

AUSTRALIA - EUROPEAN UNION

FREE TRADE AGREEMENT

Towards a Comprehensive & Ambitious FTA

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Missions to the European Union and NATO

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FREE TRADE AGREEMENT

'In challenging times, it is heartening to see that Australia shares our commitment to a positive trade agenda, and to the idea that good trade agreements are a win for both sides.'

Cecilia Malmström,
EU Trade Commissioner
18 June 2018, Canberra



Australian Trade Minister Birmingham & European Trade Commissioner Malmström on 22 January 2019, Brussels



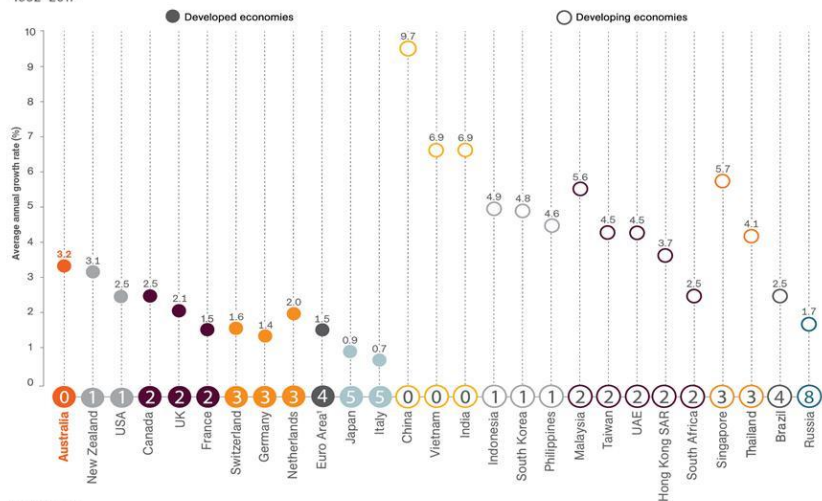
In the margins of 2018 G20 Summit, Buenos Aires

ABOUT AUSTRALIA'S ECONOMY

- Population of 25 million
- World's 13th highest GDP – €1.2 trillion GDP
- The wealthiest nation in terms of wealth per adult
- The Australian dollar is the 5th most traded currency
- One of the fastest-growing OECD economies
- In June 2018, Australia completed its 27th year of annual economic growth

ECONOMIC RESILIENCE – REAL GDP GROWTH

1992–2017^F



^F = Forecast

Note: Colour circles on x-axis represent the number of years in recession.

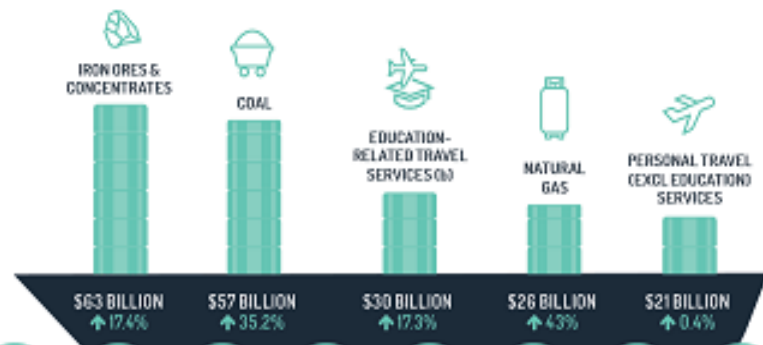
¹ Euro Area = Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia and Spain.

Sources: International Monetary Fund, World Economic Outlook Database, October 2017; Austrade

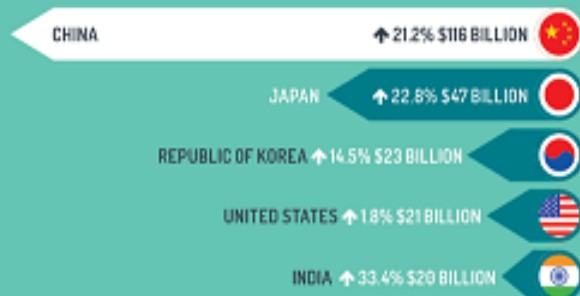
Australia and the European Union: towards a comprehensive and ambitious FTA

