

New Zealand/Singapore Closer Economic Partnership Bill

Government Bill

Explanatory note

General policy statement

The New Zealand Government has approved the signature of the Agreement between New Zealand and Singapore on a Closer Economic Partnership (**CEP Agreement**).

The CEP Agreement is an integrated package representing a balance of commitments and resulting in advantages for both New Zealand and Singapore. Following signature, the Government will move to bring the Agreement into force and this Bill provides for the legislative amendments required to give effect to New Zealand's obligations under the CEP Agreement.

Minor amendments are proposed to the Dumping and Countervailing Duties Act 1988, the Engineers Registration Act 1924, and the Tariff Act 1988. These amendments are included in a single Bill as they implement a single broad policy and this form of Bill will enable the New Zealand Government to proceed to implement the CEP Agreement as a whole as soon as possible after signature.

Clause by clause analysis

Clause 1 is the Title clause.

Clause 2 relates to the commencement of the Bill. This Bill comes into force on **1 January 2001**.

Part 1

Amendments to Dumping and Countervailing Duties Act 1988

Clause 3 provides that in this Part the Dumping and Countervailing Duties Act 1988 is called “the principal Act”.

Clause 4 inserts into the principal Act a *new section 3BA*, which defines **goods of Singaporean origin**. For the purposes of the principal Act, the term is defined in the same way as **goods of Australian origin** and means—

- goods falling within the classes of goods for the time being entitled to be entered under the Tariff at the rates and exemptions provided for Singapore; or
- if no rates or exemptions are provided in relation to particular goods for Singapore, goods that would be entitled to be entered under the Tariff if rates and exemptions were provided in relation to those particular goods.

The effect of *clause 10* is that goods of Singaporean origin will be entered free of duty under the Tariff.

Clause 5 amends section 11 of the principal Act, which relates to the termination of investigations into cases of suspected dumping.

Subclause (1) raises from 2% to 5% the *de minimis* dumping margin under section 11(2)(a) for goods of Singaporean origin. The effect of this change is that evidence of dumping will be insufficient if the margin of dumping is found to be less than 5% (expressed as a percentage of the export price below which no anti-dumping duties can be imposed).

Subclause (2) inserts *subsection (2A)*, which provides that a dumping will normally be regarded as negligible (which means permissible) under section 11(2)(c) if the dumping is of goods of Singaporean origin and accounts for less than 5% of imports of the like product. The current individual threshold under Article 5.8 of the Agreement on the Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (as annexed to the WTO Agreement) is 3%.

Clause 6 amends section 14(9) of the principal Act by reducing from 5 years to 3 years, in the case of goods of Singaporean origin, the period after which anti-dumping duty or countervailing duty applying to any goods ceases to be payable on those goods.

Part 2

Amendment to Engineers Registration Act 1924

Clause 7 provides that in this Part the Engineers Registration Act 1924 is called “the principal Act”.

Clause 8 amends section 6 of the principal Act by allowing Singapore nationals to apply for registration under the Act as an engineer on the same basis as persons who are ordinarily resident in New Zealand.

Part 3

Amendment to Tariff Act 1988

Clause 9 provides that in this Part the Tariff Act 1988 is called “the principal Act”.

Clause 10 inserts into the principal Act a *new section 7A*, which provides for goods being the produce or manufacture of Singapore to be entered under the Tariff free of duty.

Hon Jim Sutton

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The Parliament of New Zealand enacts as follows:

- 1 Title**
This Act is the New Zealand/Singapore Closer Economic Partnership Act **2000**.
- 2 Commencement** 5
This Act comes into force on **1 January 2001**.

Part 1

Amendments to Dumping and Countervailing Duties Act 1988

- 3 Dumping and Countervailing Duties Act 1988 called principal Act in this Part** 5
- In this Part, the Dumping and Countervailing Duties Act 1988¹ is called “the principal Act”.
- ¹ 1988 No 158
- 4 New section 3BA inserted** 10
- The principal Act is amended by inserting, after section 3B, the following section:
- “3BA Meaning of goods of Singaporean origin**
- For the purposes of this Act, **goods of Singaporean origin** means goods falling within the classes of goods for the time being entitled to be entered under the Tariff at the rates and exemptions provided for Singapore, or, if no rates or exemptions are provided in relation to particular goods for Singapore, that would be entitled to be entered under the Tariff if rates and exemptions were provided in relation to those particular goods.” 15 20
- 5 Termination of investigations**
- (1) Section 11(2) of the principal Act is amended by repealing paragraph (a), and substituting the following paragraph:
- “(a) in the case of dumping, the margin of dumping is,—
- “(i) in the case of goods of Singaporean origin, less than 5% (expressed as a percentage of the export price); or 25
- “(ii) in the case of goods of any other origin, less than 2% (expressed as a percentage of the export price); or” 30
- (2) Section 11 of the principal Act is amended by inserting, after subsection (2), the following subsection:
- “(2A) For the purposes of subsection (2)(c), in applying Article 5.8 of the Agreement on the Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, annexed to the WTO Agreement, in relation to goods of Singaporean origin,— 35

- “(a) the first reference in Article 5.8 to ‘3 per cent’ must be read as a reference to ‘5 per cent’; and
- “(b) accordingly, if the volume of goods of Singaporean origin dumped is found to account for less than 5% of the total imports of like goods into New Zealand, the volume of goods dumped must normally be regarded as negligible.” 5

6 Anti-dumping and countervailing duties

- (1) Section 14(9) of the principal Act is amended by omitting the expression “5 years”, and substituting the words “the specified period”. 10
- (2) Section 14 of the principal Act is amended by inserting, after subsection (9), the following subsection:
- “(9A) In subsection (9), **specified period** means,—
- “(a) in the case of goods of Singaporean origin, 3 years; and 15
- “(b) in the case of goods of any other origin, 5 years.”

Part 2

Amendment to Engineers Registration Act 1924

7 Engineers Registration Act 1924 called principal Act in this Part 20

In this Part, the Engineers Registration Act 1924² is called “the principal Act”.

² 1924 No 16

8 Qualifications of applicants for registration as engineers 25

Section 6 of the principal Act is amended by adding the following subsection:

- “(3) For the purposes of subsection (1), a person who is ordinarily resident in Singapore must be treated as being ordinarily resident in New Zealand.”

Part 3 30

Amendment to Tariff Act 1988

9 Tariff Act 1988 called principal Act in this Part

In this Part, the Tariff Act 1988³ is called “the principal Act”.

³ 1988 No 155

10 New section 7A inserted

The principal Act is amended by inserting, after section 7, the following section:

“7A Application of Tariff to goods of Singaporean origin

The rate of duty of Free applies under the Tariff to all goods being the produce or manufacture of Singapore.”

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