



NEW ZEALAND  
FOREIGN AFFAIRS & TRADE



# TRANS-PACIFIC partnership HORTICULTURE: KEY OUTCOMES



FACT SHEET

New Zealand horticultural exports to the TPP region were worth over NZ\$1.25 billion in 2015.

The US, Japan, Canada, Mexico and Peru (New Zealand's five new FTA partners in TPP) imported an average of NZ\$694 million of horticultural products from New Zealand per year from 2012-2014. Average annual tariffs were NZ\$34 million per year.

 NZ\$34m

→ Estimated annual tariff savings when TPP is fully implemented.

## → Key outcomes

- TPP will eliminate all NZ\$34 million of the tariffs levied on the import of New Zealand horticultural products in the TPP region, including in Japan, New Zealand's largest horticultural export destination country in 2015, and the United States, our fifth-largest horticultural export destination country.
- 89% of New Zealand's horticultural goods trade with the five new FTA partners will be duty free once TPP enters into force. This includes immediate elimination of tariffs for kiwifruit and buttercup squash in Japan, New Zealand's highest-traded dutiable horticultural products.



## Kiwifruit (HS0810.50)

- All tariffs for kiwifruit will be eliminated at entry into force and existing zero duty access will be locked in.

| Country       | Tariff (%) | Tariff elimination     |
|---------------|------------|------------------------|
| Japan         | 6.4%       | Entry into Force (EIF) |
| United States | 0%         | Already zero           |
| Canada        | 0%         | Already zero           |
| Mexico        | 0%         | Already zero           |
| Peru          | 9%         | EIF                    |



## Buttercup squash (HS0709.93)

All tariffs for buttercup squash will be eliminated at entry into force and existing zero duty access will be locked in.

| Country       | Tariff (%)   | Tariff Elimination |
|---------------|--------------|--------------------|
| Japan         | 3%           | EIF                |
| United States | 1.5 cents/kg | EIF                |
| Canada        | 0%           | Already zero       |
| Mexico        | 0%           | Already zero       |
| Peru          | 0%           | Already zero       |



## Apples (HS0808.10)

All tariffs for apples will be eliminated within 11 years and existing zero duty access will be locked in.

| Country       | Tariff (%) | Tariff elimination                              |
|---------------|------------|-------------------------------------------------|
| Japan         | 17%        | 11 years (25% cut at EIF, then linear phaseout) |
| United States | 0%         | Already zero                                    |
| Canada        | 0%         | Already zero                                    |
| Mexico        | 20%        | 11 years (20% cut at EIF, then linear phaseout) |
| Peru          | 9%         | 6 years                                         |



## Onions (HS0703.10)

All tariffs for onions will be eliminated within six years, except in Mexico (15 years, no current trade).

| Country       | Tariff (%)                                   | Tariff elimination |
|---------------|----------------------------------------------|--------------------|
| Japan         | 8.5%                                         | 6 years            |
| United States | 0.83 to 3.1 cents/kg                         | EIF                |
| Canada        | 2.12 – 4.23 cents/kg, but not less than 9.5% | EIF                |
| Mexico        | 10%                                          | 15 years           |
| Peru          | 9%                                           | 6 years            |



## Frozen sweetcorn (HS0710.40)

All tariffs will be eliminated within five years, with most at entry into force.

| Country       | Tariff (%) | Tariff elimination |
|---------------|------------|--------------------|
| Japan         | 10.60%     | EIF                |
| United States | 14%        | 5 years            |
| Canada        | 9.50%      | EIF                |
| Mexico        | 15%        | EIF                |
| Peru          | 0%         | Already zero       |



## Peas (HS0710.21)

All tariffs for peas will be eliminated at entry into force.

| Country       | Tariff (%)      | Tariff elimination |
|---------------|-----------------|--------------------|
| Japan         | 8.5%            | EIF                |
| United States | 1 to 2 cents/kg | EIF                |
| Canada        | 9.5%            | EIF                |
| Mexico        | 15%             | EIF                |
| Peru          | 9%              | EIF                |



## Capsicums (HS0709.60)

All tariffs for capsicums will be eliminated at entry into force, except in Mexico (10-15 years, no current trade).

| Country       | Tariff (%)                           | Tariff elimination                    |
|---------------|--------------------------------------|---------------------------------------|
| Japan         | 3%                                   | EIF                                   |
| United States | 4.4 to 4.7 cents/kg                  | EIF                                   |
| Canada        | 3.75 cents/kg but not less than 8.5% | EIF                                   |
| Mexico        | 10%                                  | 10 (Bell Peppers)<br>15 years (Other) |
| Peru          | 0%                                   | Already zero                          |



## Mandarins (HS0805.20)

All tariffs for mandarins will be eliminated within six years and existing zero duty access will be locked in.

| Country       | Tariff (%)   | Tariff elimination |
|---------------|--------------|--------------------|
| Japan         | 17%          | 6 years            |
| United States | 1.9 cents/kg | EIF                |
| Canada        | 0%           | Already zero       |
| Mexico        | 20%          | EIF                |
| Peru          | 9%           | 6 years            |



## Cherries (HS0809.29)

All tariffs for cherries will be eliminated within 6 years and existing zero duty access will be locked in.