AUSTRALIA'S TRADE PROFILE

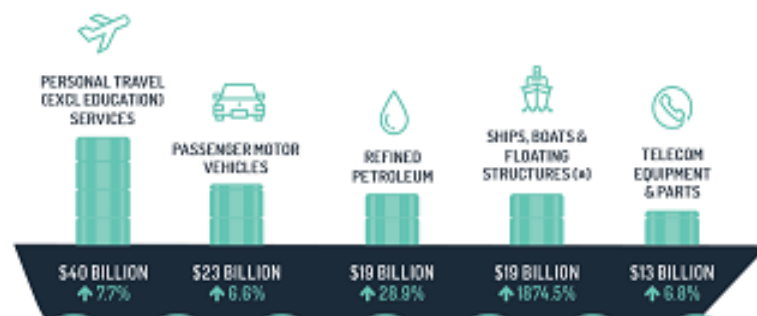
TOTAL VALUE OF EXPORTS \$387 BILLION ↑14.8%



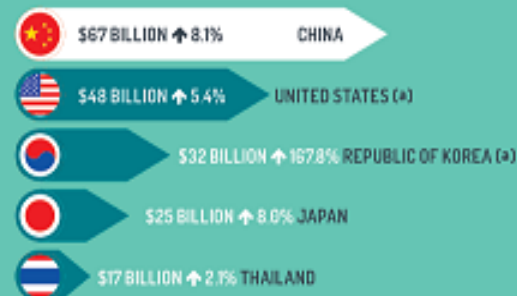
TOP 5 EXPORT DESTINATIONS



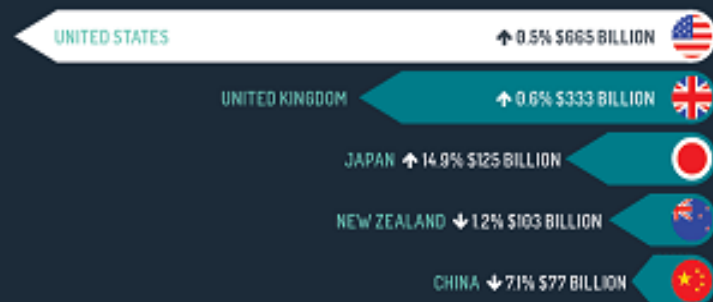
TOTAL VALUE OF IMPORTS \$377 BILLION ↑7.5%



