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COMMUNICATION TO ALL REGISTERED MEAT EXPORTERS

Outcomes of September 2025 consultation re New Entrant Access provisions for WTO quotas

Report 23 December 2025

EXECUTIVE SUMMARY

The New Zealand Meat Board has completed consultation on a revised reallocation mechanism for new entrant quota in World Trade Organisation (WTO) quotas. This consultation was an extension to the Quota Allocation Mechanism Review (QAMR) 2023-2024 required to be undertaken at least every five years.

The Board has agreed:

To allow General Quota Allowance (GQA) quota holders access to unutilised new entrant Reserved Quota Allowance (RQA) quota in the amount of up to 80%¹ of the respective WTO tariff rate quota (TRQ) RQA remaining, less any RQA allocated to new entrants, as of 1 July (for calendar year quotas) or 1 January (for HQB quotas), on the same basis as their GQA allocations.

1. BACKGROUND INFORMATION

The Meat Board Act 2004 requires NZMB to undertake QAMR's at least every five years. In March 2024, NZMB consulted with all registered meat exporters and industry bodies on proposed changes and agreed on mechanisms for both WTO and FTA quotas starting in 2025. More information can be found [here](#).

The 2023-2024 review introduced a liberalised mechanism to access each WTO new entrant RQA pool: new entrants can now apply on a first-come, first-served, certificate by certificate basis throughout the quota year for a portion of the RQA pool, to a maximum of 30%.

Since then, a quota holder has raised concerns about the access to, and timing of the reallocation of new entrant quota for WTO quotas when there are few or no new entrants.

2. ISSUE

As a result of liberalizing new entrant access criteria in the 2023-2024 QAMR review, any unused portion of the RQA quota is not able to be accessed until the hand back period for each TRQ concludes, i.e. 1 October for US Beef and Veal, EU and UK Sheepmeat and Goatmeat TRQs, or 1 April for EU/UK High Quality Beef TRQs. Whereas under the previous RQA mechanism, any RQA balance not set aside for successful new entrant applicants, the balance of the RQA quota could be reallocated to General Quota Holders via the annual quota year GQA allocation process.

Up to 2% of WTO quotas is set aside as RQA for new entrants to access on a first come first served basis, capped at 30%.

¹ At the Board's discretion and determined by overall new entrant RQA utilisation of WTO quotas as at 30 June or 31 March each quota year i.e. RQA quota balance remaining.

The request from a General Quota Holder for a further review of the new entrant mechanism raised the following issues:

- Waiting until the end of quarter three to hand back and reallocate unused RQA quota does not enable overall industry value optimisation outcomes.
- Having up to ~4,000MT of high value quota for beef and ~2,000T (CWE) quota for sheepmeat and goatmeat TRQs handed back to industry end-October, for product that must arrive in market by 31 Dec, at a time of year with typically low and variable livestock availability, creates many practical planning and commercial challenges.
- Leaving reallocation of unused RQA until 1 October/1 April reduces guaranteed access to quota for production and planning purposes through the production season when livestock availability is better informed to achieve practical planning and reduce commercial challenges.

In brief, the quota holder argued that to maximise commercial returns from quota, there needs to be careful planning and certainty of when and in what quantities quota is going to be available. Having a “significant” volume of quota allocated on a sporadic basis is not conducive to obtaining maximum value.

3. FURTHER CONSULTATION

The Board considered the points made and prepared proposals for consultation setting out three options. Consultation occurred from 19 September to 10 October. The options were:

1. Maintain the status quo
2. Institute an 80% rule, whereby companies that have utilised 80% of their quota allowance, can have access on a first-come first served (FCFS) basis to new entrant quota
3. Divide the quota year into halves, any balance remaining from the first half tranche at the end of the first half of the year (e.g. end of June for EUSG, UKSG and USBV) would be redistributed to GQA holders in proportion to their share of production history.

4. RESULT OF CONSULTATION

The consultation document was sent to over 200 recipients. Some eleven responses were received representing ten mixed size export registration/quota holders and one export registration holder/non current quota participant.

Most respondents favoured an 80% performance-based approach for reallocating unused new entrant quota. However, there was considerable support both for (1) earlier access to unused RQA and the (2) certainty of a known date for reallocation.

The Board also considered the administrative advantages of (a) known reallocation date(s).

GQA holders triggering a reallocation through meeting the 80% threshold would require multiple manual interventions by quota administrators and is relatively inefficient, adds costs and increases administration complexity. In addition, further analysis identified commonly quota holders did not trigger 80% utilisation levels until after six months (during quarter three) of the quota year. With quota utilisation varying by quota and year there can be minor exceptions to this.

Accordingly, the Board carried out further informal consultation with initial respondents on a proposal for a mechanism that provided earlier access to unused RQA while maintaining administrative efficiency.

There was general acceptance of the Board's modified proposal.

As a result, the Board agreed to the following mechanism to be applied to WTO quotas:

- As at 1 July (for calendar year quotas) and 1 January (for July-June quotas) up to 80% of unused RQA may be made available for reallocation to GQA holders in proportion to their initial GQA allocations and usual fees will apply.
- These changes to the mechanism to apply for 1 January 2026 for calendar year quotas and 1 July 2026 for HQB quotas.
- All other aspects of the quota mechanism remain the same i.e.:
 - up to 2% set aside annually in each WTO quota for new entrant access,
 - including any unused new entrant quota as at hand back date shall be subsumed into the general quota pool for reallocation; and
 - reallocation² at hand back shall be in order of precedence:
 - a. *in the case where demand for access to returned quota exceeds the volume returned to the Board then it will be reallocated in proportion to the percentage of every such holder's initial allocation of General Quota Allowance for that Quota Year.*
 - b. *in the case where demand for access to returned quota is less than the volume returned to the Board then*
 - i. *on demand to General Quota holders*
 - ii. *any remaining quota to be made available on a first come first served, certificate by certificate basis (with the 30% limit for New Entrants removed)*

5. NEXT STEPS

Management will progress requirements to apply the Board's recommendation to the WTO quotas to give effect to the revised access provisions for unused new entrant RQA quota. This includes amending quota manuals; gazetting changes to the mechanism; incorporating changes to NZMB's administrative systems. This work will be conducted early in 2026.

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² Extract from Quota Manuals: Section 8, Transfers and Unused Quota Allowance , Section B – Unused Quota Allowance