| Country       | Tariff (%)                         | Tariff elimination                             |
|---------------|------------------------------------|------------------------------------------------|
| Japan         | 8.5%                               | 6 years (50% cut at EIF, then linear phaseout) |
| United States | 0%                                 | Already zero                                   |
| Canada        | 5.64 cents/kg but not less than 8% | EIF                                            |
| Mexico        | 20%                                | EIF                                            |
| Peru          | 9%                                 | EIF                                            |



## Asparagus (HS0709.20)

All tariffs for asparagus will be eliminated within 10 years and existing zero duty access will be locked in.

| Country       | Tariff (%)                                   | tariff elimination |
|---------------|----------------------------------------------|--------------------|
| Japan         | 3%                                           | EIF                |
| United States | 5% to 21.3%                                  | 5-10 years         |
| Canada        | Up to 10.31 cents/kg but not less than 12.5% | EIF                |
| Mexico        | 10%                                          | 10 years           |
| Peru          | 0%                                           | Already zero       |



## Avocados (HS0804.40)

All tariffs for avocados will be eliminated at entry into force and existing zero duty access will be locked in.

| Country       | Tariff (%)    | Tariff elimination |
|---------------|---------------|--------------------|
| Japan         | 3%            | EIF                |
| United States | 11.2 cents/kg | EIF                |
| Canada        | 0%            | Already zero       |
| Mexico        | 20%           | EIF                |
| Peru          | 9%            | EIF                |



## Melons (HS0807.19)

All tariffs for melons will be eliminated within 10 years and existing zero duty access will be locked in.

| Country       | Tariff (%)                                       | Tariff elimination |
|---------------|--------------------------------------------------|--------------------|
| Japan         | 6%                                               | EIF                |
| United States | Cantaloupes: 12.8-29.8%<br>Other melons: 5.4-28% | EIF to 5 years     |
| Canada        | 0%                                               | Already Zero       |
| Mexico        | 20%                                              | 10 years           |
| Peru          | 9%                                               | EIF                |



## Blackcurrants (HS0811.20)

All tariffs on blackcurrants will be eliminated at entry into force.

| Country       | Tariff (%)                         | Tariff elimination |
|---------------|------------------------------------|--------------------|
| Japan         | 6% to 9.6%                         | EIF                |
| United States | 4.5%                               | EIF                |
| Canada        | 6%                                 | EIF                |
| Mexico        | 20% + 0.36 USD/kg on sugar content | EIF                |
| Peru          | 17%                                | EIF                |



## Frozen Blackcurrant Concentrates (HS2009.89)

All tariffs on frozen blackcurrant concentrates will be eliminated within six years.

| Country       | Tariff (%)      | Tariff elimination |
|---------------|-----------------|--------------------|
| Japan         | 19.1% to 25.5%  | 6 years            |
| United States | 0.5 cents/litre | EIF                |
| Canada        | Already zero    | Already zero       |
| Mexico        | 20%             | EIF                |
| Peru          | 9%              | 6 years            |

## → Annex: Other horticultural products

### Japan: Other horticultural products:

| Product                                               | Tariff | Tariff elimination |
|-------------------------------------------------------|--------|--------------------|
| Vegetable Juice <sup>1</sup> (including carrot juice) | 7.2%   | 6 years            |
| Apple Juice <sup>1</sup>                              | 19.1%  | 11 years           |
| Preserved Apple <sup>1</sup>                          | 12%    | 6 years            |
| Canned Vegetables <sup>1</sup>                        | 9%     | EIF                |
| Canned Sweetcorn                                      | 10%    | EIF                |
| Tomato Juice <sup>1</sup>                             | 21.3%  | 6 years            |
| Dried Vegetables <sup>1</sup>                         | 9%     | EIF                |
| Frozen Mixed Vegetables (mainly sweetcorn)            | 10.6%  | 6 years            |
| Frozen Mixed Vegetables (other)                       | 6%     | EIF                |
| Frozen Processed Potatoes                             | 8.5%   | 6 years            |
| Carrots                                               | 3%     | EIF                |
| Leeks                                                 | 3%     | EIF                |
| Tomatoes                                              | 3%     | EIF                |

1. Covers a range of tariff lines.

**United States: Other horticultural products:**

| Product                 | Tariff              | Tariff elimination |
|-------------------------|---------------------|--------------------|
| Lemons                  | 2.2 cents/kg (2.4%) | EIF                |
| Passionfruit            | 2.2%                | EIF                |
| Mixed Nuts              | 14%                 | EIF                |
| Preserved Kiwifruit     | 6%                  | 5 years            |
| Frozen Mixed Vegetables | 14%                 | EIF                |

**Mexico: Other horticultural products:**

| Product    | Tariff                                 | Tariff elimination |
|------------|----------------------------------------|--------------------|
| Dried Corn | 20%                                    | 10 years           |
| Dried Peas | 10%                                    | EIF                |
| Jam        | 20% + US\$0.36/kg on the sugar content | EIF                |

→ **Tariff finder**

Look up tariffs under TPP and compare them to other free trade agreements at: [tariff-finder.fta.govt.nz](http://tariff-finder.fta.govt.nz)

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