TOP 5 IMPORT ORIGINS



LEVEL OF TOTAL INVESTMENT ABROAD \$2.3 TRILLION ↑3.4%

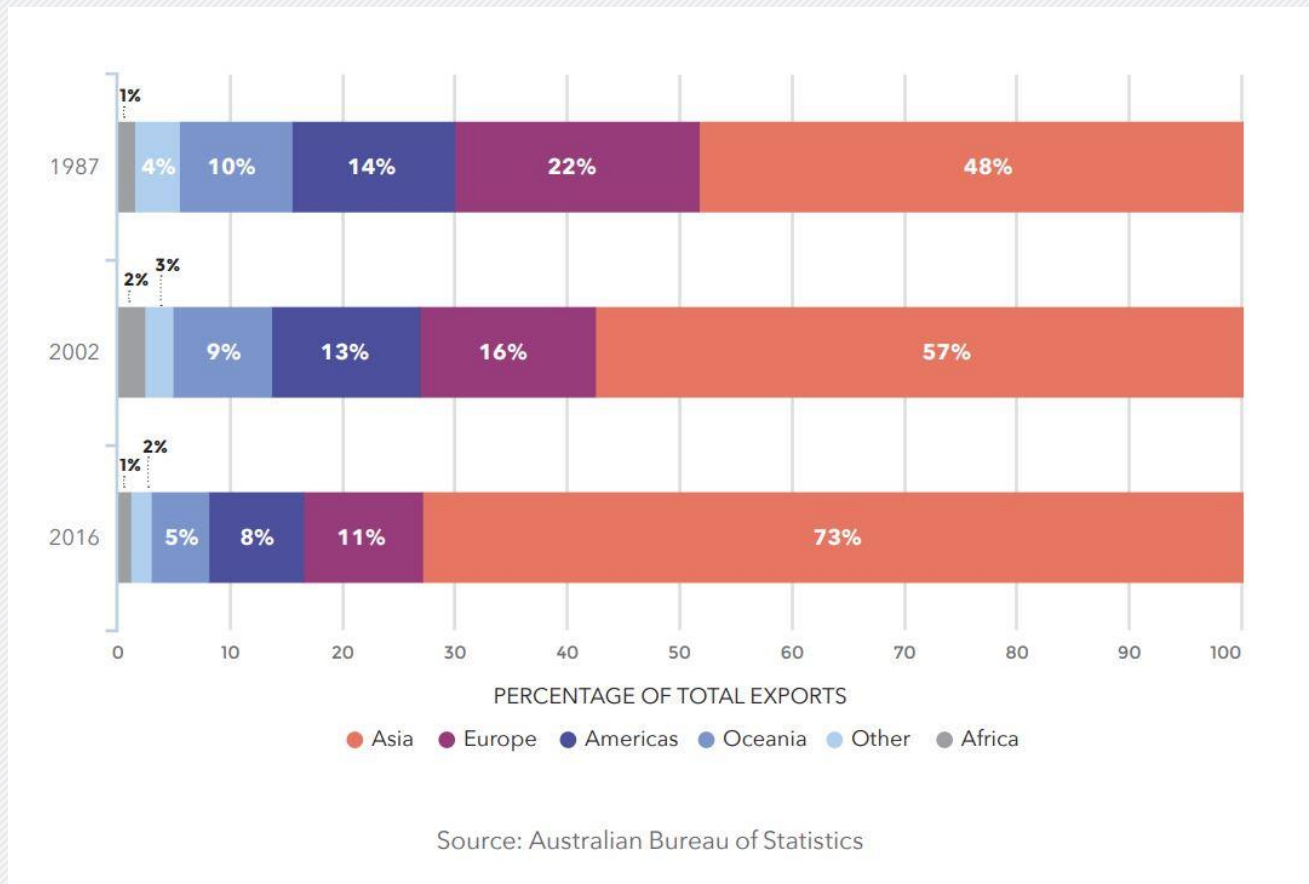


↑2.7% \$3.3 TRILLION LEVEL OF TOTAL FOREIGN INVESTMENT IN AUSTRALIA



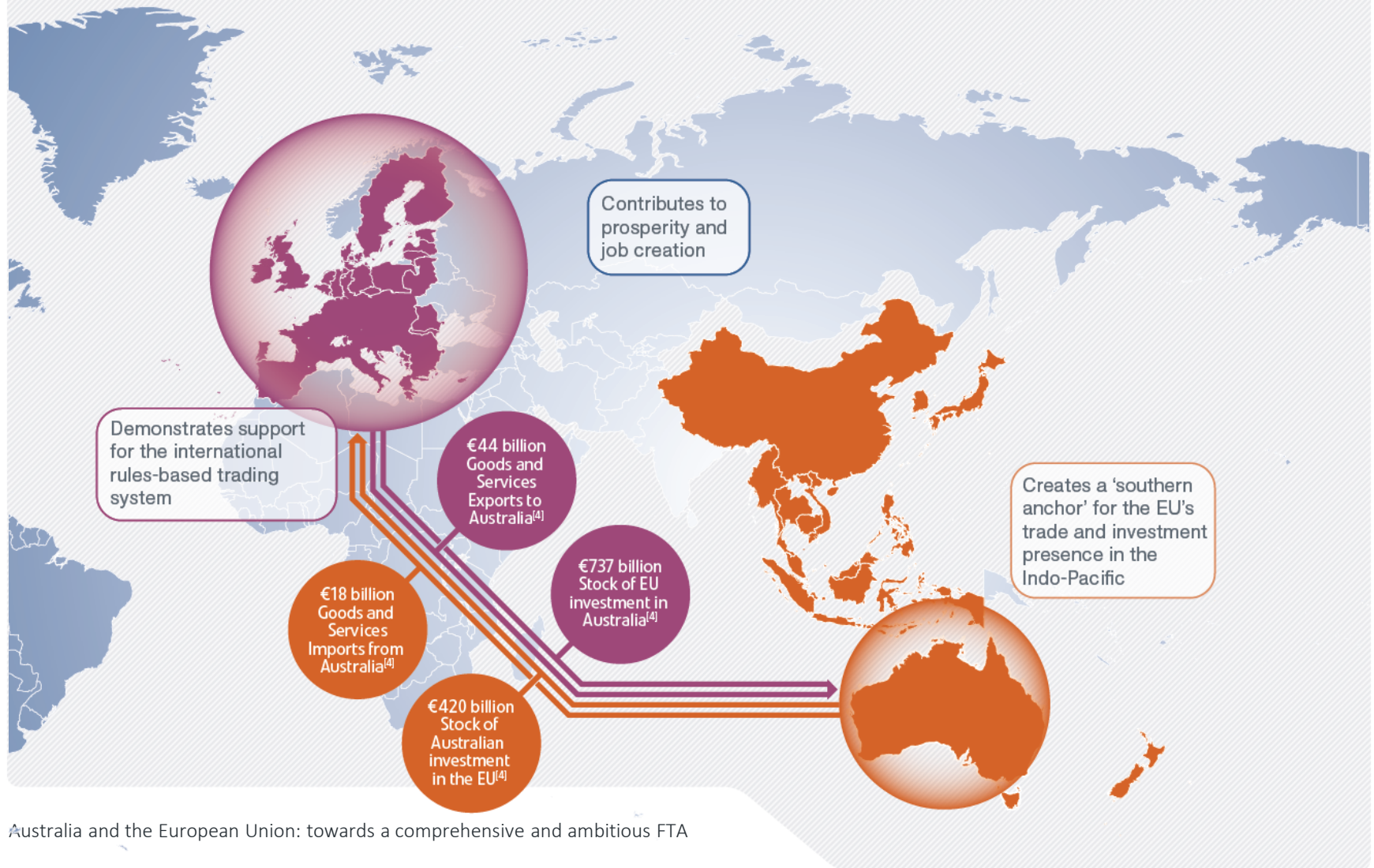
(a) Includes DFAT estimates
(b) Excludes education

