



भारत
का उच्चायोग
High Commission of
INDIA
New Zealand

Exporting to
New Zealand

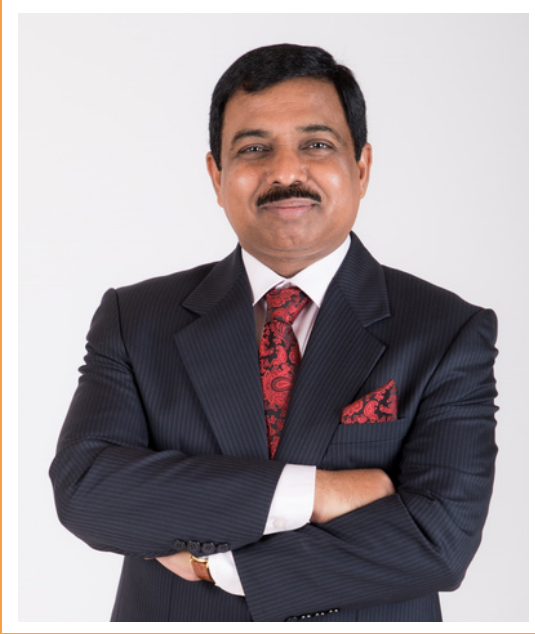


Contents

- | | | | |
|-----------|--------------------------------------|-----------|--|
| 3 | Foreword – H.E. Mr. Muktesh Pardeshi | 13 | Leading Sectors for Exporting to New Zealand |
| 4 | Introduction – Mr. Chandan Ohri | 16 | Selling Products and Services to New Zealand |
| 5 | Setting Up for Success | 19 | Import Procedures, Regulations, Standards & Incentives |
| 7 | New Zealand at a Glance | 22 | Acknowledgements |
| 10 | New Zealand Market Overview | 23 | Useful Links |

We make every effort to ensure the accuracy of the information provided but it should not be relied upon as a basis for making business decisions as circumstances, business conditions, government policy and interpretation of the law may change.





High Commissioner of India to New Zealand

H.E. MUKTESH K. PARDESHI

I am pleased to present a handy booklet 'Exporting to New Zealand' which has been compiled jointly by the High Commission of India to New Zealand with Duco Consultancy as a research partner.

Trade would play a critical role in India's integration into the global economy. The importance of exports for a growing economy like India is self-evident. The world economy is on the path of rebounding from the adverse impact of the Covid-19 pandemic and this provides an opportunity for economic advancement to be accelerated through rapid growth in exports. Prime Minister of India, Shri Narendra Modi on 6 August 2021 launched a national initiative to achieve US\$400 Billion merchandise exports in the financial year 2021-2022.

There is a huge potential for growth in bilateral trade given the synergies between India and New Zealand. India is the 12th largest trading partner of New Zealand. This document is intended to provide valuable information to Indian exporters about the New Zealand market, thereby opening new opportunities for them to venture into it. This is a part of the High Commission of India's commercial plan to share insights and tools with the trading community in India about the New Zealand market and the ways to enter it.

I would like to thank our knowledge partner, Duco Consultancy, for a timely and outstanding work. This booklet is a part of our larger project 'Ease of Doing Business in New Zealand: A Guide for Indian Traders and Investors' which we hope to release by the end of the first quarter of 2022.





Managing Director, Duco Consultancy Limited

MR. CHANDAN OHRI

Tēnā koe, Namaskar

There is a saying in Māori, 'Naku te rourou nau te rourou ka ora ai te iwi' ('With your basket and my basket the people will live'), these are wise words that imply that sharing and collaboration is the path to prosperity. This brochure is being presented with a similar sentiment.

Since ancient times, trade has flourished among nations, bestowing on all who participate in wealth and an in-depth appreciation of cultures other than one's own. This remains true today.

New Zealand and India share a robust trade partnership and it is the intent of this brochure to provide insights into the ways in which this relationship may be further strengthened.

This brochure strives to answer the two main questions that come to mind when contemplating export to New Zealand:

- Why should one export to New Zealand?
- How does one export to New Zealand?

For the first question, we perused cultural and macroeconomic factors that make New Zealand an attractive business partner. We found many reasons in favour of trade with New Zealand, including stability, a wealthy populous, freedom from corruption, ease of starting a business, relatively few barriers to trade, opportunities, strong support from Indian business councils, and, of course, the High Commission of India.

For the second question, we have provided steps to follow that are clear, well-defined, and being used by many prestigious Indian companies who are already successfully exporting goods and services to New Zealand.

Our research revealed that exports to New Zealand from India are strong but have more potential for growth. To play a part in facilitating this is the humble endeavour of this brochure.

We hope that this brochure will give you valuable insight into the New Zealand culture and economy, and that it will provide you with the right tools and information to make your export journey a successful one.

Noho ora mai. Hardik shubh kaamnaaiyen.



ENTERING THE NEW ZEALAND MARKET

Successful entry into the New Zealand market requires a combination of knowing the New Zealand market and understanding the potential demand for your product or service; understanding the support you will need to be successful; selecting the right business partner and providing ongoing support to that partner; and as well as understanding risks, costs, and regulations. The information in this brochure will help you to enter the New Zealand market more confidently. Two reliable websites to get you started are as below:

Top Tips for Importing into New Zealand

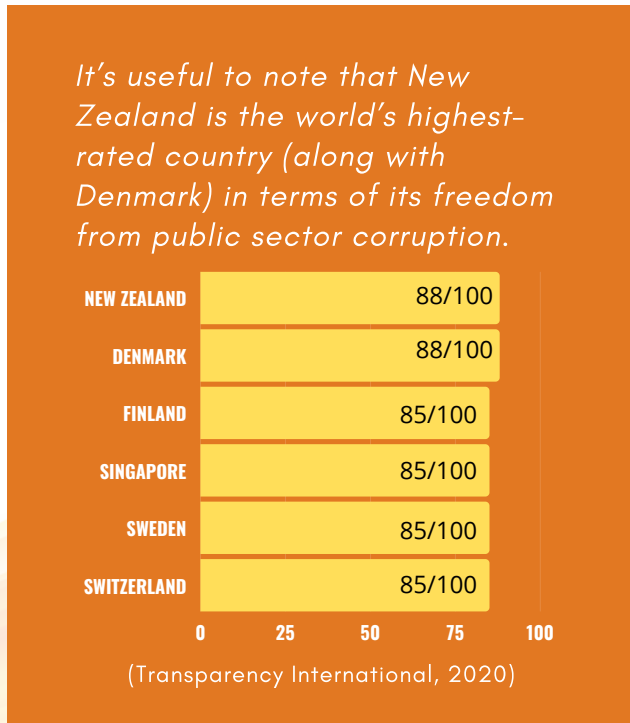
MBIE's top 10 tips for importers

Researching the New Zealand Market

MBIE's guide to researching the New Zealand market and competitors'

Ministry of Business, Innovation and Employment (MBIE)

New Zealanders are a very open people, and they have a reputation for honesty. New Zealand businesses value a strong working relationship with their international partners, so rapport, trust, and clear communication are all important - especially when considering the geographical distance between India and New Zealand. Where possible, face-to-face meetings with your New Zealand partners are recommended.



"It was extremely easy to set up operations in New Zealand.. with clear and simple processes and overall minimum red tape"

Patrick Kouwenhoven, Country Manager New Zealand, Infosys



Setting Up for Success

- Are you clear on the products and/or services that you are looking to export?
- Have you carried out your research to ensure that you can compete in the New Zealand market (and still make a profit!)
- Do you understand all the challenges involved in exporting and do you have a plan to overcome those challenges?

STEP 1

UNDERSTAND YOUR MARKET AND YOUR BUSINESS PROPOSITION

STEP 2

UNDERSTAND THE RISKS AND COSTS INVOLVED

- Do you understand the risks involved in exporting (e.g., market fluctuations, supply chain disruptions, Customs and Importation clearance)?
- Do you understand the costs involved in exporting (e.g., Insurance, Freight, Tariffs, Agency Fees)?

