

ExportNZ Trade News & Advocacy Update

August 2025

Trade & Export News Update

The trade policy field remains very dynamic, but the frantic attempts by some jurisdictions to negotiate “deals” prior to the new tariff levels coming into effect have eased a bit. Jurisdictions, including New Zealand, are adjusting to the new tariff levels and are assessing whether there is any scope to negotiate lower rates with the US. For the moment, President Trump appears preoccupied by negotiations to end the fighting in Ukraine and hopes for securing a summit with Xi Jinping.

To date, New Zealand exports are holding up well. It is too early to determine exactly what impact the higher US tariffs and the various trade “deals” with other jurisdictions are having on New Zealand exports. In some markets, New Zealand exporters have lost good tariff preferences against US exports. We and the New Zealand government are monitoring this situation closely.

United States – Trade Relations Take Another Turn

New Zealand exporters to the United States are adjusting to the new additional tariff of 15%. Those selling in small quantities will now also have to cope with the end of the *de minimis* tariff exemption (which allows goods imports with a retail value of US\$800 or less to enter the United States duty-free).

Exporters of steel, aluminium, copper and products made from these metals face a 50% tariff. A further 407 items were added to the list of steel and aluminium products overnight. With confusing rules regarding componentry and product/component value, it remains to be seen how US Customs will interpret their own rules.

ExportNZ’s broad message to exporters has been to take it slow and understand the different rules that are now enforced, evaluate the different HS codes put in place, especially for manufactured goods and goods that contain different materials. Engage early with customs brokers and supply chain advisors about how best to export goods to the US, but also anticipate sudden changes in trade policy and rules.

Exporters of automobiles and automobile parts face a 25% tariff.

At 15% New Zealand is better placed than some jurisdictions but is facing a higher tariff than competitors from the UK, Australia, Chile and Argentina that pay 10%. Canadian and Mexican product conforming to USMCA rules still come in at zero.

A series of sectoral studies is continuing. For New Zealand this could mean higher tariffs on timber and lumber and on pharmaceuticals and ingredients.

Senior New Zealand negotiators have been in Washington DC assessing options for the best way forward. Minister McClay has also completed a visit to the US, conducting meetings with the US Trade Representative, Jameson Greer, and US Agriculture Secretary, Brooke Rollins.

New Zealand is paying these higher rates because it enjoys a trade surplus into the United States. This could change. The slowing of New Zealand exports to the US as a result of higher tariffs and the purchase of some new aircraft could easily swing the balance into deficit as early as next year. What will happen then? Will the US agree to reassess the tariff level? No one knows.

MFAT and NZTE have several supports available for exporters to the US. These range from one-on-one consultancy support to regular updates. Both have excellent information available on their websites.

De Minimis Havoc

The de minimis exemption (which allows imported goods with a retail value of US\$800 or less to enter the United States duty-free) is due to end on Friday 29th August. This is a sweeping decision that impacts small packages from all countries, not just New Zealand. The Trump administration had earlier (in May) suspended the exemption on small packages from China and Hong Kong so this brings the rest of the world in line with those rules.

[The factsheet released](#) on the 22nd August by US Customs reads:

All postal shipments will be subject to International Emergency Economic Powers Act (IEEPA) tariffs, which can be assessed using one of two methods:

- *Ad valorem duty: A duty equal to the effective IEEPA tariff for the country of origin of the product, based on the value of the product.*
- *Specific duty: A flat duty ranging from \$80 per item to \$200 per item, depending on the effective IEEPA tariff rate applicable to the country of origin of the product.*

This will have significant impacts on small businesses and exporters that rely on small package and e-commerce export orders from the US, not only from a cost perspective, but also due to the time it will now take to process small packages through US Customs.

The US Customs agency reportedly processed 1.36 billion de minimis exempted shipments last year (over 4 million per day). It is highly likely that the Agency will struggle to keep up with the required processes given a lack of prior experience and the large volumes to process per day. Currently, there is a lack of information on the Agency's website on the customs clearance procedures that they will require in the near future – the factsheet above is the only information we could find on the website for the past month.

This has led to dozens of international postal services (including NZ Post and DHL) suspending shipments to the US in order to understand how duties and fees will be decided and paid, and how goods will be processed for delivery.

United Arab Emirates – CEPA Around the Corner

There is better news involving the United Arab Emirates. The Closer Economic Partnership Agreement (CEPA) signed earlier in the year has now been ratified. We expect the agreement to be enforced by the end of this month.

This agreement will eliminate tariffs on 99% of exports to the UAE (98.5% on entry into force). New Zealand exports over \$1.1 billion in goods and services to this market.

India-New Zealand Free Trade Negotiations – Talks Continue

New Zealand's negotiations with India remain a government priority and have been continuing. These are being complicated by India's negotiations with others – particularly the US and China. India is probably waiting for the final shape of a "deal" with the United States to be determined before finalising negotiating positions with countries such as New Zealand.

CPTPP-European Union – High Hopes

Hopes remain high that a dialogue between the members of the EU and the Comprehensive & Progressive Trans-Pacific Partnership (CPTPP) will begin before the end of the year. Many CPTPP and EU members are concerned about the erosion of the international rules-based order and wish to explore means by which joint action can be taken to strengthen the system, either through the World Trade Organisation or by plurilateral action.

Trade & Export Advocacy Update

ExportNZ DHL Export Barometer Report 2025 [Released]

Exporter confidence holds strong despite trade tensions.

According to the latest ExportNZ DHL Export Barometer, New Zealand exporters continue to show resilience in the face of global challenges.

- Two-thirds of exporters have increased or maintained export levels over the past 12 months.
- Concerns about an escalating international trade war have risen, but many exporters are diversifying to mitigate the impact of potential tariffs.

- Increased tariffs on exports to the USA are expected to have some negative impacts, but most exporters are yet to make changes to mitigate them.

This year, 333 exporters took part in the survey. Their responses highlight that, despite rising trade barriers and global tensions, New Zealand exporters remain optimistic, innovative, and determined.

Our thanks to the New Zealand exporters who took the time to respond to the survey. This work continues to be a valuable source of information for ExportNZ and helps to drive our advocacy on behalf of the export sector.

Read [the Report here](#).

Product Labelling Review Welcomed

The Ministry for Regulation announced a review into product labelling. Currently, businesses have to navigate more than 30 different codes, standards, and regulations that control what information can and must be shown on product labels.

ExportNZ understands that these regulations can make it difficult to align with key international trade partners, increase costs on importers and exporters, create new barriers for businesses trying to enter new markets, and limit the use of digital labelling methods.

ExportNZ and BusinessNZ support the review and will advocate to:

- Further align with key trading partners like Australia
- Increase mutual recognition of trusted international labelling standards and systems
- Enable digital labelling options where appropriate
- Streamline regulation and reduce agency duplication
- Make the system more responsive to technology and change

ExportNZ will participate in the review at the written submission stage and inform members once this has begun.