DESTINATION OF AUSTRALIA'S EXPORTS

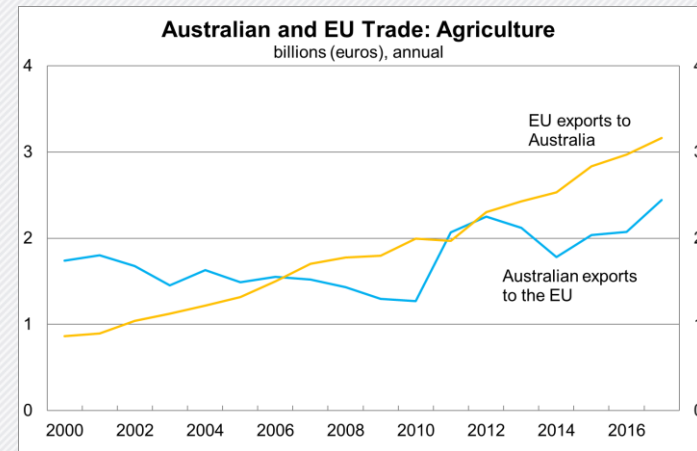
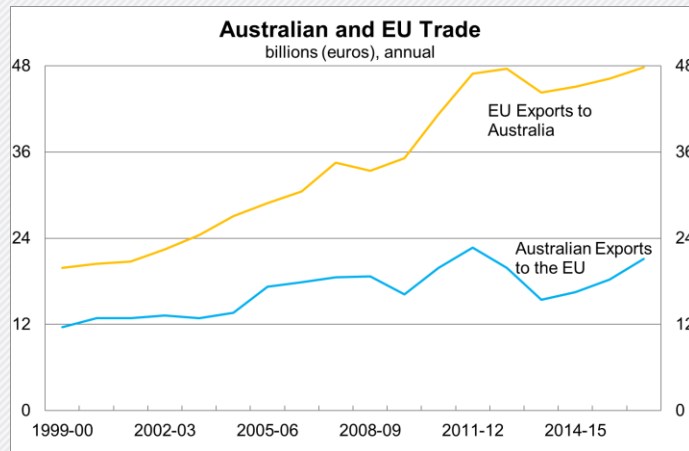


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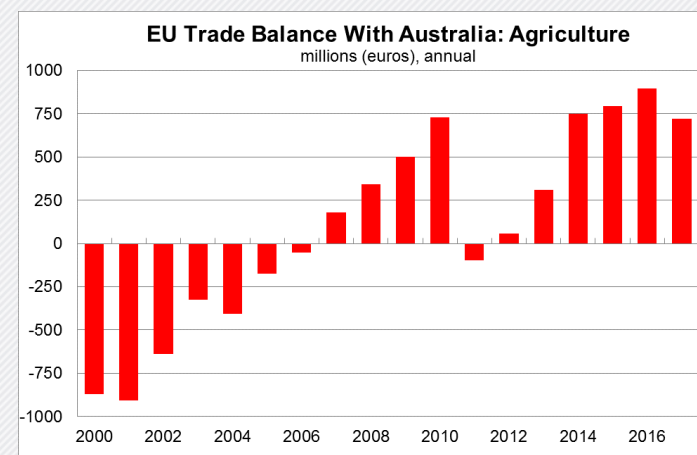
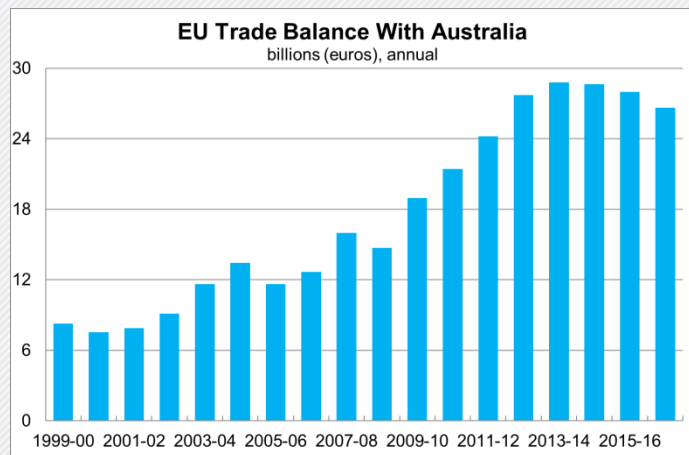
WHAT ARE THE BENEFITS OF A FREE TRADE AGREEMENT WITH AUSTRALIA