- Are you familiar with the terms related to International trading?
- Are you familiar with Indian export regulations?
- Are you familiar with New Zealand import and trade regulations?

STEP 3

UNDERSTAND THE REGULATIONS

STEP 4

ESTABLISH A SALES CHANNEL

- Do you have a partner in New Zealand who will act as your agent?
- Alternately, have you set up a subsidiary company in New Zealand?

- Have you established a support network/connections in New Zealand? For example, Freight and Logistics specialists, Customs agents, contacts within Chambers of Commerce, the High Commission, Business Councils.
- Have you established other support mechanisms outside of New Zealand? For example, Banking, Lawyers, Insurers, Tax experts.

STEP 5

ESTABLISH YOUR CONNECTIONS

- Do you have a strategy for marketing your products and services?
- Do you have the capability to sell and supply your products and services now and in the future?
- Do you have a strategy in place for supporting your products and services if something should go wrong in New Zealand?

STEP 6

MARKET, SELL, SUPPLY, SUPPORT

- If something major happens, do you know how to deal with issues and disputes in New Zealand? (A good place to start is the chapter on 'Resolving disputes in New Zealand in the document [Doing business in New Zealand](#))

STEP 7

DEAL WITH ISSUES AND DISPUTES



GETTING THE SUPPORT YOU'LL NEED

Exporting into a foreign country can be a daunting task but support is available and plenty full for your endeavor to be a successful one. Some of the entities that can provide guidance and support are as below:

1: High Commission of India.

The High Commission supports trade between India and New Zealand.

2: New Zealand Trade and Business Directories. A consolidated list of New Zealand business directories is a good place to start your search for a business partner.

3: India -New Zealand business groups. These are dedicated to the promotion of trade between India and New Zealand:

- India New Zealand Business Council (INZBC)
- New Zealand India Trade Alliance (NZITA)

4: Local Chambers of Commerce.

Most major cities in New Zealand have their own Chambers of Commerce, dedicated to enabling trade in New Zealand.

5: Other Support. Other types of support you may need (particularly when exporting goods), organised within India, within New Zealand, or a combination of both are:

- Trade Bankers
- Trade Lawyers
- Trade Insurers
- Freight and Logistics Providers
- Taxation Specialists

TRAVELLING TO NEW ZEALAND ON BUSINESS

Typically, business travellers from India may apply for a three-month business visa, providing you are visiting for one or more of the following business reasons:



Source: Immigration New Zealand

You can apply for a business visa on-line. It is a good idea to develop an understanding of the New Zealand business culture prior to visiting.



"A well-established business relationship with Indian business partners...allows me to connect and trade with them easily and efficiently."

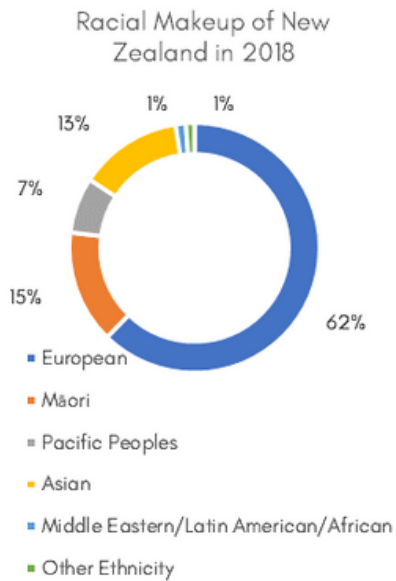
Suneet Gupta, Managing Director, Kashish Foods (NZ-based Importer)



PEOPLE AND CULTURE

New Zealand (also known as Aotearoa - 'the Land of the Long White Cloud' - in the Māori language), is a Pacific Island nation, known for the openness and warmth of its people, its diverse cultural mix, and its ability to 'punch above its weight' on the world stage. New Zealanders are informally known as 'Kiwis' - after the flightless bird and symbol of New Zealand.

Approximately 240,000 Indians call New Zealand home and estimates suggest that they contribute over \$10B annually to the economy - over 3.3% of the total economy. This is further augmented by Indian tourists and students to the tune of \$825m.



Source: Stat NZ

Europeans are the largest ethnic group, comprising over 60% of the total population. Māori (the indigenous people of Aotearoa New Zealand) are the second largest ethnic group, comprising over 16% of the population, followed by Asians - including Indians (13%), and those of 'Pasifika' (Pacific Island) ethnicity (7%).

Māori language and culture play an increasingly important role in Aotearoa New Zealand today and in many ways is what make Aotearoa New Zealand truly unique.



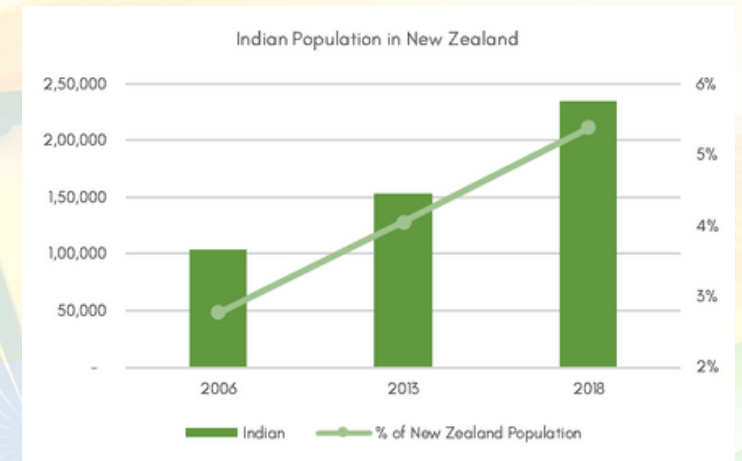
The traditional Māori greeting, the hongi is performed by two people pressing their noses together; some include, at the same time, the touching of foreheads. The greeting is used at traditional meetings among Māori people, and at major ceremonies.

A (VERY) SHORT HISTORY OF INDIA IN NEW ZEALAND

People from India have been visiting and living in New Zealand since the late 18th century - slowly at first (the 1881 New Zealand census recorded 'six Indians'), but by the 2018 census 234,399 New Zealand residents claimed Indian ethnicity; this was 5% of the NZ population and has made 'Indian' the fastest-growing ethnic group between the 2013 and 2018 censuses.

New Zealand at a **Glance**

While early on Indians in New Zealand had limited opportunities to contribute to the economy, today the Indian community in New Zealand is a vibrant, dynamic, and essential part of the New Zealand growth story.



Source: Stat NZ



PHYSICAL AND BUSINESS ENVIRONMENT

New Zealand has two main islands (the North and South Islands), which share the same time zone (NZST - 6.5 hours ahead of IST). Wellington is the capital city of New Zealand, though Auckland is by far the largest city with over 1.4 million residents.

Like its people, the physical and business environments can both be described as generally amicable in nature.

Physically, New Zealand has a temperate climate, enjoying mild temperatures, plentiful sunshine and moderate rainfall. From a Business perspective New Zealand has been ranked first for 'Ease of Doing Business' for the last four years, and first for 'Ease of Starting a Business' for the last 12 years. Also, New Zealand was assessed as the world's least corrupt countries in 2020 and 2021.

