## EU NZ TRADE AGREEMENT







# **EU-NZ FTA COUNTRY FACTSHEET** LITHUANIA



## **Overview of benefits**



Eliminates customs tariffs for Lithuanian exporters and importers



Improves market access for Lithuanian service providers



Protects distinct Lithuanian food and drink products



**Enables opportunities for** green Lithuanian firms and technology



**Supports Lithuanian** small- and medium-sized businesses to export



Creates opportunities for Lithuanian digital firms to export their services



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



Facilitates Lithuanian investments into New 7ealand





## Trade in goods and services

Top-5 exported goods from Lithuania to New Zealand

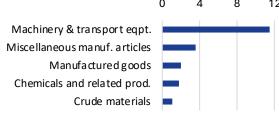


Figure 1: Top-5 exported goods in million Euros, 2023 (Source: <u>Eurostat</u>)

Top-5 exported services from Lithuania to New Zealand

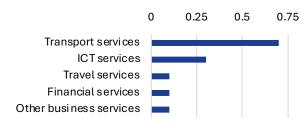


Figure 2: Top-5 exported services in million Euros, 2022 (Source: Eurostat)



### **Trade in goods**

In 2023, Lithuanian goods exports to New Zealand exceeded €21.5 million, led by machinery and transport equipment, totalling €11.5 million. This was followed by miscellaneous manufactured articles (€3.6 million) and manufactured goods (€2 million). The EU-NZ FTA brings significant tariff eliminations, enhancing Lithuanian firms' competitiveness across these and other sectors.



#### Machinery and transport equipment

Power-generating machinery (€6.9 million) are the main exports, mainly including reaction engines (turbojets) (€6.4 million). This is followed by road vehicles (€1.8 million) and electrical equipment (€1.1 million), mainly including equipment for vehicles (€0.9 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 lighting or visual signalling equipment (HS 8512.20.00), previously 5%, is now 0%.



#### Miscellaneous manufactured articles

Professional and scientific instruments (€2.4 million) are the main exports, including optical telescopes (€1.3 million). This is followed by apparel & clothing articles (€0.7 million) and furniture and parts thereof (€0.1 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 liquid calibrating meters (HS 9028.20.00), previously 5%, is now 0%.



#### **Manufactured goods**

The main exports in this category are **textile yarn and fabrics** ( $\leq 0.9$  million), including twine, cordage, rope, and cable manufactures (€0.4 million). This is followed by manufactures of metals (€0.5 million) and wood manufactures (€0.2 million), such as window frames (€0.1 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 articles of asphalt or of similar material in rolls (HS 6807.10.00), previously 5%, is now 0%.

## EU NZ TRADE AGREEMENT \*\*\*







### Trade in services

Lithuanian service exports amounted to €1.4 million in 2022. Of this, the transport sector accounted for the largest share with €0.7 million, dominated by sea transport (€0.6 million).

The agreement facilitates easier access for Lithuanian firms to New Zealand's service market, ensuring a level playing field for Lithuanian 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 Lithuanian 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 Lithuanian 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**



New Zealand is an untapped market for Lithuanian investors.

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

- transportation and logistics
- renewable energy
- financial technology and services

aligning with Lithuania's investment strengths.

Figure 3: Investment opportunities for Lithuanian firms and investors

Lithuanian 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 Lithuanian 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.

## EU NZ TRADE AGREEMENT





## **Agriculture & Geographical Indications**

Lithuania's combined exports of food and beverages to New Zealand ranked fifth among its export sectors in bilateral trade for 2023, totalling about €1.3 million. The leading commodities were dairy products (€0.9 million), including ice cream & other edible ice (€0.5 million); followed by alcoholic beverages (€0.2 million), such as beer made from malt (€0.1 million).

The FTA ensures robust protection for 7 Lithuanian spirits 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 **Lithuanian items** include, among others:



Spirits: Originali lietuviška degtinė (vodka), Samanė (moonshine spirit), Trejos devynerios (herbal liqueur)

## **Public procurement**

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

- Expanded market access: Lithuanian 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 Lithuanian companies to compete on equal terms with local firms, especially in globally competitive sectors.
- Access to key sectors: Lithuanian 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/lt

**New Zealand Europe Business Council** 

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