substantial part of a performance.

**Part 2**

**Amendments to Dairy Industry Restructuring Act 2001**

**5 Principal Act**

This Part amends the Dairy Industry Restructuring Act 2001. 25

**6 Section 5 amended (Interpretation)**

In section 5(1), definition of **quota year**, paragraph (a), replace “and the Dominican Republic” with “the Dominican Republic, and the United Kingdom”.

**7 Section 26 amended (Later allocation of export licences)**

After section 26(1)(d), insert:

- (e) any rights in respect of the United Kingdom listed in Schedule 5A that become available at the expiry of any other allocations.

**8 New section 26A inserted (Commencement and expiry of UK quotas) 5**

After section 26, insert:

**26A Commencement and expiry of UK quotas**

- (1) If the UK FTA first comes into force on a day other than 1 January in any year, a transitional tariff rate quota must be applied in that year on a pro rata basis.
- (2) If a UK WTO tariff quota first becomes available under this Act on a day other than 1 January in any year, the tariff quota must be applied in that year on a pro rata basis. 10
- (3) Despite anything to the contrary in section 26, a transitional tariff rate quota expires at the end of the last day of the fourth year after the year in which the UK FTA comes into force. 15

- (4) In this section,—

**transitional tariff rate quota** means a UK transitional tariff rate quota listed in Schedule 5A

**UK FTA** means the Free Trade Agreement between New Zealand and the United Kingdom of Great Britain and Northern Ireland, done at London on 28 February 2022 20

**UK WTO tariff quota** means a UK WTO tariff quota listed in Schedule 5A.

**9 Section 29H amended (Power to audit milk collection data)**

- (1) In the heading to section 29H, after “milk”, insert “solids”.
- (2) In section 29H(1), after “milk”, insert “solids”. 25

**10 Section 31 amended (Offences)**

In section 31(3), after “milk”, insert “solids”.

**11 Schedule 5A amended**

In Schedule 5A, after the item relating to the Dominican Republic, insert:

*UK WTO tariff quotas*

United Kingdom	Butter	Destined for import into the United Kingdom under the World Trade Organization tariff quota for butter of New Zealand origin, as provided for in the United Kingdom’s Customs (Tariff Quotas) (EU Exit) Regulations 2020, including any amendment or any successor to those regulations.
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United Kingdom	Cheddar cheese	Destined for import into the United Kingdom under the World Trade Organization tariff quota for cheddar cheese of New Zealand origin, as provided for in the United Kingdom’s Customs (Tariff Quotas) (EU Exit) Regulations 2020, including any amendment or any successor to those regulations.
United Kingdom	Cheese for processing	Destined for import into the United Kingdom under the World Trade Organization tariff quota for cheese for processing of New Zealand origin, as provided for in the United Kingdom’s Customs (Tariff Quotas) (EU Exit) Regulations 2020, including any amendment or any successor to those regulations.
<i>UK transitional tariff rate quotas</i>		
United Kingdom	Butter	Destined for import into the United Kingdom under the transitional tariff rate quota for butter of New Zealand origin, as provided for in TRQ-3 Butter, Part 2B-2, Annex 2A of the Free Trade Agreement between the United Kingdom and New Zealand, including any amendment or any successor to that Annex.
United Kingdom	Cheese	Destined for import into the United Kingdom under the transitional tariff rate quota for cheese of New Zealand origin, as provided for in TRQ-4 Cheese, Part 2B-2, Annex 2A of the Free Trade Agreement between the United Kingdom and New Zealand, including any amendment or successor to that Annex.

**12 Schedule 5B amended**

In Schedule 5B, clause 3, after “milk”, insert “solids”.

**Part 3**

**Amendments to Overseas Investment Act 2005 and Overseas Investment Regulations 2005**

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Subpart 1—Amendment to Overseas Investment Act 2005

**13 Principal Act**

This subpart amends the Overseas Investment Act 2005.

**14 Section 61A amended (Regulations regarding alternative monetary thresholds for overseas investments in significant business assets)**

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Replace section 61A(1)(aaa) to (g) with:

- (a) the Trans-Pacific Strategic Economic Partnership Agreement, done at Wellington on 18 July 2005:

- |     |  |    |
|-----|--|----|
| (b) | the Free Trade Agreement between the Government of New Zealand and the Government of the People’s Republic of China, done at Beijing on 7 April 2008:                  |    |
| (c) | the New Zealand–Hong Kong, China Closer Economic Partnership Agreement, done at Hong Kong on 29 March 2010:  | 5  |
| (d) | the Protocol on Investment to the New Zealand–Australia Closer Economic Relations Trade Agreement, done at Wellington on 16 February 2011:                             |    |
| (e) | the Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu on Economic Cooperation, done at Wellington on 10 July 2013: | 10 |
| (f) | the Free Trade Agreement between New Zealand and the Republic of Korea, done at Seoul on 23 March 2015:  |    |
| (g) | the Trans-Pacific Partnership Agreement, done at Auckland on 4 February 2016:  | 15 |
| (h) | the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, done at Santiago on 8 March 2018:   |    |
| (i) | the Free Trade Agreement between New Zealand and the United Kingdom of Great Britain and Northern Ireland, done at London on 28 February 2022.                         | 20 |

## Subpart 2—Amendments to Overseas Investment Regulations 2005

### 15 Principal regulations

This subpart amends the Overseas Investment Regulations 2005.