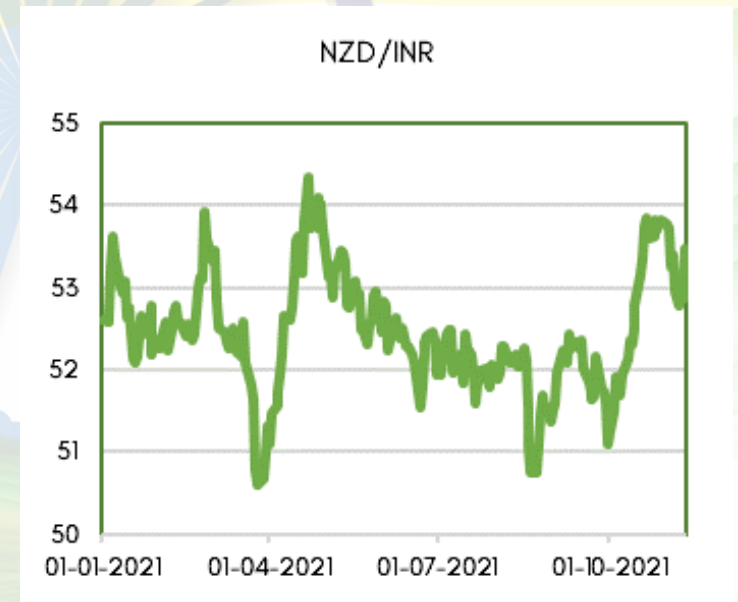
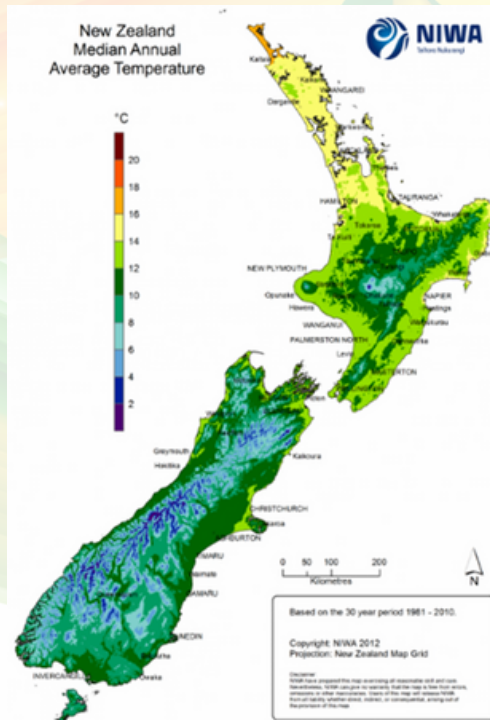


New Zealand has three official languages: English (the most widely spoken language), Māori, and New Zealand sign language.

The unit of currency is the New Zealand Dollar (NZD). While reasonably stable against the US dollar, the NZD has fluctuated more against the Indian rupee (INR) in recent times. At the time of writing the exchange rate sits at NZD 1 = INR 52.174.

Ease of Doing Business (2020)			Time to Start a Business (2020)			
RANK/190	COUNTRY	SCORE	RANK/141	COUNTRY	VALUE(DAYS)	SCORE
1	NEW ZEALAND	86.8	1	NEW ZEALAND	0.5	100
2	SINGAPORE	86.2	2	GEORGIA	1	99.6
3	HONG KONG SAR, CHINA	85.3	3	CANADA	1.5	98.2
4	DENMARK	85.3	4	HONG KONG SAR, CHINA	1.5	98.2
5	KOREA, REP.	84.00	5	SINGAPORE	1.5	98.2
6	UNITED STATES	84.0	6	JAMAICA	3	97.4
7	GEORGIA	83.7	7	AUSTRALIA	2	96.6

Source: World Bank



Source: Yahoo Finance



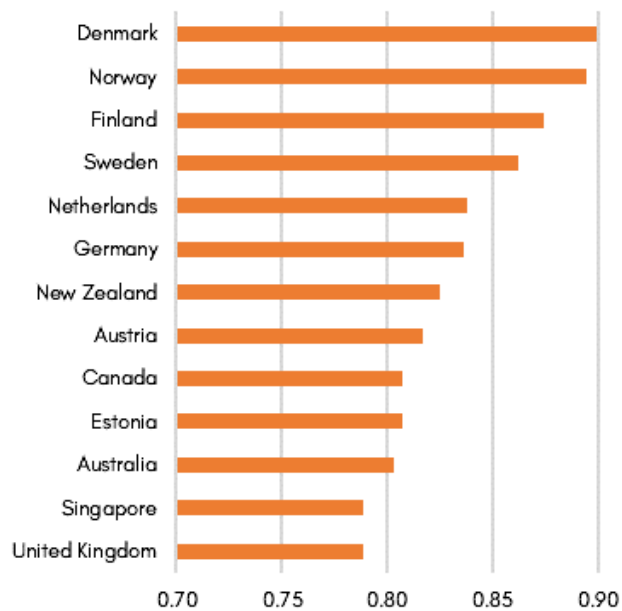
NEW ZEALAND'S POLITICAL AND LEGAL SYSTEMS

New Zealand has a common law legal system based on the British Westminster model, with an independent judiciary. The institutions of New Zealand are divided into Parliament, Executive, and Judiciary based on the separation of powers concept, ensuring that no one branch of the New Zealand government can become too powerful. New Zealand ranks 7th of 128 countries on the World Justice Project (WJP) 2020 'Rule of Law' index 1.



New Zealand NZ is a constitutional monarchy with a parliamentary system of government. This means the head of state is a sovereign (currently Queen Elizabeth II). New Zealand uses a Mixed Member Proportional (MMP) voting system which makes it unlikely that any one political will win a majority of the seats in the House. Having said that, New Zealand politics has traditionally been dominated by two political parties - the left-leaning Labour party, and the right-leaning National party. The ruling party is currently the Labour Party led by Prime Minister Jacinda Ardern.

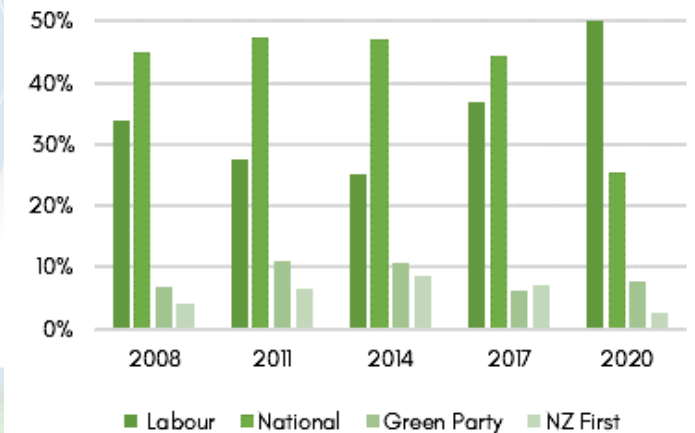
Top 13 of 2020 WJP Score Ranking



Source: World Justice Project



New Zealand Major Party Voting Intention (2008-2020)



Source: Roy Morgan



GDP AND UNEMPLOYMENT

As of 2020, New Zealand GDP stood at \$64,293 per capita, putting it at par with countries such as Germany and Canada. After the COVID-19 outbreak, the annual growth of GDP was impacted and decreased, from 2.4% in 2019 Q4 to -2.1% in 2020 Q4. However, the New Zealand economy has since been recovering, reflected by a rebound in annual GDP growth since 2021 Q1 to 5.1% (the highest increase since 2004). In the same period, the unemployment rate reached a high of 5.3% in 2020 Q3. However, the figure has since decreased to 3.4% in 2021 Q3, the lowest figure since 2008, again suggesting that the economy is rebounding.



Source: Stat NZ

According to the Economic and Fiscal Update issued by The Treasury New Zealand in May 2021, the forecasted real production GDP (average change based on years ended June) in 2022 and 2023 is 3.2% and 4.4%, respectively.

A full analysis of new Zealand's GDP and unemployment can be found on NZ stats website.

