

Fact Sheet on the Administration Arrangements for the Deer Velvet Tariff Quota

New Zealand and Chinese Taipei have agreed to a transitional tariff rate quota for specific deer velvet line. By year twelve of the agreement access will be tariff and quota free.

The product lines (HS Codes) subject to the deer velvet, the quota quantity, the in- and over-quota tariff rates, and administration arrangements are detailed in the Appendix to Chinese Taipei's goods schedule. The initial fresh deer velvet quota is set at 1,000 kilograms and expands to 3,750 kilograms by year 11 of the agreement.

The deer velvet quota is administered in accordance with the arrangements in place for administration of Chinese Taipei's WTO tariff quota for deer velvet. That is via an import license, subject to the following modifications:

- For the first two years following entry into force of the Agreement, the tariff quota will be allocated on a pro-rata basis to those applicants who have traded in New Zealand deer velvet in the 2011 and 2012 calendar years.
- For the third and subsequent years following entry into force of the Agreement, applicants for an allocation of the quota shall receive an allocation at least as large as the average of the amount actually imported by the applicant in the prior two allocation periods under the TRQ. Any remaining quota amounts and increases in the quota amount shall be allocated to applicants on a first-come, first-served basis.

The process and application for the quota for those that are eligible for the first two years of quota allocation will be published. The importers that will be eligible for quota in the first two years will be advised.

Exporters of deer velvet under this quota will also need to meet other requirements for exporting deer velvet to Chinese Taipei, including the operational procedures set out in Section B of Chapter 3 (Rules of Origin) and routine customs or quarantine clearance procedures. Those procedures apply to all imports, not just deer velvet. For an explanation of the steps and consideration for exports see Appendix 1 of the publication: "Understanding the Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu on Economic Cooperation".

The existence of this quota does not impact on the eligibility or process for Chinese Taipei's WTO tariff rate quota for deer velvet. Information on the WTO quota can be found in the WTO section on the Bank of Taiwan's website.