### 16 Regulation 84 amended (Introduction to Part 5)

Replace regulation 84(3)(a) to (f) with: 25

- |     |  |    |
|-----|--|----|
| (a) | the Trans-Pacific Strategic Economic Partnership Agreement, done at Wellington on 18 July 2005 (the <b>P4 Agreement</b> ):   |    |
| (b) | the Free Trade Agreement between the Government of New Zealand and the Government of the People’s Republic of China, done at Beijing on 7 April 2008 (the <b>China FTA</b> ):            | 30 |
| (c) | the New Zealand–Hong Kong, China Closer Economic Partnership Agreement, done at Hong Kong on 29 March 2010 (the <b>Hong Kong CEP</b> ):  |    |
| (d) | the Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu on Economic Cooperation, done at Wellington on 10 July 2013 ( <b>ANZTEC</b> ): | 35 |
| (e) | the Free Trade Agreement between New Zealand and the Republic of Korea, done at Seoul on 23 March 2015 (the <b>Korea FTA</b> ):  |    |



- (f) the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, done at Santiago on 8 March 2018 (the **CPTPP Agreement**):
- (g) the Free Trade Agreement between New Zealand and the United Kingdom of Great Britain and Northern Ireland, done at London on 28 February 2022 (the **UK FTA**).

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### 17 Regulation 85 amended (Definitions)

- (1) In regulation 85(1), definition of **type A enterprise**, after paragraph (c), insert:

(d) the United Kingdom of Great Britain and Northern Ireland

- (2) In regulation 85(1), definition of **type A individual**, after paragraph (d), insert:

(e) a person who is a British citizen or permanent resident described in paragraph (b) of the definition of national in Article 1.3 of the UK FTA

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- (3) In regulation 85(1), definition of **type A territory**, after paragraph (c), insert:

(d) the territory of the United Kingdom of Great Britain and Northern Ireland.

- (4) In regulation 85(1), revoke the definitions of **ANZTEC**, **Australian CER Investment Protocol**, **China FTA**, **CPTPP Agreement**, **Hong Kong CEP**, **Korea FTA**, and **P4 Agreement**.

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- (5) After regulation 85(1), insert:

- (1A) *See* regulation 84(3) for the meanings of **ANZTEC**, **Australian CER Investment Protocol**, **China FTA**, **CPTPP Agreement**, **Hong Kong CEP**, **Korea FTA**, **P4 Agreement**, and **UK FTA**.

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### 18 Subpart 2 heading in Part 5 replaced

In Part 5, replace the subpart 2 heading with:

Subpart 2—Implementation of free trade agreements

### 19 Regulation 88 amended (Introduction to subpart 2 and interaction between regulations in Part 5)

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Replace regulation 88(1) and (2) with:

- (1) The purpose of this subpart is to implement obligations in the agreements listed in regulation 84(3).

- (2) For that purpose, this subpart is to be applied subject to the exclusions contained in the following provisions:

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(a) Article 12.3 of the P4 Agreement:

(b) Articles 105 and 137.5 of the China FTA:

(c) Article 2 of Chapter 13 of the Hong Kong CEP:

(d) Articles 3.3 and 9.5 of Chapter 12 of ANZTEC:

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(e) Articles 10.3.3 and 10.15.5 of the Korea FTA:

(f)	Article 9.12.6 of the Trans-Pacific Partnership Agreement (done at Auckland on 4 February 2016) as incorporated into the CPTPP Agreement by Article 1.1 of that agreement:	
(g)	Articles 14.3.3, 14.3.5, 14.10.5, and 14.10.6 of the UK FTA.	
<b>20</b>	<b>Schedule 1AA amended</b> In Schedule 1AA,— (a) insert the Part set out in <b>Schedule 1</b> of this Act as the last Part; and (b) make all necessary consequential amendments.	5
<b>Part 4</b>		
<b>Amendments to Tariff Act 1988, Tariff, and Customs and Excise Regulations 1996</b>		10
<i>Amendments to Tariff Act 1988</i>		
<b>21</b>	<b>Principal Act</b> <b>Sections 22 and 23</b> amend the Tariff Act 1988.	
<b>22</b>	<b>Section 15A amended (Interpretation)</b> (1) In section 15A, definition of <b>free trade agreement</b> , after paragraph (h), insert: (i) the UK FTA (2) In section 15A, insert in its appropriate alphabetical order: <b>UK FTA</b> means the Free Trade Agreement between New Zealand and the United Kingdom of Great Britain and Northern Ireland, done at London on 28 February 2022	15
<b>23</b>	<b>Section 15H amended (Provisional transitional safeguard measure)</b> In section 15H(1)(b)(ii), replace “or the RCEP” with “the RCEP, or the UK FTA”.	20
<i>Amendments to Tariff</i>		
<b>24</b>	<b>Principal legislation</b> <b>Sections 25 to 29</b> , in accordance with section 9F(1) of the Tariff Act 1988, amend the Tariff.	25
<b>25</b>	<b>Note 2 amended</b> In the notes to the Tariff, note 2, penultimate paragraph, replace “TPA or TW” with “TPA, TW, or UK”.	30

**26 Note 3 amended**

(1) In the notes to the Tariff, note 3, revoke the item relating to the United Kingdom of Great Britain and Northern Ireland, the Isle of Man, and the Channel Islands.

(2) In the notes to the Tariff, note 3, after the item relating to country that is a specified TPA party, insert: 5

United Kingdom of Great Britain and Northern Ireland, the Bailiwick of Guernsey, the Bailiwick of Jersey, and the Isle of Man	UK
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**27 Footnotes amended**

In the Tariff, in each footnote, replace “TPA and TW” with “TPA, TW, and UK”.

**28 Section XVI amended** 10

In Section XVI, Chapters 84 and 85, sixth column,—

(a) delete “GB Free” in each place; and

(b) in the item relating to number 8512.30.29, delete “GB 3.5”.

**29 Part II Concessions amended**

In the Tariff, Part II Concessions, table, in the item relating to Concession Reference Number 66, after subsection (4), insert: 15

(5)	Goods re-entered after repair or alteration—	
(a)	in the territory of the United Kingdom of Great Britain and Northern Ireland, the Bailiwick of Guernsey, the Bailiwick of Jersey, and the Isle of Man; and	
(b)	in accordance with Article 2.7 of the UK FTA.	Free

*Amendments to Customs and Excise Regulations 1996***30 Principal regulations**

**Sections 31 and 32** amend the Customs and Excise Regulations 1996.

**31 Regulation 42 and cross-heading revoked** 20

Revoke regulation 42 and the cross-heading above regulation 42.

**32 New regulations 51ZZK and 51ZZL and cross-heading inserted**

After regulation 51ZZJ, insert:

*Provisions relating to UK FTA parties***51ZZK Interpretation**

In **regulation 51ZZL**, unless the context otherwise requires,—

**UK FTA** means the Free Trade Agreement between New Zealand and the United Kingdom of Great Britain and Northern Ireland, done at London on 28 February 2022 5

**United Kingdom and the Crown Dependencies** means the United Kingdom of Great Britain and Northern Ireland, the Bailiwick of Guernsey, the Bailiwick of Jersey, and the Isle of Man. 10

**51ZZL Originating goods** 10

Particular goods are treated for the purposes of the Act and the Tariff Act 1988 as being the produce or manufacture of the United Kingdom and the Crown Dependencies if the goods meet all applicable requirements set out in the following provisions of the UK FTA:

- (a) Chapter 3 (Rules of Origin and Origin Procedures); and 15
- (b) Annex 3A (Product Specific Rules of Origin); and
- (c) Annex 3B (Origin Declarations – Guidance).

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**Schedule 1**  
**New Part 9 inserted into Schedule 1AA of Overseas Investment**  
**Regulations 2005**

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**Part 9**  
**Provisions relating to United Kingdom Free Trade Agreement**  
**Legislation Act 2022**

**19 Application**

The amendments made by the **United Kingdom Free Trade Agreement Legislation Act 2022** apply only to the acquisition of rights or interests in securities or of other property, or the establishment of any business, after the commencement of that Act.

**20 No refunds**

No person is entitled to a refund of any fee or charge paid to the regulator for a matter under Schedule 2 of these regulations on the ground that the amendments made by the **United Kingdom Free Trade Agreement Legislation Act 2022** mean that the matter is no longer relevant (for example, that a consent that had been applied for is no longer required).

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**Legislative history**

22 June 2022	Introduction (Bill 145–1)
26 July 2022	First reading and referral to Foreign Affairs, Defence and Trade Committee
20 October 2022	Reported from Foreign Affairs, Defence and Trade Committee (Bill 145–2)
26 October 2022	Second reading
8 November 2022	Committee of the whole House (Divided from Bill 145–2 as Bill 145–3)