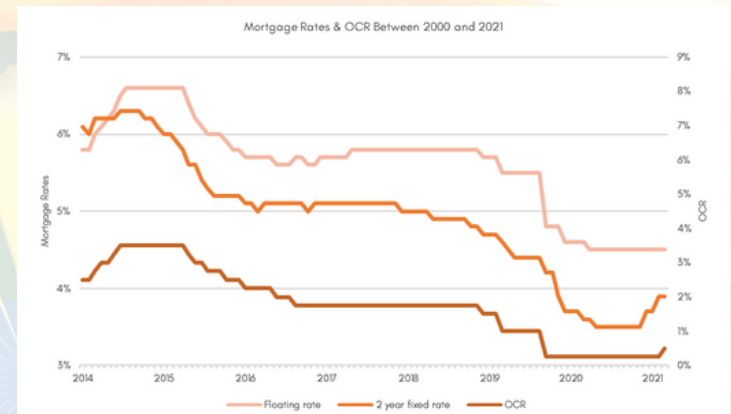
INDICATOR	NEW ZEALAND	INDIA
GDP/CAPITA (2020)	\$ 64K	\$ 2K
POPULATION (2020)	5 M	1,380 M
CO2 EMISSIONS /CAPITA (2018)	6.5 Metric tons	1.8 Metric tons
YTD RETURN OF MARKET INDEX	-2.68%	27.68%
UNEMPLOYMENT (2021 Q3)	3.40%	6.86%
BALANCE OF TRADE (SEP. 2021)	\$ -2,210 M	\$ -32,285 M
RISK-FREE RATE (2020)	0.65%	4.24%
INFLATION (2021 Q3)	4.90%	4.35%

Source: World Bank, Yahoo Finance, Stats NZ, The Economic Times, Trading Economics, and RBNZ

New Zealand Market Overview

INTEREST RATES

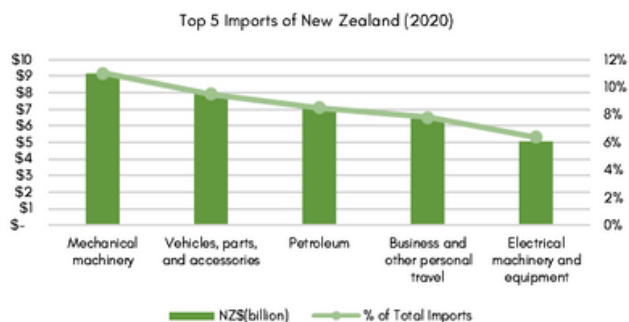
New Zealand's current official cash rate (OCR) rose to 0.5% in October 2021, which is the first increase in OCR since July 2014. The OCR is expected to continue to rise as New Zealand's economy recovers from the impact of COVID-19.



Source: RBNZ

The average 2-year mortgage rate is 4.22% as of October 2021, compared to 3.87% in the previous month. For the foreseeable future, the increased OCR will continue to maintain upward pressure on long-term fixed mortgage rates. As OCR is the borrowing rate that the Reserve Bank of New Zealand (RBNZ) charges between commercial banks, the cost of debt of firms operating in New Zealand will likely rise as well.





Source: Stat NZ



BALANCE OF TRADE

As of March 2020, New Zealand's total exports were \$86.4B, and total imports 82.9B, with a trade balance of \$3.5B. China remains New Zealand's top export destination and import location (\$20B and \$13B respectively). India is New Zealand's 8th highest export destination (\$1.7B) and 14th highest import location (\$1.04B).

The largest import commodity to New Zealand is Mechanical machinery and equipment, which reached \$8.5B (10% of total imports) and \$9.1B (11% of total imports) in 2019 and 2020 respectively. Not surprisingly, the largest export commodity is Milk powder, butter, and cheese, which reached \$14.8B (17.7% of total exports) and \$16.15B (18.7% of total exports) in 2019 and 2020 respectively.

A full analysis of new Zealand's trade figures can be found on the NZ stats [website](#).

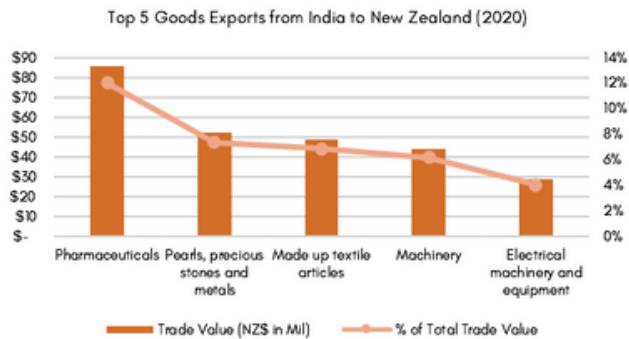
New Zealand's Total Trade with Top 14 Partners (2020 in NZ\$Mil)

TRADING PARTNER	TOTAL EXPORTS	TOTAL IMPORTS	TWO-WAY TRADE	TRADE BALANCE
CHINA, PEOPLE'S REPUBLIC OF	19,888	12,949	32,837	6,939
AUSTRALIA	14,167	13,075	27,241	1,092
EUROPEAN UNION	9,118	14,619	23,738	-5,501
UNITED STATES OF AMERICA	9,873	9,471	19,345	402
JAPAN	4,564	4,138	8,702	426
SINGAPORE	1,759	4,303	6,062	-2,544
KOREA, REPUBLIC OF	2,289	2,590	4,879	-301
THAILAND	1,237	2,850	4,086	-1,613
UNITED ARAB EMIRATES	1,008	2,921	3,929	-1,914
MALAYSIA	1,376	2,038	3,414	-662
INDIA	1,698	1,040	2,738	657
TAIWAN	1,515	935	2,450	580
INDONESIA	1,266	1,117	2,382	149
CANADA	1,228	915	2,143	313

Source: Stat NZ



INDIAN GOODS EXPORTS TO NEW ZEALAND



Source: UN Comtrade Database



India's major goods exports to New Zealand are Pharmaceuticals (12% of total trade value in 2020 ended December) and Pearls, precious stones and metals (7%). Pharmaceuticals have increased from \$76.60M (10% of total trade value) in 2019 to \$85.48M (12%) in 2020. Pearls, precious stones and metals have decreased from \$65.30M (9%) in 2019 to \$52.40M (7%) in 2020.

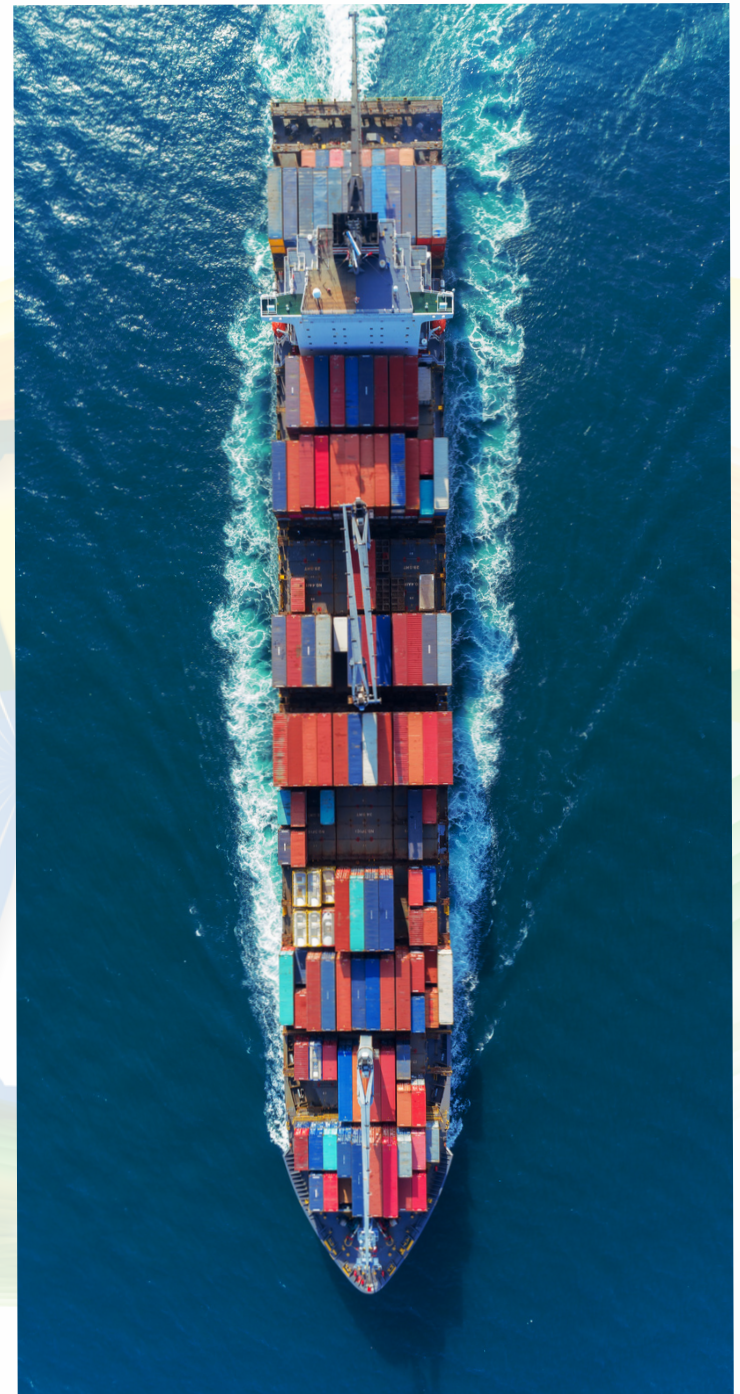
Leading Indian companies currently exporting to New Zealand include:

