EU NZ TRADE AGREEMENT





EU-NZ FTA COUNTRY FACTSHEET AUSTRIA



Overview of benefits



Eliminates customs tariffs for Austrian exporters and importers



Improves market access for Austrian service providers



Protects distinct Austrian food and drink products



Enables opportunities for green Austrian firms and technology



Supports Austrian smalland medium-sized businesses to export



Creates opportunities for Austria's digital firms to export their services



Enables Austrian firms to bid on **public contracts** in New Zealand



Facilitates Austrian investments into New 7ealand





Trade in goods and services

Top-5 exported goods from Austria to New Zealand

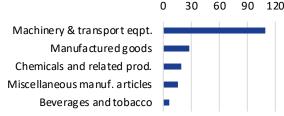


Figure 1: Top-5 exported goods in million Euros, 2023 (Source: <u>Eurostat</u>)

Top-5 exported services from Austria to New Zealand

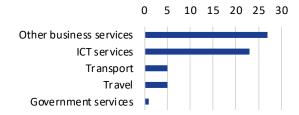


Figure 2: Top-5 exported services in million Euros, 2022 (Source: Eurostat)



Trade in goods

In 2023, Austrian goods exports to New Zealand exceeded €180 million, led by machinery and transport equipment, totalling almost €110 million. This was followed by manufactured goods (€28 million) and chemicals and related products (€19 million). The EU-NZ FTA brings significant tariff eliminations, enhancing Austrian firms' competitiveness across these and other sectors.



Machinery and transport equipment

Industry-specific machinery (€42 million), such as tractors (€19 million), are the main exports for machinery and transport equipment. This is followed by road vehicles (€23 million) and mechanical handling equipment (€14 million), mainly including cranes (€10 million).



Prior to the FTA, tariffs in this sector were as high as 10%, however, these have been eliminated, dropping to **0%** since the entry into force. For example, the tariff rate for parts for lifting, loading, etc. machinery (HS 8431.39.00), previously 5%, is now 0%.



Manufactured goods

Metal manufactures (€18 million) are the top exports, mainly including mountings and fittings for furniture (€11 million). This is followed by iron and steel products (€5 million), such as pig iron, sponge iron, and ferroalloys (€1.6 million); and non-metallic mineral manufactures (€1.1 million).



Prior to the FTA, tariffs in this sector were as high as 10%, however, these have been eliminated, dropping to 0% since the entry into force. For example, the tariff rate for other metal mountings for furniture (HS 8302.42.00), previously 5%, is now 0%.



Chemicals and related products

The main exports in this category are plastics in non-primary form (€6 million), such as plates, sheets, or foil (€6 million). This is followed by medicinal and pharmaceutical products (€5 million), mainly including medicaments (€4 million); and organic chemicals (€3 million).



Prior to the FTA, tariffs in this sector were as high as 5%, however, these have been eliminated, dropping to **0%** since the entry into force. For example, the tariff rate for plastic fittings for tubes, pipes, and hoses (HS 3917.40.00), previously 5%, is now 0%.

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Trade in services

Austrian service exports amounted to €62 million in 2022. Of this, business services accounted for the largest share with €27 million, dominated by professional and business consulting services (€15 million).

The agreement facilitates easier access for Austrian firms to New Zealand's service market, ensuring a level playing field for Austrian service providers in sectors like telecommunications, financial services, and international maritime transport. Additionally, the FTA includes advanced provisions for the movement of business professionals, allowing Austrian firms to efficiently post managers or specialists and their families to subsidiaries in New Zealand.



Support framework for exporters

The FTA introduces a comprehensive regulatory framework designed to simplify export procedures and reduce compliance costs for Austrian firms. This includes streamlined customs processes and easy access to essential information. Central to this effort is the European Commission's Access2Markets platform, which provides detailed information and guidance on tariffs, rules of origin (Rules of Origin Self-Assessment Tool - ROSA), taxes, import procedures and formalities, product requirements, trade barriers, and trade flow statistics. The databases are restricted to users in the EU. EU companies' offices outside the EU can request access via this form.



Please visit the EU's Access2Markets platform for more information

Investment opportunities

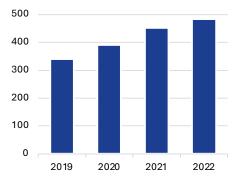


Figure 3: Austrian FDI stock in New Zealand, in million Euros (Source: OECD)

In 2022, Austria's foreign direct investment (FDI) stock in New Zealand amounted to €480 million. Currently, about 30 Austrian companies are active in New Zealand, primarily carrying out sales and service activities (Aussenwirtschaft Austria, 2024).

The FTA lays the groundwork for increased Austrian investment in New Zealand, particularly in sectors such as

- renewable energy
- forestry and agricultural technology
- information and communication technologies

aligning with Austria's investment strengths.

Austrian investment in New Zealand is poised for growth, supported by a favourable investment climate and shared priorities in sustainability and innovation. Under the FTA, the investment screening threshold has been doubled to NZD 200 million (~€110 million). This adjustment impacts Austrian investors planning to acquire significant business assets in New Zealand. Guidance on the overseas investment regime in New Zealand is available from the Overseas Investment Office. More information on investing in New Zealand can be found on the New Zealand Trade and Enterprise website.

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Agriculture & Geographical Indications

Austria's exports of food and beverages to New Zealand ranked fifth among its export sectors in bilateral trade for 2023, totalling about €8 million. The leading commodities were non-alcoholic beverages (€6 million), including waters containing added sugars or sweeteners (€6 million). This was followed by dairy products and birds' eggs (€1.1 million), dominated by milk and cream products.

The FTA ensures robust protection for 37 Austrian food and drink items in New Zealand, guarding against counterfeit goods and securing marketing for authentic products with their traditional names. The agreement also includes provisions to potentially expand the list of protected geographical indications (GIs), bolstering the safeguard of Europe's culinary and cultural legacy. All EU GIs protected in New Zealand can be accessed through New Zealand's Intellectual Property Office.

Protected **Austrian items** include, among others:



Wines: Kremstaler Wein, Salzburger Wein, Traisentaler Wein



Spirits: Jägertee (herbal punch), Wachauer Weinbrand (brandy wine)



Food items: Tiroler Speck (cured ham), Steirisches Kürbiskernöl (pumpkin seed oil)

Public procurement

The FTA unlocks new opportunities for Austrian firms within New Zealand's public procurement sector, offering several key benefits:

- Expanded market access: Austrian firms now have broader access to New Zealand's procurement, extending beyond WTO limits to include all entities governed by New Zealand Procurement Rules.
- Equal footing with local firms: The FTA levels the playing field, allowing Austrian companies to compete on **equal terms** with local firms, especially in globally competitive sectors.
- Access to key sectors: Austrian businesses gain entry to transport and infrastructure projects, notably those funded by the New Zealand Transport Agency and Auckland Transport, enhancing prospects in engineering and technology.

More information on public procurement can be accessed via New Zealand Government Procurement. Furthermore, New Zealand's Marketplace platform allows EU firms to register their interest in providing Software as a Service (SaaS), consultancy, managed services, and enterprise software to the government.

Key contacts & additional information

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Enterprise Europe Network

Link to website: een.ec.europa.eu/ Local contact points: een.ec.europa.eu/localcontact-points/at

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