AUSTRALIA-EU TRADE FLOWS



* Fish and fish products, and forestry products not included

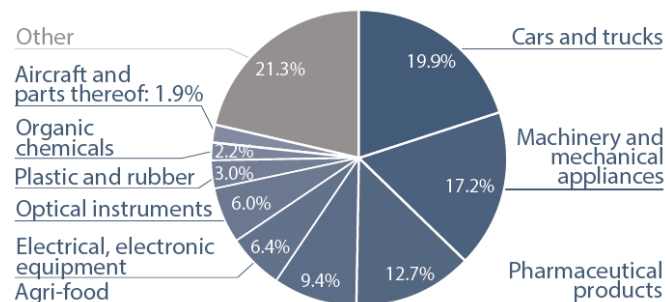


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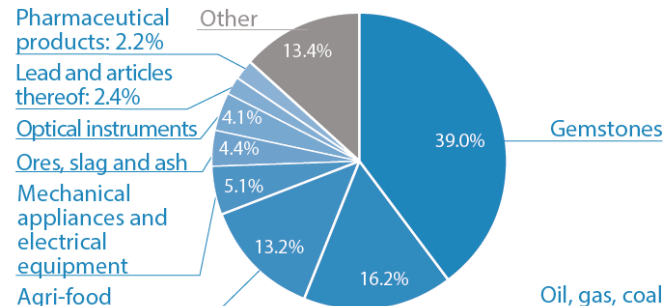
Source: Australian Bureau of Statistics

AUSTRALIA & THE EU: GOODS & SERVICES TRADE

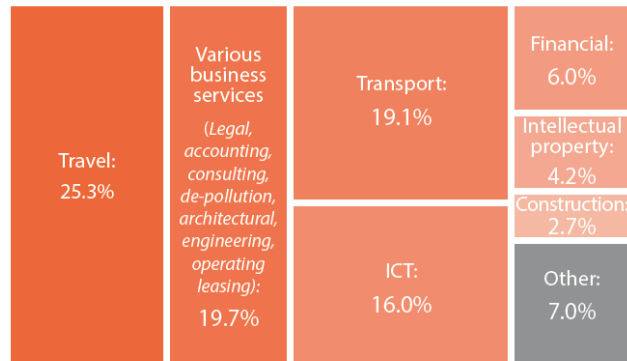
EU exports of goods to Australia (2016)



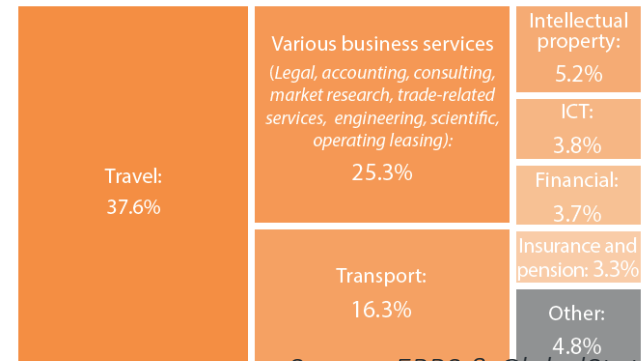
EU imports of goods from Australia (2016)



EU exports of services to Australia (2015)