DR.REDDY'S NEW ZEALAND LTD	MAHINDRA AUTO NEW ZEALAND	HCL TECHNOLOGIES (NEW ZEALAND) LTD
A subsidiary wholly owned by Dr.Reddy's SA, focus on gaining tenders from the New Zealand government, supplying the pharmaceutical drugs for the prescription market in New Zealand.	An automobile manufacturer. Their main products are light trucks, SUVs, and tractors.	The largest India-based global IT services provider in New Zealand, targeting many leading New Zealand companies.



"In the year to September 2020, our two-way trade relationship was already worth nearly NZ 2.5 billion; but there remains significant opportunity to intensify our trade cooperation"

Hon. Nanaia Mahuta, NZ Minister of Foreign Affairs, Speech to the India New Zealand Business Council Summit 2021.



The following sectors represent the major areas where there is potential for growth of exports from India to New Zealand:

PHARMACEUTICALS

New Zealand imported \$1.48B of pharmaceutical products (a 3.8% increase compared with \$1.42B in 2019) in 2020. In 2020, India exported \$85.48M (a 12% increase compared to \$76.60M in 2019) of pharmaceutical products to New Zealand. This figure represents only 5.8% (increased from 5.4% in 2019) of New Zealand's total importing trade value in pharmaceuticals in 2020.

Top 6 of New Zealand's Pharmaceutical Products Importers



Source: Stat NZ

According to [Witton, 2021](#), a proposed \$200M increase in the pharmaceuticals budget reaching \$1.1B over the next four years will still not address New Zealand's poor access to medicines. New Zealand's increasing demand for pharmaceuticals, heavy reliance on pharmaceutical imports, and India's strong pharmaceutical manufacturing capacity suggests the tremendous potential for India in the pharmaceuticals sector in New Zealand.

AGRICULTURAL MACHINERY

New Zealand imported \$527M worth of machinery recorded for agricultural use in 2020. Only \$5M of this type of commodity was imported from India in 2020.

Leading Sectors for Exporting to New Zealand

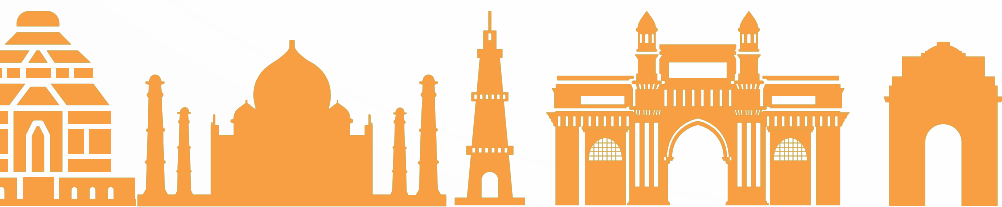
TRADE VALUE IN AGRICULTURAL MACHINERY

Year	Reporter	Partner	Trade Flow	Trade Value (NZ\$ in Mil)
2020	NEW ZEALAND	World	Import	\$527
		India	Import	\$5
2019	INDIA	World	Export	\$1451
	NEW ZEALAND	World	Import	\$786
		India	Import	\$7
	INDIA	World	Export	\$1367

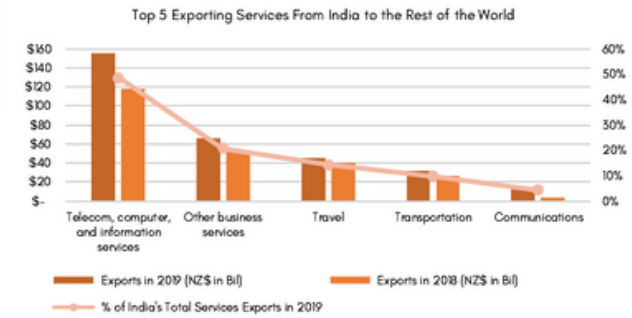
Source: UN Comtrade Database



New Zealand's high demand for agricultural machinery, evidenced by a 51% increase between 2015 and 2019 in agricultural machinery imports, a 42% and 37% increase in dairy and meat exports between 2015 and 2020, suggests the agricultural machinery sector in New Zealand is worth exploring. New Zealand's current low import of this type of product from India, along with the quality and amounts of lower-end products developed in India, also suggests the agricultural machinery sector is an area of opportunity for India.

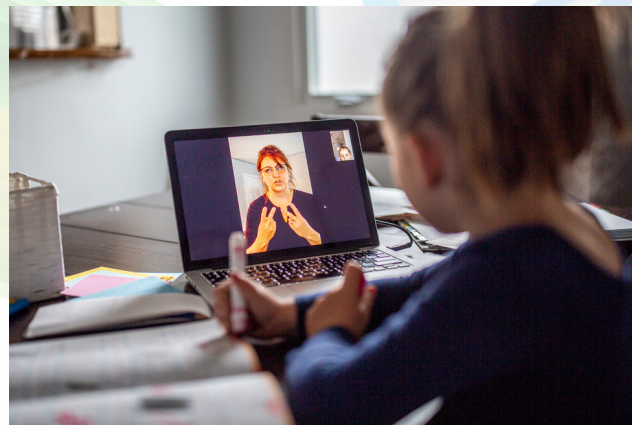


SERVICES



Source: UN Comtrade Database

Lastly, the Covid-19 pandemic has caused a dramatic rise in the number of New Zealanders working and studying from home. Recent research suggests this pattern is unlikely to change in the foreseeable future. Consequently, online services that facilitate work from home and study from home will continue to remain in high demand. This is evident from the substantial growth of online learning platforms such as ByJu's. These platforms are a natural complement to the new ways of living and represent another segment of export opportunity.



New Zealand imported services to the value of \$17.4B in 2020.

Telecommunications, computers, and information services are the second-fastest-growing import Services segment with a 29% growth from \$1.8B in 2018 to \$2.4B in 2020. India only contributed 1.6% or \$38M to the \$2.4B figure. This segment offers further potential for Indian exporters, evidenced by a 32% increase in India's total worldwide exports in this segment from \$117B in 2018 to \$155B in 2019.

