



EU-Australia Leadership Forum: Roundtable on Trade and Investment

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Notes of discussion

The EU and Australia are set to begin negotiations on the EU-Australia Free Trade Agreement (FTA) in 2018. This treaty will mark an important milestone in the already robust EU-Australian relationship. The FTA should go beyond a simple tariff reduction agreement, aiming to enhance cooperation in areas beyond the scope of traditional trade and investment agreements, and create a framework under which both parties would address existing and emerging issues, while allowing to devise common answers to shared industrial and societal challenges.

The FTA should indeed be the blueprint of a lasting partnership, providing a modern and proactive framework upon which the EU-Australian relationship can be built upon and developed, allowing for broader and deeper bilateral collaboration well into the future.

There is bilateral consensus that the timing is right to negotiate and enact the FTA, the only missing element of the bilateral architecture. The EU and Australia will need to find a balance between quality versus speed of negotiation to ensure an expedited process while achieving an ambitious comprehensive deal. The FTA is a unique mechanism, with broad opportunities for deepening EU-Australian ties. While expediency benefits both sides, this agreement will also set the standards for trade for years to come. It is therefore of the utmost importance that the negotiating team ensures the highest quality trade agreement which they can deliver within a reasonable timeframe.





Although sensitivities do exist around agriculture, there is a mutuality of interest and potential for further collaboration between Australia and the EU, in particular in the joint production of high-quality, healthy and safe products for growing Asian markets, where demand for protein is for instance rapidly growing.

The scope of the FTA should move beyond the traditional partnerships of a free trade agreement. Both the EU and Australia are strongly committed to promoting social and environmental progress. In light of this, the FTA should serve as a basis for joint commitment to promoting human rights, as well as aid and development initiatives, and support to emerging economies.

Australia and the EU could also reassert their commitment to addressing their shared goals on climate and the environment. The EU and Australia share a desire for promoting affordable sustainability. In the past, cost has proven to be a key operative barrier to introducing sustainability measures. While the EU has already set a 2050 benchmark for this transition, the FTA offers both parties a joint opportunity to promote clean technology and encourage movement towards a net zero emissions economy.

Communication and transparency towards parliaments, businesses and civil society should remain a key focus both in Australia and in the EU to ensure full support of the process and to embrace its outcome. Public diplomacy will be essential to promote the benefits of the FTA and make the case for free-trade and openness, in a context of surging populist and anti-trade speeches. The near rejection of the EU-Canada agreement (CETA) illustrates the importance of transparency and public diplomacy.

The Australia-EU FTA is more than just a matter of economics, it is an essential foundation upon which the future of the EU-Australian partnership will be built.