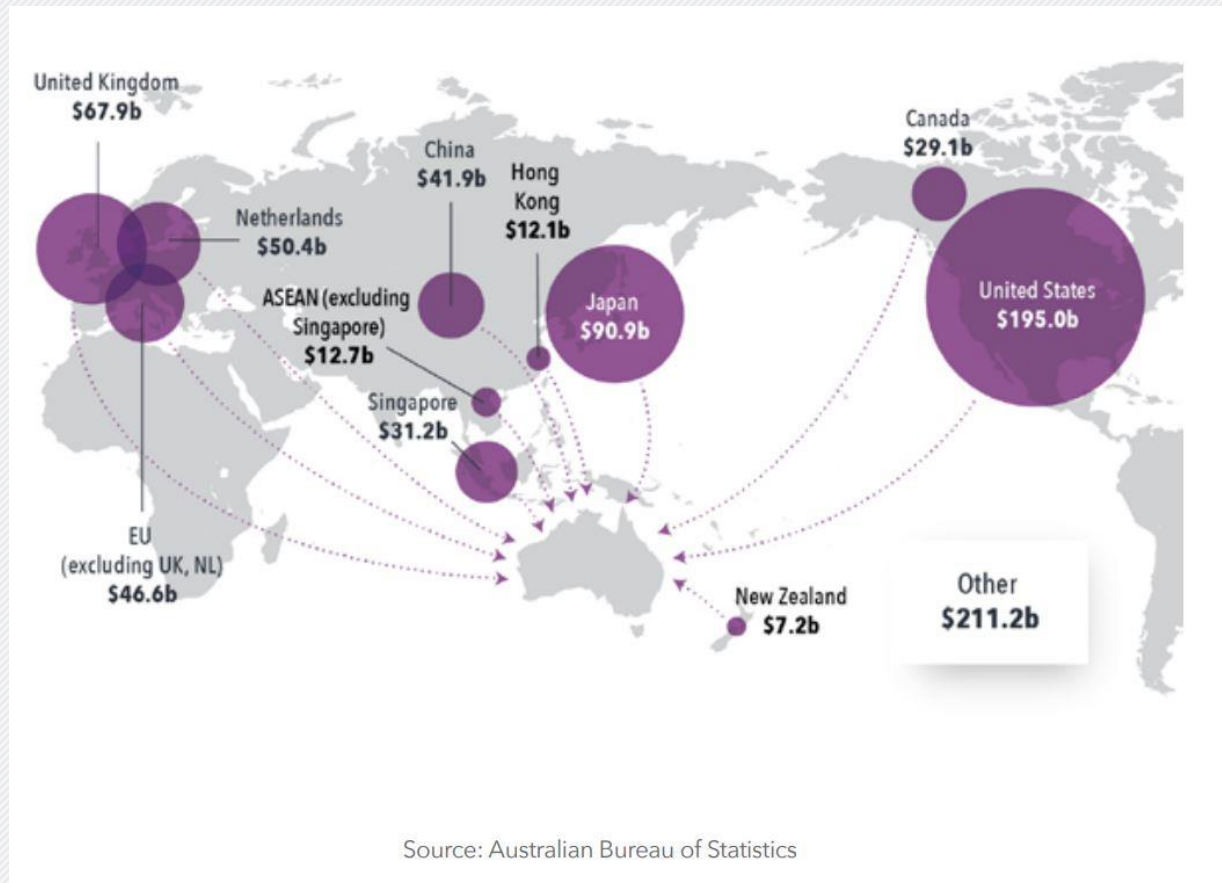


EU imports of services from Australia (2015)