Personal, cultural, and recreational services had the highest growth (46%) in this segment from \$634M in 2018 to \$929M in 2020. India contributed only \$370K or 0.04% to the \$929M figure in 2020. India's high capacity in this area, evidenced by an 18% growth in India's exports in this field associated to the rest of the world from \$2.6B in 2018 to \$3.1B in 2019, indicates a segment of export opportunity.

MINERAL FUELS AND OILS

TRADE VALUE IN MINERAL FUELS AND OILS				
Year	Reporter	Partner	Trade Flow	Trade Value (NZ\$ in Mil)
2020	NEW ZEALAND	World	Import	\$4,499
		India	Import	\$2
2019	INDIA	World	Export	\$40,638
	NEW ZEALAND	World	Import	\$6,870
		India	Import	\$4
	INDIA	World	Export	\$66,467

Source: UN Comtrade Database & Stat NZ



Mineral fuels and oils are India's single largest export commodity, reaching \$40B or 10% of India's total goods exports in 2020. In the same period, New Zealand imported \$4.5B worth of mineral fuels and oils. However, over 50% of New Zealand's imports in this field came from United Arab Emirates and the Republic of Korea, and only 0.05% came from India. India's high export capacity and New Zealand's current low amount of import from India in this field indicate this is a sector of opportunity.



TEXTILES AND APPARELS

TRADE VALUE IN TEXTILES AND APPARELS				
Year	Reporter	Partner	Trade Flow	Trade Value (NZ\$ in Mil)
2020	NEW ZEALAND	World	Import	\$2,034
		India	Import	\$97
	INDIA	World	Export	\$24,994
2019	NEW ZEALAND	World	Import	\$2,107
		India	Import	\$106
	INDIA	World	Export	\$31,948

Source: UN Comtrade Database & Stat NZ



India exported \$97M of Textiles and Apparel, contributing 14% of India's total goods export to New Zealand. According to the [Textile Industry In New Zealand](#), India is New Zealand's second-largest importer in this field, with China taking the leading position. With the low manufacturing capacity in New Zealand and India's growing strength in this field, the textiles and apparels sector continues to be attractive to Indian exporters.

ELECTRONICS



TRADE VALUE IN ELECTRONICS				
Year	Reporter	Partner	Trade Flow	Trade Value (NZ\$ in Mil)
2020	NEW ZEALAND	World	Import	\$5,157
		India	Import	\$29
	INDIA	World	Export	\$19,801
2019	NEW ZEALAND	World	Import	\$5,262
		India	Import	\$32
	INDIA	World	Export	\$22,300

Source: UN Comtrade Database & Stat NZ

India exported nearly \$20B of Electronics, contributing 5% of India's total goods exported in 2020. New Zealand imported \$5B in this field from the rest of the world (contributing 10% of New Zealand's total goods import in 2020), but only \$28M came from India (an 11% decrease compared with 2019) in 2020. Electronics outstripped Mineral fuels and oils and became the fourth largest import commodity in New Zealand in 2020. Although the volume of India's exports to New Zealand has registered a decline due to the pandemic, India has continued to export electronics to other countries in high numbers. Therefore, this sector deserves close scrutiny to understand how electronics exports to new Zealand can be increased.

FOOD

TRADE VALUE IN FOOD				
Year	Reporter	Partner	Trade Flow	Trade Value (NZ\$ in Mil)
2020	NEW ZEALAND	World	Import	\$5,995
		India	Import	\$118
	INDIA	World	Export	\$48,532
2019	NEW ZEALAND	World	Import	\$6,046
		India	Import	\$91
	INDIA	World	Export	\$46,606

Source: Derived from UN Comtrade Database & Stat NZ Data



India's food processing sector is one of the largest in the world. India is the world's largest producer of spices, milk, pulses, cashew nuts, food grains, fruits, and vegetables. For more information, visit [Food processing in India](#). New Zealand imported \$6B (a 0.8% decrease compared with \$6.04B in 2019) into the food industry, contributing approximately 11% of New Zealand's total goods imported in 2020. Only \$118M (a 30% increase compared with \$91M in 2019) came from India. Such high increases and the strength of India's food industry suggest the food market in New Zealand is promising from India's point of view.



SALES AND DISTRIBUTION CHANNELS

There are several channel options available for Indian businesses looking to export to New Zealand, including

this type of channel is typically provided through an eCommerce website (e.g., Great Learning) but can also include direct supply to meet a New Zealand tender (e.g., through the Government's GETS procurement website), and direct supply to a retailer or a wholesaler such as Kashish Foods.

Supplying Direct to New Zealand Consumers

these are online agencies who work as intermediaries between the consumer and seller. Global examples that operate in New Zealand include eBay, Amazon and Alibaba. New Zealand-specific examples include Trade Me, TheMarket and Onceit.

Using an eMarketplace

a common business model is for Indian and New Zealand companies to establish a partnership for unilateral or bilateral trade. An example is Fonterra's partnership with Future Group in India. These types of partnerships may be with New Zealand retailers, wholesalers and/or distributors.

Partnership with New Zealand Companies

Some Indian companies, such as Dr. Reddy's, Infosys and HCL, create New Zealand subsidiaries through which they can trade in New Zealand.

Creating a New Zealand Subsidiary

these are businesses who source and sell a company's goods, typically on a commission basis. They will represent the Indian company on a long-term or short-term basis. There are a limited number of sourcing agents in New Zealand, as most suppliers use direct channels - one example is Epic Sourcing, who mainly deal with China, but do also work with Indian suppliers.

Working with a Local Agent or Broker

SELLING FACTORS & TECHNIQUES

When selling to New Zealand consumers there are several factors you should be aware of:

Identify your target audience and what they are expecting: The New Zealand consumer may be quite different from your local consumers. Their tastes, expectations, buying patterns may differ from those in other countries. A good place to start researching the domestic New Zealand market is the NZ Government's [website](#) for New Zealand businesses.

Paying for products would be another point to consider, a New Zealander will expect to purchase in New Zealand currency via a reputable payment provider (e.g., PayPal).

Ensure you know how to Promote your Products in New Zealand: 'New Zealander's are reasonably sophisticated in their use of online promotion channels, so you should consider [promoting your products](#) on the major social media channels (e.g., YouTube, Facebook, Instagram, Google, and LinkedIn). You should also work on Search Engine Optimization. See also the section below on Trade Shows and Export Events.

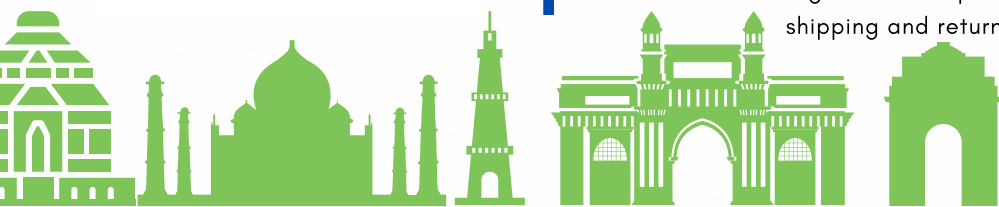
Ensure you have a Good Shipping and Support/Returns Process: this is particularly important for any eCommerce or eMarketplace channels, but it also applies to any business that involves the shipment of goods to New Zealand. The keys here are working with a reliable freight and logistics provider, and ensuring you have a regulation-compliant, well-documented, product shipping and return process.

Selling Products and Services to New Zealand

Understand and Comply with Country Regulations: you'll find a lot of information on Customs and Import/Export regulations within this brochure.

Another good source for understanding New Zealand consumer laws is the Commerce Commission New Zealand's [website](#).

Understand and Comply with Goods and Service Tax (GST) Laws: New Zealand has a single GST rate of 15% that applies to most imported goods and services. See the NZ Government's Inland Revenue Department [website](#) for details.



TAKING PART IN TRADE SHOWS AND EXPORT EVENTS

Trade Shows and Export Events are commonly used in New Zealand to showcase new products and new vendors to the public. They are also a good way to enable a vendor to connect with potential partners and distributors.

