EXCHANGE OF LETTERS AMENDING THE MEMORANDUM OF UNDERSTANDING ON TECHNICAL BARRIERS TO TRADE

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Minister for Trade and Overseas Development Parliament House CANBERRA ACT 2600

6 October 1992

The Hon Philip Burdon MP Minister for Trade Negotiations Parliament Buildings WELLINGTON

Dear Minister

I refer to the Memorandum of Understanding between the Government of Australia and the Government of New Zealand on Technical Barriers to Trade signed at Wellington on 16 August 1988.

In accordance with the objectives of the Memorandum of Understanding, considerable progress has been made in harmonising standards, technical regulations and other such requirements on both sides of the Tasman. Such progress has contributed greatly to the removal of technical barriers to trade between the two countries and therefore to the substantial growth in bilateral trade and investment which has taken place since 1988.

Both Governments have also taken a number of additional steps since 1988 aimed at reducing technical barriers to trade. It would, in the Australian Governments view, be appropriate to record these achievements and resulting obligations - a number of which go beyond the provisions of the Memorandum of Understanding - in the context of the Memorandum of Understanding.

Australia and New Zealand noted in the 1988 Memorandum of Understanding that New Zealand's objectives in this area are also being pursued through its adherence to the GATT Agreement on Technical Barriers to Trade, done at Geneva on 12 April 1979. As you would be aware, the Australian Government accepted that Agreement with effect from 1 March this year. Accordingly, our mutual obligations in the area of technical barriers to trade must necessarily be governed by the provisions of that GATT Agreement, as a document imposing binding international legal obligations. Insofar as the Memorandum of Understanding is not inconsistent with the GATT Agreement, however, it will continue to have effect.

Our relations in this area have also been influenced by the conclusion of the Agreement on Standards, Accreditation and Quality (ASAQ) in 1990. That Agreement has in some ways refined the undertakings contained in the Memorandum of Understanding, which should therefore be read subject to the provisions of that Agreement.

I further note the establishment of the Joint Accreditation System - Australia and New Zealand (JAS-ANZ) in October last year. Whilst that System does not impose any direct obligations upon our countries in the area of technical barriers to trade, it will of course come to have a profound effect on the development of uniform standards and certification practices.

I also note that New Zealand has responded to the invitation contained in the Mutual Recognition Agreement of 11 May 1992 between the Commonwealth, States and Territories of Australia to review the potential benefits, consistent with ANZCERTA, of participation by New Zealand in a scheme implementing mutual recognition principles. The Government of Australia recognises that an inter-governmental agreement would need to be concluded to give appropriate legal effect to the scheme.

Yours sincerely

[signed]

John Kerin

MINISTER FOR TRADE NEGOTIATIONS PARLIAMENT BUILDINGS WELLINGTON NEW ZEALAND

6 October 1992

The Hon John Kerin Minister for Trade and Overseas Development Parliament House CANBERRA ACT AUSTRALIA

Dear Minister

I have the honour to refer to your letter of 6 October 1992 which reads as follows:

[Here follows the text as set out under I]

I wish to endorse the understandings outlined in your letter and in particular, to confirm that our mutual obligations in this area are governed by the provisions of the GATT Agreement on Technical Barriers to Trade to which our Governments are both party, as supplemented by the Understandings of less than treaty status found in the Memorandum of Understanding.

Yours sincerely

[signed]

Philip Burdon