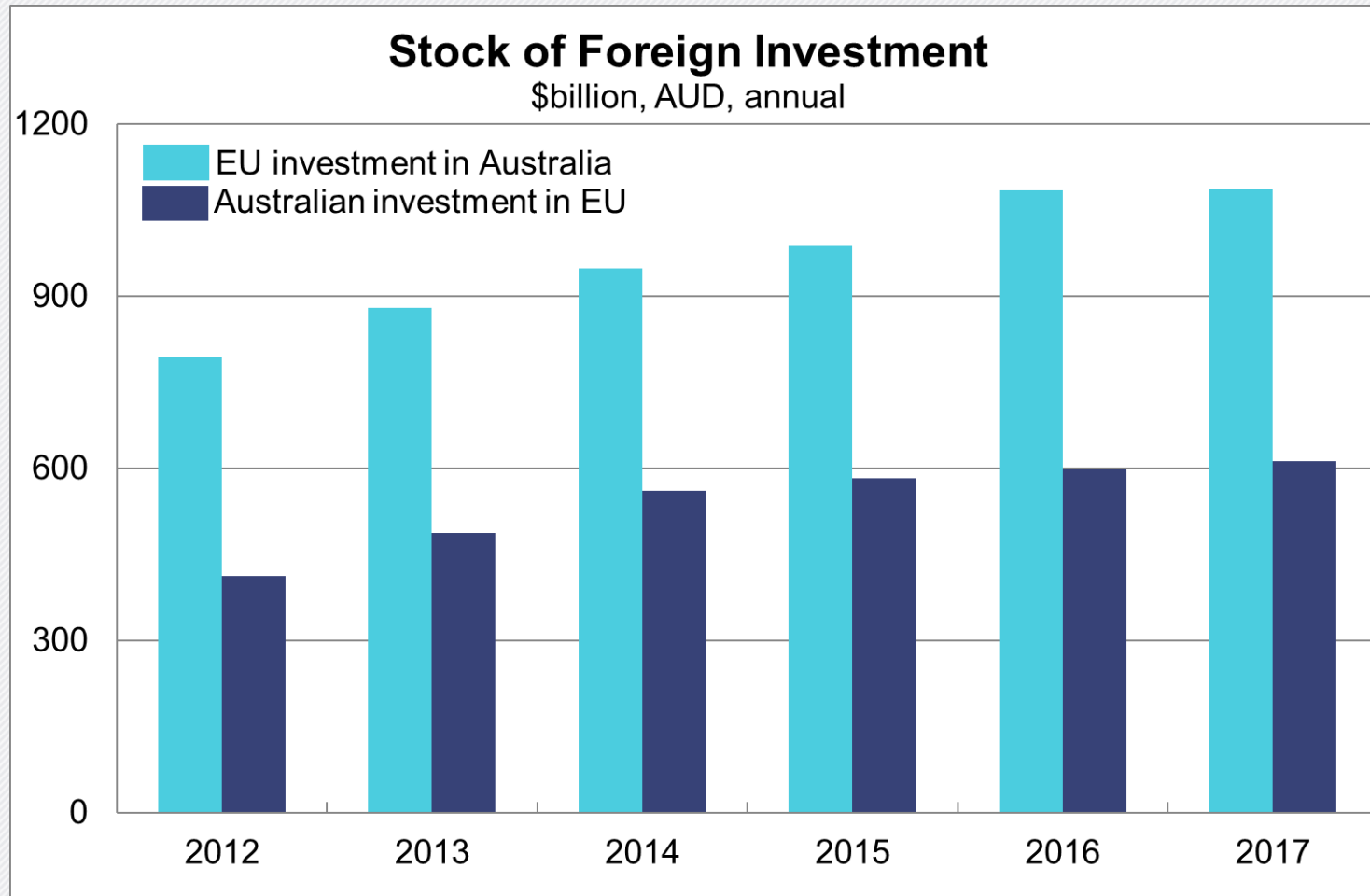
Source: EPRS & GlobalStat

AUSTRALIA & THE EU: INVESTMENT



Australia and the European Union: towards a comprehensive and ambitious FTA

AUSTRALIA-EU FOREIGN INVESTMENT



Australia and the European Union: towards a comprehensive and ambitious FTA

Source: Australian Bureau of Statistics

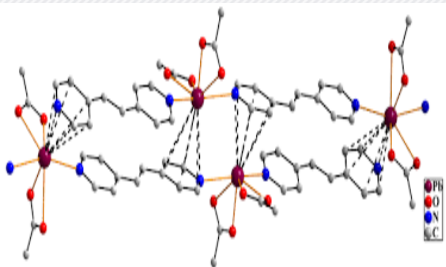
AUSTRALIA'S TOP EXPORTS TO POLAND



1. Coal



2. Other ores & concentrates



3. Inorganic chemical elements

POLAND'S TOP EXPORTS TO AUSTRALIA



1. Passenger cars,
Fiat (Tychy)
Opel (Gliwice)

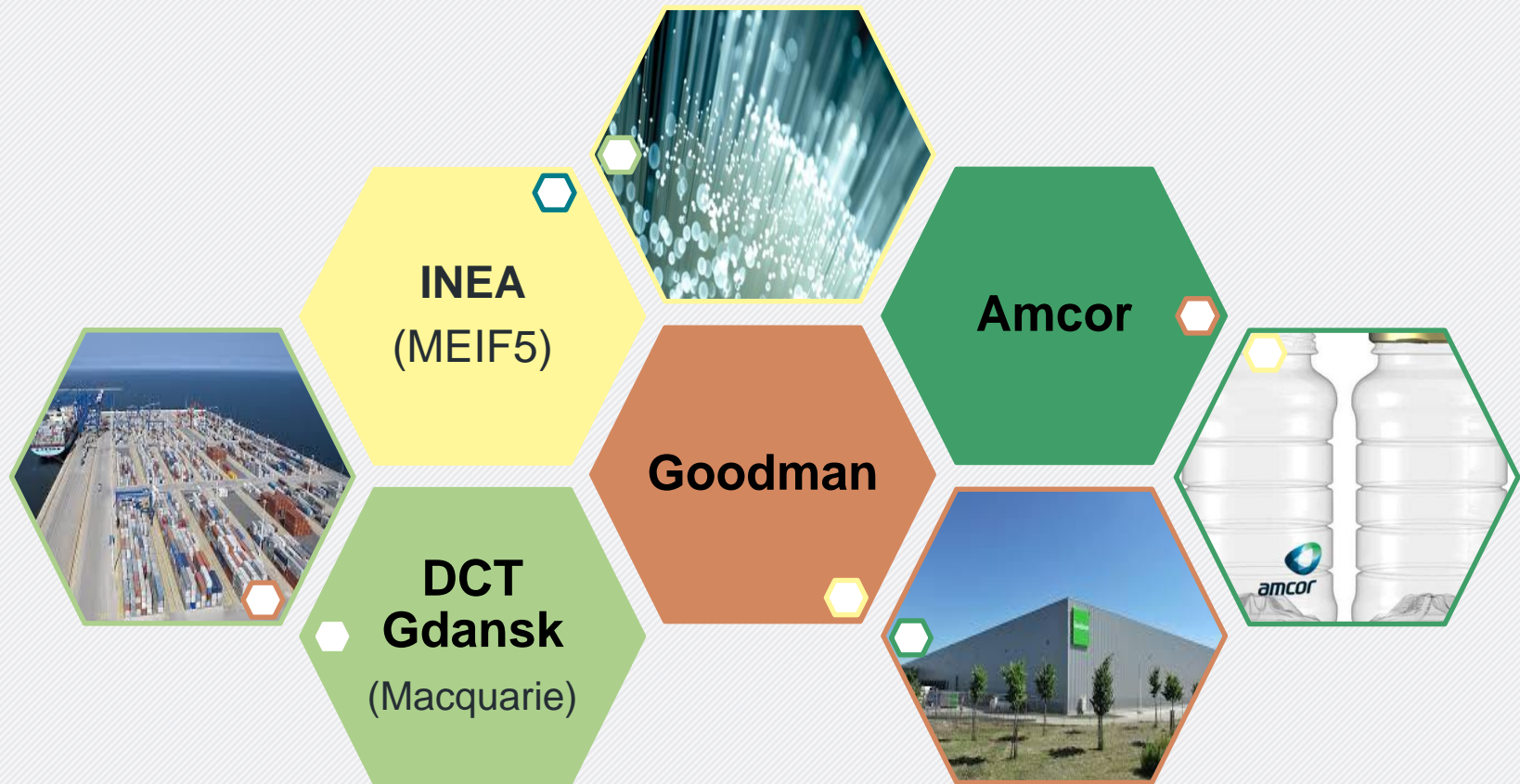


2. Telecom
equipment & parts



3. Goods vehicles

AUSTRALIAN INVESTMENTS IN POLAND



AUSTRALIA-EU FTA WORKING GROUPS

Proposed chapters include:

• Trade in Goods	• Trade in Services	• State-owned Enterprises
• Rules of Origin	• Investment Liberalisation	• Competition & Subsidies
• Customs & Trade Facilitation	• Capital Movements	• Intellectual Property
• Mutual Administrative Assistance in Customs Matters	• E-commerce/Digital Trade	• Energy & Raw Materials
• Trade Remedies	• Telecommunication	• Trade & Sustainable Development
• Technical Barriers to Trade	• Mutual recognition of professional services	• Transparency & Goods Regulatory Practices
• SPS & Animal Welfare	• Government Procurement	• Dispute Settlement

AUSTRALIA'S KEY OBJECTIVES



Expand trade in goods

- Improve market access for Australian products
- Reduce barriers to trade & costs through modern customs facilitation & ROOs



Improve access for services providers

- Guarantee access for services exporters & create new opportunities