The High Commission of India in New Zealand provides good information on upcoming events. The Business Councils can also help in identifying such events.



SELLING TO THE PUBLIC SECTOR

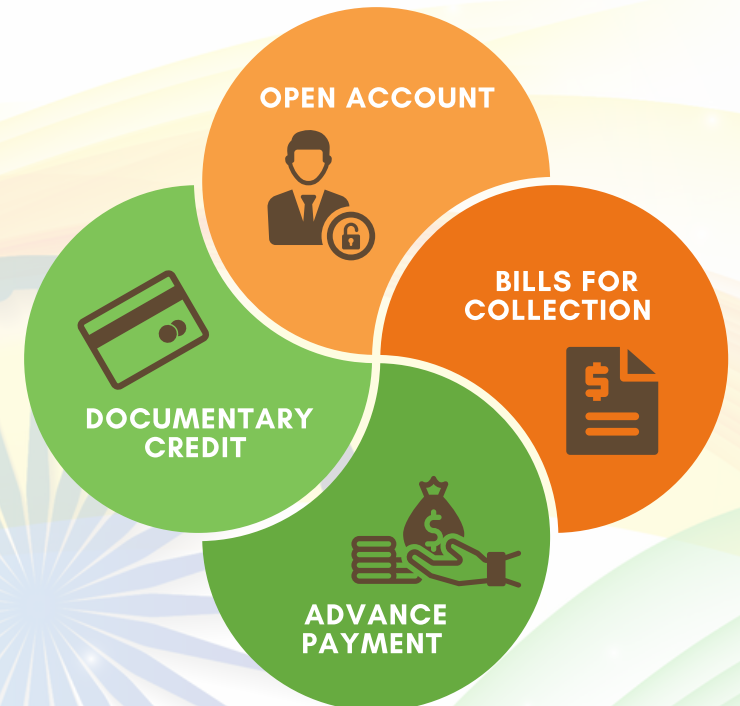


There are very few barriers preventing Indian companies bidding on and winning New Zealand Government contracts. The Government follows the principle of 'best value through competition'. Government procurement contracts are generally made available through the Government Electronic Tenders Service (GETS). Indian companies can sign up through the service as a supplier and subscribe to many contract types.



FINANCING AND INSURANCE

Financing: Common ways to settle trade debts include



There are 27 registered banks in New Zealand, many with ties to Indian banks, including The Bank of Baroda and the Bank of India. Many banks offer secured bank credit and other trade finance products (e.g., Documentary Credit).

American Express, Visa and Mastercard are all widely used credit cards in New Zealand.

Insurance: Insurance helps mitigate the risk of non-payment for goods exported. Common reasons for non-payment include:

- Shipments lost in transit
- Goods delivered in a damaged state
- Significant transport delays affecting sale price
- Goods purchaser unable or unwilling to pay



Four types of insurance that are typically trade-related are:



MARINE CARGO INSURANCE

PRODUCT LIABILITY INSURANCE

TRADE CREDIT INSURANCE

BUSINESS TRAVEL INSURANCE

Working with insurance broker (either in India or in New Zealand), along with your partners in New Zealand, exporters should assess the risks involved and decide on the insurance need.



PROTECTING INTELLECTUAL PROPERTY



Protecting your intellectual property (IP) and ensuring you don't infringe on others' IP is an important consideration for businesses looking to export new and innovative products in particular. You need to be aware that:

- There is no 'worldwide' IP protection. If your IP is protected in another country that does not mean it is protected in New Zealand.
- IP must be registered in New Zealand, to be enforced here.

You need to have a strategy for handling IP in New Zealand. If in doubt, it is advisable to consult with an expert in [New Zealand IP law](#).



There are several sources of information related to IP available on NZ government websites.

<https://www.mbie.govt.nz/business-and-employment/business/intellectual-property/>

<https://www.business.govt.nz/risks-and-operations/intellectual-property-protection/types-of-intellectual-property/>

<https://www.iponz.govt.nz/>



IMPORTING GOODS INTO NEW ZEALAND

The process of importing goods into New Zealand is controlled by two key Government agencies: New Zealand Customs, and the Ministry of Primary Industries (MPI). New Zealand Customs handles the clearance of goods into New Zealand, while MPI is concerned with protecting New Zealand from any biological risk that imported goods may present.

The New Zealand Customs website provides a good start point for information on importing into New Zealand. There are various options available for customs clearance, depending on what you are looking to import and the value of the goods you are importing. Detailed information on what can and can't be imported into New Zealand, can be found on the MPI website.

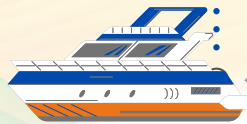


TEMPORARY IMPORTS

Temporary imports are goods that are brought into the country for a brief period. These goods are often not subject to tariffs (or GST). Goods that qualify for temporary entry into New Zealand include:



Projects that involve restoration of imported products.



Yachts and small craft can be imported by visitors who are permanent residents of another country.



Goods that can be imported in accordance with a treaty or arrangement that New Zealand may have with India. Goods can be imported for educational, cultural, or social purposes.

Import Procedures, Regulations, Standards, & Incentives

To check whether the goods you are looking to export qualify for temporary entry, consult the Guide to Temporary Admission of Goods.



PROHIBITED & RESTRICTED IMPORTS

Some goods are either prohibited from import into New Zealand or require a special permit to import into New Zealand. The New Zealand Customs website contains a full list of these items.



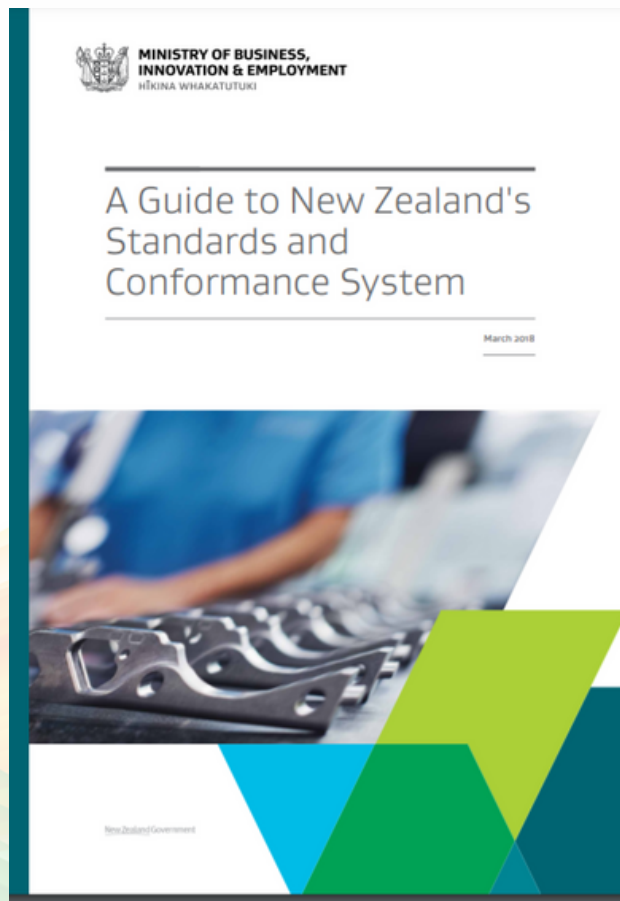
TRADING STANDARDS

In New Zealand, to protect consumers and build market confidence, it is important for suppliers to understand and be able to meet certain standards, as they apply to the goods being exported.

To gain an understanding of the regulations and standards that apply to a particular product or service you should check with the relevant regulator, these include:



An Overall Guide To New Zealand's Standards and Conformance System is also available from the Ministry of Business, Innovation, and Employment.



LABELLING

Labels provide a range of information to help consumers make good choices. They also help protect a consumer's health and safety by displaying information that informs the consumer and complies with international standards. New Zealand has strict labeling requirements. Businesses looking to export to New Zealand must adhere to the respective information standards for their products.



PRODUCT SAFETY

In New Zealand, there are safety standards designed to prevent consumers from being injured by using unsafe products.

There are six sets of safety standards to which imported products must adhere as applicable:

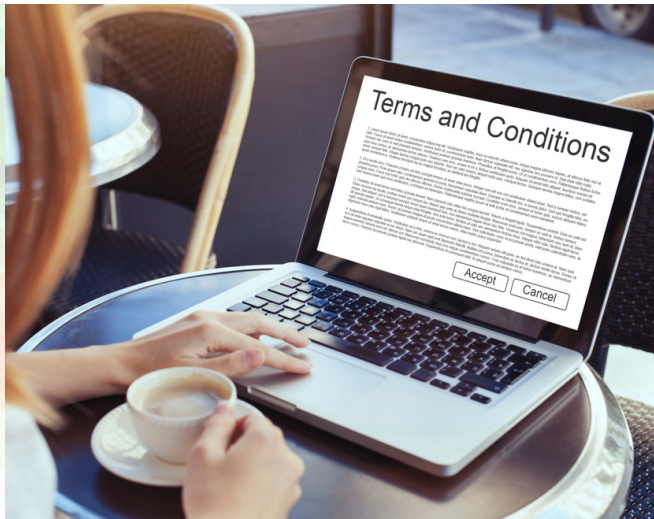
- pedal bicycles
- baby walkers
- children's nightwear
- children's toys
- household cots
- cigarette lighters



LICENSING REQUIREMENTS FOR PROFESSIONAL SERVICES

When offering professional services in New Zealand, there are often licensing, registration and other professional requirements to which companies should adhere. For example, domains such as consulting, accounting, finance, and human resources may require registration.

Understanding your obligations in a particular domain will help you know the appropriate criteria that you need to meet to deliver services efficiently and effectively.



As a start point, New Zealand Immigration provides an [excellent resources](#) for determining applicable registration requirements.

INDIAN EXPORT SCHEMES AND INCENTIVES

The Indian Government has placed great emphasis on exports as a driver of GDP (Gross Domestic Product) growth. There are several schemes and incentives in place that assist prospective exporters, including: -



[Further information](#) on export schemes and incentives is available on the India Brand Equity Foundation website.



“When India is working towards the goal of Atmanirbhar Bharat (self reliant India) one of its goals is to increase the share of Indian exports...”

PM Shri Narendra Modi, Speech to Indian Ambassadors and Envoys, Delhi, 6 August 2021



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Mr. Naved Shafiq	Associate Vice President and Business Head, HCL (New Zealand) Ltd
Mr. Vikram Kotibhaskar	Country Head ANZ, Dr. Reddy's Laboratories
Mr. Suneet Gupta	Managing Director, Kashish Foods
Mr. TK Wang	Sourcing Specialist, Epic Sourcing
Dr. Revti Raman	Associate Professor, International Business, Victoria University of Wellington
Mr. Chris Wilson	Policy and Trade Branch, Ministry for Primary Industries
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Ms. Tannu Khandelwal	Research Assistant



Useful Links

NEW ZEALAND MARKET OVERVIEW

- <https://www.stats.govt.nz/indicators/gross-domestic-product-gdp>
- <https://www.stats.govt.nz/indicators/unemployment-rate>
- <https://www.stats.govt.nz/topics/imports-and-exports>

Leading Sectors for Exporting to New Zealand

SERVICES

<https://www.nzherald.co.nz/nz/caro-rainsford-digital-learning-is-here-to-stay-with-or-without-the-virus/ZGAJKCEBRO7NGXGV7FP7XNVDE/>

TEXTILES AND APPARELS

<https://www.textileinfomedia.com/textile-industry-in-new-zealand>

FOOD

<https://www.investindia.gov.in/sector/food-processing>

Setting Up for Success

ENTERING THE NEW ZEALAND MARKET

- <https://www.business.govt.nz/how-to-grow/importing-and-exporting/10-tips-before-you-import/>
- <https://www.business.govt.nz/getting-started/taking-the-first-steps/how-to-research-your-market-and-competitors/>

THINGS TO CONSIDER WHEN EXPORTING TO NEW ZEALAND

- https://www.doingbusiness.org/content/dam/doingBusiness/pdf/db2020/Doing-Business-2020_rankings.pdf
- <https://www.pwc.co.nz/pdfs/2018pdfs/doing-business-in-new-zealand.pdf>

GETTING THE SUPPORT YOU'LL NEED

- <https://www.found.co.nz/business-directories/#list>
- <https://www.inzbc.org/>
- <https://www.hciwellington.gov.in/>
- <https://www.newzealandchambers.co.nz/>

TRAVELLING TO NEW ZEALAND ON BUSINESS

- <https://www.immigration.govt.nz/new-zealand-visas/apply-for-a-visa/about-visa/business-visitors-visa>
- <https://culturalatlas.sbs.com.au/new-zealand-culture/new-zealand-culture-business-culture>

Selling Products and Services to New Zealand

SELLING FACTORS AND TECHNIQUES

- <https://www.business.govt.nz/how-to-grow/boosting-sales/marketing-and-sales/%5d/>
- <https://comcom.govt.nz/business/dealing-with-typical-situations/selling-goods-and-services>
- <https://www.ird.govt.nz/gst/gst-for-overseas-businesses>

TAKING PART IN TRADE SHOWS AND EXPORT EVENTS

<https://www.hciwellington.gov.in/page-link/?page=business>

PROTECTING INTELLECTUAL PROPERTY

- <https://www.iponz.govt.nz/>
- <https://www.mbie.govt.nz/business-and-employment/business/intellectual-property/>
- <https://www.business.govt.nz/risks-and-operations/intellectual-property-protection/types-of-intellectual-property/>
- <https://www.iponz.govt.nz/>

SELLING TO THE PUBLIC SECTOR

<https://www.gets.govt.nz/ExternalIndex.htm>

Import Procedures, Regulations, Standards, and Incentives

IMPORTING GOODS INTO NEW ZEALAND

- <https://www.customs.govt.nz/business/import/start-importing/>
- <https://www.customs.govt.nz/business/import/lodge-your-import-entry/>
- <https://www.mpi.govt.nz/import/>

IMPORT TARIFFS

- <https://www.customs.govt.nz/business/tariffs/working-tariff-document>
- <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/nomenclature/activities-and-programmes/30-years-hs/hs-compendium.pdf>
- <https://www.customs.govt.nz/business/tariffs/tariff-concessions/>

TEMPORARY IMPORTS

- <https://www.customs.govt.nz/globalassets/documents/guides/customer-guide-to-temporary-admission-of-goods.pdf>
- <https://www.customs.govt.nz/personal/prohibited-and-restricted-items/>

TRADING STANDARDS

- <https://www.mpi.govt.nz/>
- <https://www.health.govt.nz/>
- <https://www.nzta.govt.nz/>
- <https://www.mbie.govt.nz/assets/db8a50ffd9/guide-standards-and-conformance-system.pdf>

LABELLING

<https://comcom.govt.nz/business/your-obligations-as-a-business/consumer-information-standards>

PRODUCT SAFETY

<https://comcom.govt.nz/business/your-obligations-as-a-business/product-safety-standards>

LICENSING REQUIREMENTS FOR PROFESSIONAL SERVICES

<https://www.immigration.govt.nz/new-zealand-visas/apply-for-a-visa/tools-and-information/tools/occupational-registration>

INDIAN EXPORT SCHEMES AND INCENTIVES

<https://www.ibef.org/blogs/indian-export-incentive-schemeS>





सत्यमेव जयते

भारत

का उच्चायोग
High Commission of

INDIA

New Zealand



सत्यमेव जयते



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