- Establish digital trade commitments with appropriate protections for consumers



Increase investment between Australia and the EU

- Support two-way FDI flow
- Transparency & regulatory frameworks for greater certainty for investors



Balanced protection and enforcement of intellectual property rights

- Maintain a balance between interests of rights holders & users & public interest
- Address protection of geographical indications in a mutually acceptable way



Secure competitive opportunities

- Ambitious rules that assist SMEs to take advantage of the FTA
- Improved access to Government Procurement markets for Australian suppliers



Promote shared values on trade and sustainable development

- Compliance with internationally-recognised labour standards
- High-levels of environmental protections, consistent with international agreements



Efficient and effective implementation of the FTA

- Establish a transparent and effective state-to-state dispute settlement mechanism
- Provide exceptions for legitimate public policy

STATE OF PLAY IN NEGOTIATIONS

- Scoping study completed in April 2017
- Council of European Union mandate on 22 May 2018
- Negotiations launched on 18 June 2018 in Canberra
- First Round held on 1-5 July 2018 (Brussels)
- Second Round held on 19-23 November (Canberra)
- Next round to be held in March 2019

Australian & EU FTA negotiators at the end of 2nd Round in Canberra. 35 EU delegates led by DG Trade's Helena König and Australian team led by DFAT's Alison Burrows





www.dfat.gov.au/auseufta

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